Food Quality Policy:

Schemes of Geographical Indications and Traditional Specialities in South East Europe
Food Quality Policy:

Schemes of Geographical Indications and Traditional Specialities in South East Europe
Regional Rural Development Standing Working Group in SEE (SWG)
Bvd. Goce Delcev 18, MRTV Building, 12th floor, 1000 Skopje, North Macedonia

Deutsche Gesellschaft fur Internationale Zusammenarbeit (GIZ) GmbH,
“Support to economic diversification of rural areas in Southeast Europe (SEDRA)”
Antonie Grubisic 5, 1000 Skopje, North Macedonia

The analysis, conclusions and recommendations in this report represent the authors` opinion and are not necessarily representative of the position of the Regional Rural Development Standing Working Group in SEE (SWG) and the Deutsche Gesellschaft fur Internationale Zusammenarbeit (GIZ) GmbH.

Edited by: Sonja Srbinovska, Paola Corsinovi, Boban Ilic, Dori Pavloska Gjorgjieska, Benjamin Mohr, Irena Djimrevska

Published by: Regional Rural Development Standing Working Group in SEE (SWG)

A CIP record of this book is available from the National and University Library “St. Clement of Ohrid – North Macedonia

CIP - Каталогизација во публикација

Национална и университетска библиотека “Св. Климент Охридски”, Скопје

664:347.77(4-672ЕУ)

664:347.77(4-12)

FOOD quality policy : schemes of geographical indications and traditional specialities in South East Europe / [edited by Sonja Srbinovska ... и др.]. - Skopje : Standing working group for regional rural development (SWG), 2020. - 219 стр. : илустр. ; 30 см

Други уредници: Paola Corsinovi, Boban Ilic, Dori Pavloska Gjorgjieska, Benjamin Mohr, Irena Djimrevska. - Библиографија: стр. 218-219


а) Прехранбени производи - Ознаки на потекло - Географски поими - Защита - Европска унија б) Прехранбени производи - Ознаки на потекло - Географски поими - Защита - Југоисточна Европа

COBISS.MK-ID 51208453
FOREWORD AND ACKNOWLEDGEMENTS

The South-East Europe (SEE) countries/territories have wide assortment of typical, specific agriculture and traditional food products which represent the rich agrobiodiversity and long tradition in agriculture and food production.

In contrast to the EU member states, which have strong quality policy for recognition of geographic and traditional specificity of the agro and food products, the South-East Europe countries/territories in general are in the early stage of establishing an adequate framework conditions of the quality policy.

The schemes of Geographic Indications and Traditional Specialties are important for adding value to the agricultural and food products, and sustainable agriculture and socio-economic development of rural areas. The awareness of the public and political stakeholders, as well as producers about the importance and the possibilities for the specific, typical and traditional products is on very different level within the SEE region, followed by different legislative, institutional and financial support and activities.

The Regional Rural Development Standing Working Group in South-East Europe (SWG RRD) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH within the project „Support to economic diversification of rural areas in Southeast Europe” (SEDRA), performed assessment of the state of the art and existing gaps, problems and challenges in the legislative, strategic, policy and institutional framework related to implementation of quality policy and schemes of geographical indications and traditional specialties in SEE countries/territories. Consequently, policy recommendations and actions to overcome the challenges and ease the EU integration process related to food quality policy are provided.

Moreover, an attempt is made to enhance cooperation between policy makers, researchers, civil society and business sector, as well as to raise awareness about the importance of implementing the quality policy and schemes of geographical indications and traditional specialties in SEE and the importance of the latter for sustainable economic development of rural areas.

National and regional policy assessments and gap analysis are carried out in all SEE countries/territories (Albania, Bosnia and Herzegovina, Kosovo*, Macedonia, Montenegro and Serbia) in order to provide policy recommendations for EU compliant food quality policy.

On the occasion of performance of the assessment, SWG and GIZ would like to express the appreciation to the Ministries of Agriculture and Rural Development from the SEE region for their dedication and active contribution to the process.

The appreciation also goes to the senior expert Prof. Sonja Srbinovska from the Faculty of Agricultural Sciences and Food, University, St. Cyril and Methodius, Skopje, the regional experts Dr. Vlado Kovacevic, Mr. Veli Hoti and the international expert Dr. Paola Corsinovi.

On behalf of the SWG Secretariat
Mr. Boban Ilic
Secretary General

On behalf of GIZ SEDRA
Mr. Benjamin Mohr
Team Leader

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

**FOREWORD AND ACKNOWLEDGEMENTS** ................................................................. 3

Introduction and background ....................................................................................... 12

**Section A: Regional Synthesis Report** ................................................................. 15

A.1 The European quality system ............................................................................. 16
   A.1.1 Protection conferred by the registration ...................................................... 19

A.2 Evaluation of the official systems in place for the implementation of EU legislation .......................................................................................... 20
   A.2.1 Legal Framework: gaps and needs ............................................................ 20
   A.2.2 Institutional Settings: gaps and needs ....................................................... 21
   A.2.3 The role of producers: gaps, key issues and challenges ........................... 22
   A.2.4 Control bodies and certification system ................................................... 24

A.3 Rural Development Policy .................................................................................. 26

A.4 Final remarks ...................................................................................................... 31

A.5 Recommendations and possible activities ....................................................... 35
   A.5.1 Institutional and political setting ............................................................... 35
   A.5.2 Flexibilities and derogations of the food safety requirements .................... 35
   A.5.3 Certification and control enforcement ..................................................... 36
   A.5.4 Supporting the “bottom-up” approach and increasing awareness of producers .......................................................... 36
   A.5.5 Supporting products already registered as GIs (or potential candidates) .................................................. 37
   A.5.6 Training sessions on Geographical Indications and basic quality standard requirements .................................................. 37
   A.5.7 Increasing the visibility of GIs on the market and awareness of the consumers .................................................. 38
   A.5.8 Supporting and promoting national logos for PDO - PGI and TSG products .................................................. 38
   A.5.9 Improving strong synergies with local tourism and local food operators .................................................. 38
   A.5.10 Proposal on Food quality schemes annual follow-up report .................. 39

**LIST of REFERENCES** ......................................................................................... 42

Annex A.1 - Inventory of Origin-linked products in South East Europe countries/territories ........................................................................ 44

1. Albania .................................................................................................................. 44
2. Bosnia and Herzegovina ....................................................................................... 45
3. Kosovo* ................................................................................................................ 46
4. Montenegro .......................................................................................................... 47
5. North Macedonia .................................................................................................. 48
6. Serbia ................................................................................................................... 49
Section B: Short guidelines on the steps and procedures for registration of quality products with Geographical Indications and Traditional Specialities on EU level

B.1 REGISTRATION PROCESS: the main procedures at EU level

B.1.1 How to register

B.1.2 Application requirements: the procedure at the national level

B.1.3 Application requirements: the procedure at the EU level

B.2 CONTENT of APPLICATION for REGISTRATION OF PDO and PGI

B.2.1 Application dossier: some explanations

B.2.1.1 Name and Address of the Applicant Group

B.2.1.2 Name and address of the Authorities

B.2.1.3 Name and address of the bodies verifying compliance with the provisions of the product specification

B.3 PRODUCT SPECIFICATION

B.3.1 Product designation (the name of the product)

B.3.2 Product description (raw materials and main characteristics)

B.3.3 Definition of the geographical area delimited

B.3.4 Evidence that the product originates in the defined geographical area

B.3.5 Description of the method of obtaining the product

B.3.6 Mention of quality control body

B.3.7 Specific rules concerning labelling in regard to the acronyms PDO/PGI

B.3.8 Regulations and conditions in compliance with national/EU provisions

B.4 SINGLE DOCUMENT

B.5 TRADITIONAL SPECIALITY GUARANTEED (TSG)

B.5.1 Content of application for registration of TSG

B.5.2 Main criteria for TSG registration

B.5.3 Product specification (TSG)

B.6 ADDITIONAL QUALITY SCHEMES

B.7 CONCLUSIONS and FINAL REMARKS

Section C: National Reports

Chapter C1 - Food Quality Policy in Albania

C.1.1 INTRODUCTION

C.1.2 RURAL DEVELOPMENT PROGRAMS AND FOOD POLICY

C.1.3 EVALUATION OF THE OFFICIAL SYSTEM IN RELATION TO THE EU ACQUIS AND IMPLEMENTATION OF THE POLICIES
C.1.3.1 Legal Framework .......................................................... 88
C.1.3.2 Institutional Setting .................................................... 92
C.1.3.3 Food quality measures in place .................................. 95
C.1.3.4 Identification of key issues and challenges .................. 96
C.1.4 NATIONAL INVENTORY OF ORIGIN-LINKED PRODUCTS AND COST-BENEFIT ANALYSIS ........................................ 96
C.1.5 BEST EXAMPLES AND BEST PRACTICES ......................... 98
C.1.6 DIGITAL APPROACHES IN CERTIFICATION AND PROMOTION OF THE SCHEMES OF GEOGRAPHICAL INDICATIONS AND TRADITIONAL SPECIALTIES ........................................... 99
C.1.7 CONCLUSIONS AND RECOMMENDATIONS ..................... 104
List of references ........................................................................ 106

Chapter C2 - Food Quality Policy in Bosnia and Herzegovina 107
C.2.1 Introduction ........................................................................ 108
C.2.2 Rural development programs and Food policy in COUNTRY/CAP within the national strategic and program documents ................................................................. 109
C.2.3 Evaluation of the official systems in place for the implementation of EU legislation concerning PDOs, PGIs and TSGs for agricultural products and foodstuffs .................. 110
   C.2.3.1 Legal Settings .......................................................... 110
   C.2.3.2 Institutional Setting .................................................... 111
   C.2.3.3 Food quality measures in place .................................. 114
   C.2.3.4 Identification of key issues and challenges that requires policy interventions at national level ................................................................. 117
C.2.4 National inventory of origin-linked products and cost-benefit analysis ..................................................... 118
C.2.5 Good examples and practices at national level .................... 119
C.2.6 Digital approaches in certification and promotion of the schemes of geographical indications and traditional specialties ........................................ 120
C.2.7 Conclusions and recommendations .................................. 120
   C.2.7.1 Conclusions .......................................................... 120
   C.2.7.2 Recommendation .................................................... 121
List of references ........................................................................ 122

Chapter C3 - Food Quality Policy in Kosovo* 123
C.3.1 INTRODUCTION .......................................................... 124
C.3.2 RURAL DEVELOPMENT PROGRAMS AND FOOD POLICY ........................................ 125
C.3.3 EVALUATION OF THE OFFICIAL SYSTEM IN RELATION TO THE EU ACQUIS AND IMPLEMENTATION OF THE POLICIES ........................................ 127
Chapter C6 - Food Quality Policy in Serbia

C.6.1 Introduction ........................................................................................................................................... 200
C.6.2 Rural development programs and food policy in COUNTRY/CAP within the national strategic and program documents .................................................................................................................. 201
C.6.3 Evaluation of the official systems in place for the implementation of EU legislation concerning PDOS, PGIs and TSGs for agricultural products and foodstuffs .................................................................................. 203
  C.6.3.1 Legal Settings ....................................................................................................................................... 204
  C.6.3.2 Institutional Settings .......................................................................................................................... 205
  C.6.3.3 Food quality measures in place ..................................................................................................... 207
  C.6.3.4 Identification of key issues and challenges for which policy interventions are needed at national level ........................................................................................................................................... 210
C.6.4 National Inventory of origin-linked products and cost-benefit analysis .................................................. 211
C.6.5 Good examples and practices at national level ......................................................................................... 212
C.6.6 Digital approaches in certification and promotion of the schemes of geographical indications and traditional specialties ........................................................................................................................................... 214
C.6.7 Conclusions and recommendations ..................................................................................................... 215
  C.6.7.1 Conclusions ........................................................................................................................................... 215
  C.6.7.2 Recommendations ............................................................................................................................. 217
List of references .................................................................................................................................................. 218
# List of abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFSARD</td>
<td>Agency for Financial Support of the Agriculture and Rural Development</td>
</tr>
<tr>
<td>APIS</td>
<td>Agricultural Market Information System</td>
</tr>
<tr>
<td>BD</td>
<td>Brčko District</td>
</tr>
<tr>
<td>BiH</td>
<td>Bosnia and Herzegovina</td>
</tr>
<tr>
<td>BoR</td>
<td>Book of Rules</td>
</tr>
<tr>
<td>CAP</td>
<td>Common Agricultural policy</td>
</tr>
<tr>
<td>CEFTA</td>
<td>Central European Free Trade Agreement</td>
</tr>
<tr>
<td>CMO</td>
<td>Common Market Organization</td>
</tr>
<tr>
<td>CQS</td>
<td>Committee on Quality Scheme</td>
</tr>
<tr>
<td>DAK</td>
<td>General Directorate of Accreditation of Kosovo*</td>
</tr>
<tr>
<td>Do</td>
<td>Designation of Origin</td>
</tr>
<tr>
<td>EBRD</td>
<td>European Bank for Reconstruction and Development</td>
</tr>
<tr>
<td>EC</td>
<td>European Commission</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>EUipo</td>
<td>European Union Intellectual Property Office</td>
</tr>
<tr>
<td>Euo</td>
<td>European Union Office</td>
</tr>
<tr>
<td>FADN</td>
<td>Farm Accountancy Data Network</td>
</tr>
<tr>
<td>FAO</td>
<td>Food and Agriculture Organization of the United Nation</td>
</tr>
<tr>
<td>FBH</td>
<td>Federation of Bosnia and Herzegovina</td>
</tr>
<tr>
<td>FQL</td>
<td>Law on the Quality of Agricultural Products</td>
</tr>
<tr>
<td>FVA</td>
<td>Food and Veterinary Agency</td>
</tr>
<tr>
<td>GDIP</td>
<td>General Directorate of Industrial Property</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GI</td>
<td>Geographical Indication</td>
</tr>
<tr>
<td>GIZ</td>
<td>Deutsche Gesellschaft für Internationale Zusammenarbeit</td>
</tr>
<tr>
<td>GVA</td>
<td>Gross Value Added</td>
</tr>
<tr>
<td>IACS</td>
<td>Integrated Administration and Control System</td>
</tr>
<tr>
<td>IPA</td>
<td>Industrial Property Agency</td>
</tr>
<tr>
<td>IPARD</td>
<td>Instrument for Pre-Accession Assistance for Rural Development</td>
</tr>
<tr>
<td>IPO</td>
<td>Intellectual Property Office</td>
</tr>
<tr>
<td>JRC</td>
<td>Join Research Centre</td>
</tr>
<tr>
<td>Ksipp</td>
<td>Kosovo* Institute of Intellectual Property</td>
</tr>
<tr>
<td>Ligo</td>
<td>Law on Indications of Geographical Origin</td>
</tr>
<tr>
<td>Lpis</td>
<td>Land Parcel Identification System</td>
</tr>
<tr>
<td>Lqap</td>
<td>Law on the Quality of Agricultural Products</td>
</tr>
<tr>
<td>MAFRD</td>
<td>Ministry of Agriculture, Forestry and Rural Development</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Full Form</td>
</tr>
<tr>
<td>--------------</td>
<td>-----------</td>
</tr>
<tr>
<td>MAFWE</td>
<td>Ministry of Agriculture Forest and Water Economy</td>
</tr>
<tr>
<td>MAFWM</td>
<td>Ministry of Agriculture, Forestry and Water Management</td>
</tr>
<tr>
<td>MARD</td>
<td>Ministry of Agriculture and Rural Development</td>
</tr>
<tr>
<td>ME</td>
<td>Ministry of Economy</td>
</tr>
<tr>
<td>MFE</td>
<td>Ministry of Finance and Economy Albania</td>
</tr>
<tr>
<td>MI</td>
<td>Ministry of Infrastructure</td>
</tr>
<tr>
<td>MKD</td>
<td>Republic of North Macedonia</td>
</tr>
<tr>
<td>MOEPP</td>
<td>Ministry of environment and physical planning</td>
</tr>
<tr>
<td>MONSTAT</td>
<td>Statistical Office of Montenegro</td>
</tr>
<tr>
<td>MTI</td>
<td>Ministry of Trade and Industry</td>
</tr>
<tr>
<td>MTBP</td>
<td>Medium Term Budget Programme</td>
</tr>
<tr>
<td>NBS</td>
<td>National Bank of Serbia</td>
</tr>
<tr>
<td>NCA</td>
<td>National Competent Authority</td>
</tr>
<tr>
<td>NFA</td>
<td>National Food Authority</td>
</tr>
<tr>
<td>NPARD</td>
<td>National Programme for Agricultural and Rural Development</td>
</tr>
<tr>
<td>NSDI</td>
<td>National Strategy for Development and Integration</td>
</tr>
<tr>
<td>OG</td>
<td>Official Gazette</td>
</tr>
<tr>
<td>PDO</td>
<td>Protected Designation of Origin</td>
</tr>
<tr>
<td>PG</td>
<td>Producer Group</td>
</tr>
<tr>
<td>PGI</td>
<td>Protected Geographical Indication</td>
</tr>
<tr>
<td>PO</td>
<td>Producer Organizations</td>
</tr>
<tr>
<td>RDP</td>
<td>Rural Development Programme</td>
</tr>
<tr>
<td>RSR</td>
<td>Republic of Srpska</td>
</tr>
<tr>
<td>SAA</td>
<td>Stabilization and Association Agreement</td>
</tr>
<tr>
<td>SDC</td>
<td>Swiss Agency for Development and Cooperation</td>
</tr>
<tr>
<td>SEE</td>
<td>South East Europe</td>
</tr>
<tr>
<td>SEDRA</td>
<td>Support to economic diversification of rural areas in Southeast Europe</td>
</tr>
<tr>
<td>SOIP</td>
<td>State Office of Industrial Properties</td>
</tr>
<tr>
<td>SORS</td>
<td>Statistical Office of the Republic of Serbia</td>
</tr>
<tr>
<td>SWG</td>
<td>Standing Working Group</td>
</tr>
<tr>
<td>TRIPS</td>
<td>Trade-Related Aspects of Intellectual Property Rights</td>
</tr>
<tr>
<td>TSG</td>
<td>Traditional Specialties Guaranteed</td>
</tr>
<tr>
<td>UAA</td>
<td>Utilized Agricultural Area</td>
</tr>
<tr>
<td>WB</td>
<td>Western Balkan</td>
</tr>
<tr>
<td>WIPO</td>
<td>World Intellectual Property Organization</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organization</td>
</tr>
</tbody>
</table>
Introduction and background

Geographical Indications (GIs) represent an important opportunity for many regions to add value to their economies and societies, not only in terms of trade and income, but in the form of cultural and environmental benefits as well. Geographical Indication can be a very useful tool for rural development that includes economic, social and environmental dimensions. This premise is based, in part, on the extraordinary success of GIs in regions and countries ranging mainly from France, Italy and Spain (Giovannucci et al., 2009).

A relevant number of studies indicate how GIs can contribute to development in rural areas. (Arfini et al., 2019; Barjolle, 2010; Gracia et al., 2007; Raimondi et al., 2018; EU Commission, 2012; European IPR helpdesk, 2016; FAO, 2018; WIPO, 2018). In addition, a number of studies emphasize GIs impacts on tourism through the preservation of a regional cultural heritage (Belletti and Marescotti, 2011; Suh and MacPherson, 2007; Teuber, 2010). The literature argued that the link between GIs and rural development involves several aspects: (1) support of the GI supply chain; (2) support to rural economic diversification; (3) empowerment and activation of human resources and development of local social organization; (4) support the agricultural profitability; and (4) protection of the environment, amenities and local cultures enabling local people to stay in the production area (Réquillart, 2007; European Commission, 2003; 2014). Deconinck and Swinnen, 2014; Moschini et al. 2008; developed a political economy model of the size of geographical indications, taking into account possible effects on perceived quality as well as on cost sharing among producers. A substantial body of studies on place of origin showed that Country of Origin affects consumer perceptions (Reierson 1966; Dornoff et al. 1974; Clarke, Ownens and Ford 2000; Felzensztein, et al. 2008; etc.). According to Atkin 2010, the origin information helps consumers to reduce perceived risk and more often perceived as an indicator of quality when purchasing (for example) wine. However, Akerlof (1970) and Nelson (1970), pioneering researchers in this field, show that information asymmetries pertaining to the quality of a product are factors that negatively influence consumer demand.

In areas where agriculture is difficult or costly, such as mountainous areas and development countries, traditional production methods may be the only way to maintain activities and some employment. Production and supply costs of traditional products are generally higher than those of competitive industrial products; that is why their specific quality should be recognized and the consumer should be informed about their characteristics. Additionally, the link between product, people and place makes the origin-linked product an element of the local identity for the population, so the impacts of protecting origin-linked products should be the strongest for local stakeholders (EU Commission, 2014).

Considering that the schemes of Geographical Indication and Traditional Specialities are important for adding value and marketing of the products with specific characteristics, particularly those coming from less-favored or rural area, as well as their contribution to the increased income of farmers, in return of a “genuine effort of improved quality”, policy and technical support to South East Europe countries/territories (Albania, Bosnia and Herzegovina, Kosovo*, North Macedonia, Montenegro, and Serbia) was provided on food quality schemes such as the Geographical Indications (GIs) for alignment to the EU requirements and implementation process.

The renewed EU accession process is the main incentive for harmonization and adaptation of the rural development policies and instruments of the six South East Europe countries/territories to the needs of their region and the people living there. Even if all countries/territories of SEE are facing inevitable loss of the still existing valuable traditional production in agriculture: aging and migration of the rural population.

---

Currently, the EU enlargement policy targets 5 candidate countries/territories: Albania, North Macedonia, Montenegro, Serbia and Turkey and 2 potential candidates as Bosnia and Herzegovina (BiH) and Kosovo*. The Treaty on European Union sets out the conditions (Article 49) and principles (Article 6(1)) to which any country wishing to become an EU member must conform.

Certain criteria must be met for admission. These criteria (known as the Copenhagen criteria) were established by the Copenhagen European Council in 1993. They are related to the stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities. The development of the economy must be sufficient to withstand the competitive pressure in the internal market, and ability to assume not only the rights but also the obligations under the Treaties3. The Copenhagen criteria include the whole range of policies and measures that constitute the *Acquis Communautaire* of the Union that the candidate countries must adopt, implement and enforce. The *Acquis* is constantly evolving and contains: the principles and political objectives of the Treaties on which the Union is founded; legislation and decisions adopted pursuant to the Treaties, and the case law of the Court of Justice; other acts, legally binding or not, adopted within the Union framework; joint actions, common positions, declarations, conclusions and other acts within the framework of the common foreign and security policy (etc.)*.

This requires the administrative capacity to transpose EU Community (EUC) legislation into domestic legislation, to implement it and to effectively enforce it through appropriate administrative and judicial structures. Negotiations are held with each candidate country to determine their ability to apply EU legislation (*Acquis*) and examine their possible request for transition periods. In order to conduct the accession negotiations, EU legislation and standards are divided into 35 chapters that are negotiated one by one. The EU Commission assists candidate and potential candidate countries in their progressive alignment with the standards and policies of the EU. The legal base for financial assistance for pre-accession is Article 212(2) of the Treaty on the Functioning of the European Union.

The Instrument for Pre-accession Assistance (IPA) represents one of the general instruments directly supporting EU External Aid policies.5 The assistance for all candidates supports a wide range of institution-building measures. The difference is made between candidate and potential candidate countries. On the one hand it supports them in their efforts to strengthen democratic institutions and the rule of law, reform public administration, support the development, cooperation and reconstruction. On the other hand, Community assistance contributes to sustainable development and poverty reduction in all these countries. Assistance for candidate countries additionally focuses on the adoption and implementation of the full Acquis and prepares candidate countries for the implantation of the Community’s agricultural and cohesion policy. IPA6 is programmed according five components as 1) Transition assistance and Institution Building; 2) Cross-Border Cooperation; 3) Regional Development; 4) Human Resource Development; 5) Rural Development. The first two components are accessible to all beneficiaries, and the others are accessible only to candidate countries. For example, the IPARD programme or Instrument for Pre-Accession Assistance in Rural Development provide assistance for the implementation of the Acquis concerning the Common Agricultural Policy (CAP) and contribute to the sustainable adaptation of the agricultural sector and rural areas in the candidate

---

3 The accession process is based on objective criteria and the application of the principle of equal treatment of all applicant countries. Progression towards accession depends on the capacity of the applicant country to undertake the necessary reforms to align its political, institutional, legal, administrative and economic systems with the rules, standards, policies and practices in the Union.
6 The EU Commission Communication of June 2011 “A budget for Europe 2020” proposed to allocate an amount of 14 110.100.000 euro to the new Instrument for Pre-accession Assistance for the period 2014-2020.
country (Corsinovi, Gaeta 2015).

In SEE public, political and scientific awareness on the essential role of food policy is on very different level, followed by different legislative, low institutional and financial support. However, in order to provide recommendations for EU-compliant rural food policy development and relevant implementation of quality schemes, European and regional experts have conducted national assessments and gap analysis.

The assessment focuses on an analysis of the current national legislative and institutional status in South East Europe countries/territories, focusing on gaps identification, highlighting the necessary changes, reforms and harmonization of the legal base in respect to the Common Agricultural Policy (CAP) and Quality food schemes as the Geographical Indications. Moreover, assessment was made on essential role of the small food producers and identification of key issues and challenges for the producers and trends of protection in the SEE countries/territories.

The document is dived accordingly in three sections:

In the first section (Section A) the authors take into consideration the quality system and its implementations at EU level (first chapter). The current national legislative and institutional status in SEE countries/territories for the implementation of EU legislation is analyzed in the second chapter. Third chapter presents the main strategies and priorities implemented in SEE to support the Rural Development Policy and the food policy schemes. The PART A concludes with some practical recommendations and possible actions according the relevant aspects analyzed in the previous sections that could assist policy-makers and marketers to support the implementation of GI system.

In the appendix an inventory of agriculture/food products was carried out with the support of regional expert, with the objectives to identify agricultural products that could become the objects of a GI registration process, or they could be involved in future activities for increasing the sensibility of producers and consumers.

Section B, includes a short guidance prepared by the authors on the steps and procedures for registration of products with Geographical Indications (PDO and PGI) and Traditional Speciality Guaranteed (TSG) with the aim to understanding how (some) EU requirements has been implemented in the most successful EU countries, some EU GIs have been taken as example.

Section C, includes the single report of each country analyzed (Albania, Bosnia and Herzegovina, North Macedonia, Montenegro, Serbia, and Kosovo*) and prepared by the Regional experts.

---

7 These aims are to be met by implementation of 9 different measures under 3 priority axes: first for improving market efficiency and implementing community standard; secondly are preparatory actions for implementation of the agri-environmental measures and Leader; thirdly for rural economy development.
Section A: Regional Synthesis Report

Authors

Sonja Srbinovska,
PhD, Faculty of Agricultural Sciences and Food, Ss. Cyril and Methodius University Skopje

Paola Corsinovi
PhD, Expert on EU Agricultural Policies, EU Regulations & Agribusiness
A.1 The European quality system

European Union (EU) quality policy aims at protecting the names of specific products to promote their unique characteristics, as well as traditional know-how. Three quality schemes are recognised with their acronyms: PDO (Protected Designation of Origin), PGI (Protected Geographical Indication) and TSG (Traditional Speciality Guaranteed). These schemes promote and protect names of quality agricultural products and foodstuffs and encourage diverse agricultural production, protect product names from, inter alia, misuse, evocation and imitation and help consumers by giving them information concerning the specific character of the products. Traditional Speciality Guaranteed highlights the traditional character of products, either in their composition or means of production, and hence, does not strictly refer to geographical origin (European Commission, 2012) (Figure 1).

PDO and PGI are known as Geographical Indications (GIs) due to the specific link to the place where they are made. The GI recognition enables consumers to trust and distinguish quality products while also helping producers to market their products better. A Geographical Indication right enables those who have the right to use the indication to prevent its use by a third party whose product does not conform to the applicable standards. The right to use a protected geographical indication belongs to producers in the geographical area defined, who comply with the specific conditions of production for the product.

Figure A.1. European Union quality schemes

Protected Designations of Origin (PDO) are names used to designate a product which is also originating from a limited territory (region, locality or a country) for which its quality or characteristics are essentially or exclusively due to its origin. Natural and human factors of the territory are often responsible for that differentiated quality. For a PDO, all the steps of the production of the agricultural good or foodstuff have to take place in the region. This means that the raw material for a transformed PDO product (milk for a cheese product for example), should be originating in the geographical area.

Protected Geographical Indications (PGI) are names used to designate a product originating in a territory (locality, region or a country) for which a certain quality, reputation or other characteristic can be attributable to its origin. At least one of the steps of production of the product needs to take place in the said territory, which means that raw material to make the product does not necessarily originate from the geographical area.
With the term “Traditional Specialities Guaranteed (TSG)” European Union highlights the traditional aspects such as the way the product is made or its composition, without being linked to a specific geographical area. The name of a product being registered as a TSG protects it against falsification and misuse.

As part of the EU’s system of intellectual property rights (IPRs), names of products registered as GIs are legally protected against imitation and misuse within the EU and in non-EU countries where a specific protection agreement has been signed. Since the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) entered into force in the mid-1990s, the terms of GIs have come into common use. The TRIPS Agreement, Article 22, paragraph 1, contains the following description on GIs:

“[…] Indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin”.

In the EU, GIs are regulated by several Regulations depending on the type of product involved: agricultural products and foodstuffs, or wines, or spirits, or handicraft or industrial products. In all cases, Member States are responsible for the prevention of unlawful use within the EU of protected geographical designations.

The following EU regulations are currently in place:

- 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

Additional provisions or rules of implementation pursuant to Regulation 1151/2012 are stipulated in the Commission Delegated Regulation (EU) No. 664/2014 and the Commission Implementing

---

8 Intellectual property rights (IPR) protect a firm’s intangible assets, allowing enterprises to profit from their creative and broadly innovative activities. Intangible assets account for more than half the value of companies and their importance is growing. In a world where EU companies compete more on innovation, creativity and quality than on price, intellectual property is a powerful tool for EU enterprises to become more competitive. The Commission has designed a legal framework and intellectual property system that offer incentives for EU companies to invest in the provision of goods and services with high standards of quality, innovation, design and creativity.
ing Regulation (EU) No. 668/2014\(^\text{13}\).

Regulation 1151/2012 only applies to certain agricultural products and foodstuffs, such as fruit and vegetables, fish, meat and meat products, cheese, bread, pastry or beer. The protection provided by the Regulation 1151/2012 upon registration is equally available to geographical indications of third countries that meet the corresponding criteria and that are protected in their country of origin. The classification in Annex XI to the Implementing Regulation contains a comprehensive list. Table 1, provides a short list according to the EU Regulation.

Table A.1. List and product classification

<table>
<thead>
<tr>
<th>Traditional specialities guaranteed</th>
<th>From Class 2.21. To 2.27 prepared meals; chocolate and derived products; bread, pastry, cakes, confectionery, biscuits and other baker’s wares; beverages made from plant extracts; pasta; salt.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural products and foodstuffs which can be protected with PDOs/PGIs</td>
<td>From Class 2.1. To 2.20 beer, chocolate and derived products; bread, pastry, cakes, confectionery, biscuits and other baker’s wares; beverages made from plant extracts; pasta; salt; natural gums and resins; mustard paste; hay; essential oils; cork (etc.)</td>
</tr>
<tr>
<td>Agricultural products intended for human consumption which can be protected</td>
<td>From Class 1.1. To 1.8 Fresh meat (and offal); Meat products (cooked, salted, smoked, etc.); Cheeses; Other products of animal origin (eggs, honey, various dairy products except butter, etc.); Oils and fats (butter, margarine, oil, etc.); Fruit, vegetables and cereals fresh or processed; Fresh fish, molluscs, and crustaceans and products derived therefrom; other products listed in Annex I to the Treaty (spices etc.)</td>
</tr>
</tbody>
</table>

Source: Author’s own elaboration based on EU Regulations 1151/2012 and 668/2014.

The Regulation on agricultural products or foodstuff GIs provides that any restriction on the origin of raw materials for a GI must be justified in relation to the link between a specific quality, the reputation or other characteristic of the agricultural product or foodstuff and the geographical origin.

Due to the specificity and relevance of the wine sector in the EU, Regulation (EC) No 1308/2013 provides the following specification:

- “Designation of origin” means the name of a region, a specific place or a country used to describe a product that complies with the following requirements:
  - Its quality and characteristics are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors;
  - The grapes from which it is produced come exclusively from this geographical area;
  - Its production takes place in this geographical area;
  - It is obtained from vine varieties belonging to Vitis;

“Geographical indication” means an indication referring to a region, a specific place or a country, used to describe a product that complies with the following requirements:

- It possesses a specific quality, reputation or other characteristics attributable to that geographical origin;
- At least 85% of the grapes used for its production come exclusively from this geographical area;
- Its production takes place in this geographical area;
- It is obtained from vine varieties belonging to Vitis vinifera or a cross between the Vitis vinifera species and other species of the genus Vitis.

According to many scientific publications, Geographical Indications may represent an important opportunity for many regions to add value to their economies and societies, not only in terms of trade and income, but in the form of cultural and environmental benefits as well. This premise is based, in part, on the extraordinary success of GIs in regions and countries such as France, Italy (ITC, 2009)14. GIs are much more than just a geographic name-noting system. They identify a product as originating in a delimited territory, where one or more of its characteristics and its quality, reputation, or some other unique feature – is essentially attributable to its geographical origin and the particular human or natural factors found in that region.

A.1.1 Protection conferred by the registration

All producers that comply with the corresponding specification may use a name registered under the EU Regulation. The EU symbols (logos) must appear on the labelling of products originating in the European Union and marketed under a registered name. The indications “protected designation of origin” or “protected geographical indication” or the respective abbreviations “PDO” or “PGI” may be used (Art. 12 (3) of the Regulation).

Control bodies of the states verify compliance with the specification. Any producer of a relevant product must adhere to the (fee-based) control system.

The use of protected names for comparable products having a different origin or other properties is not admissible. The use of a registered name for other products is likewise prohibited if by doing this the reputation of the protected name is exploited. Furthermore, the Regulation comprehensively protects registered names against any misuse, imitation or evocation even if the actual origin of the product is indicated or the protected name is translated or accompanied by an expression such as “style”, “type”, “method”, “as produced in”, “imitation” or similar, and any other misleading practices. Furthermore, protected names cannot become generic (Art. 13(1) and (2) of the Regulation).

The registration of indications of geographical origin does not affect the rights conferred by earlier trademarks acquired in good faith. However, the coexistence of the trademark and of a designation of origin or geographical indication must be tolerated. In contrast, the later trademark cannot be protected if the application has been filed in respect of comparable products and if the use of the trademark would contravene Article 13 of the Regulation (Art. 14 of the Regulation).

A.2 Evaluation of the official systems in place for the implementation of EU legislation

A.2.1 Legal Framework: gaps and needs

National assessments and gap analysis have been conducted in a process in ownership of the SEE countries/territories (Albania, Bosnia and Herzegovina, Kosovo*, North Macedonia, Montenegro and Serbia) in order to provide recommendations for EU compliant food policy development relevant for rural development and quality schemes implementation. The assessment focuses on an analysis of the current national legislative and institutional status, trends of traditional production and its protection in the SEE countries/territories (Table 2).

Tab. A.2 Regulations on food quality schemes in South East Europe countries/territories

<table>
<thead>
<tr>
<th>Adopted laws and BoR on quality schemes</th>
<th>Compliance with EU acquis (Reg. 1151/2012 and Implementing Reg.)</th>
<th>Competent Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALB Law on the quality scheme of agricultural and foodstuff (OG 8/2019);</td>
<td>in line, should be fully harmonized</td>
<td>Ministry of Agriculture and Rural Development</td>
</tr>
<tr>
<td>BiH Rulebook on quality systems for food products (OG 90/18)</td>
<td>partially</td>
<td>Food Safety Agency of BiH</td>
</tr>
<tr>
<td>KOS* No specific law on Quality Schemes. Law on Geographical Indications and Designations of Origin set out the rules of the GI protection in general (OG 05/L-051) <em>in force</em></td>
<td>partially</td>
<td>Intellectual Property Agency (within the Ministry of Trade and Industry)</td>
</tr>
<tr>
<td>MNE Law on quality schemes of agricultural and foodstuffs (OG 01-347/2).  • Rulebook on the manner of registering the mark of origin and the geographical indication of agricultural and food products.</td>
<td>fully harmonized</td>
<td>Ministry of Agriculture and Rural Development</td>
</tr>
</tbody>
</table>

Source: Authors’ own elaboration based on national reports. The regional experts have provided the information reported in the table (additional information in Part. C)
South East Europe countries/territories have reached different levels of preparation and progress on Geographical Indications and their implementations. Most of the countries/territories (Montenegro, Albania, North Macedonia and Bosnia and Herzegovina) have already adopted the quality schemes rules, others (Serbia and Kosovo*) are under the preparation. Even if, the strategic and programming documents reported from the national reports seem to be almost in line with the EU food policy and approximated to EU standards, implementation of quality scheme is still weak and not so completely addressed.

As explained in the following pages, Geographical Indications (PDO/PGI) schemes are perceived by the local communities (and sometimes from producers) as bureaucratic, costly (creation of an applicant group, drafting the specifications, evidence of the use of the name, burdens and cost of certification and controls) and time-consuming.

A.2.2 Institutional Settings: gaps and needs

Designation of National Competent Authority (NCA) and implementation of harmonized regulations with EU Acquis can give opportunities to producers to register their traditional products (PDO, PGI or TSG) at EU level. In the European Reg. 1152/2004 it is clearly stated that the protection afforded, should be equally available to designations of origin and geographical indications of third countries that meet the corresponding criteria and that are protected in their country of origin.

In fact, the national authorities of the state concerned, in compliance with minimum common provisions, including a national opposition procedure, should provide examination of the applications from the group of producer, but also take all other steps in accordance with procedures determined in the REG. 1151/2012 to protect the products in the state.

Therefore, establishing a competent authority with appropriate qualified staff and resources necessary to carry out their functions, is crucial for successful quality schemes implementation. The NCA in the countries/states should meet a number of operational criteria in order to ensure that they are impartial and effective. Member States or concerned country should take appropriate administrative and judicial steps to prevent or stop the unlawful use of protected designations of origin and protected geographical indications that are produced or marketed in that state/country. Also, provisions on delegating some competencies of performing specific control tasks to control bodies should be envisaged.

The Ministries of Agriculture in most of the SEE countries/territories (according to the reports analyzed by the authors) are the responsible institutions for the protection of traditional food and implementation of quality schemes. However, there are significant differences in the level of responsibilities definition and activities delimitation with other state institutions and organizations for the implementation of the above stated law. For example, in some countries/territories such as Serbia and Kosovo*, the Intellectual Property Office and the Ministry of Agriculture are jointly responsible, but the recommendations are aimed at keeping the agricultural products and food under the authority of the Ministry of Agriculture.

The different responsibility among the entities has generated an overlapping of aims and activities and it is probably the basis of the lack of interest and confusion among producers and consumers.

PDO/PGI system in European Union is managed mainly by the Ministries of Agriculture and, at the field level, directly by the groups of producers and processors this is a bottom-up approach: led by the producers (or agriculture association) themselves in order to protect their interest.

While in South East Europe the request of protection mainly comes from the Intellectual property right office where the scope of GI protection is...
primarily limited to intellectual property protection; that is, protection of registered names from misuse and unauthorized use that would undermine the reputation of those products.

In this context, the link between PDO/PGI and rural agricultural development is not ensured and the risk is to consider the GIs as a trade-mark. So far the responsibilities related to the protection of GI are mainly concentrated on the Offices for Intellectual Property which leads to an overestimation of the legal aspects and to a poor consideration for practical agricultural and rural development issues as well as for market issues (FAO, 2008).

In the EU, GIs are regulated separately from its trademark system, publicly protecting them without utilizing private intellectual property laws. However, trademarks are used to fortify protection and some coexistence between trademarks and GIs occurs, even when the trademark belongs to a non-GI user.

For additional legal protection a trademark may be employed by GI users, where the same GI may appear as part of the figurative trademark, though this does not privatize or supersede the public GI rights. Most users of EU GIs have registered Community figurative trademarks.

According to the EU regulations it is generally not possible to register as a trade mark a sign that merely consists of a geographical name. Geographical indications are predetermined by the name of a geographical area and usually correspond to the name of the place of origin of the product, or to the name by which the product is known in that place.

Descriptive signs belong to the public domain: they must remain available to everyone equally and may not be monopolized. However, geographical names are registrable insofar as they have acquired distinctiveness through their use and they identify a particular product or service, without indicating any geographical origin.

The main issues identified regarding the institutional set-up, formulated in general and not always valid for all countries/territories, were:

- Lack of institutional framework for quality schemes and fragmentation of the relevant institutional structure. The absence of clearly defined competencies between different departments within ministries and institutions involved in food policy, ranging from the management and support of measures to the protection of GIs (national, bilateral or EU level) and control systems.
- The role of the national and local agricultural institutions, local authorities, economic institutions and agencies (e.g. chambers of commerce) and research institutes needs to be defined or re-defined.
- Lack of strategic documents, programs and action plans to fully address traditional production issue, and use of GIs or its existence but lack in implementation due to insufficient institutional structures, funding or qualified staff.
- Lack of a cross-institutional cooperation which is working on rural development and food policy

A.2.3 The role of producers: gaps, key issues and challenges

According to the European Union regulation on Quality schemes, the procedure for registering a protected designation begins with the submission of a request for protection by an interested group of operators dealing with the production, processing or trade of the same agricultural product or foodstuff whose name is claimed to be protected. Farmers have poor knowledge towards the benefit and potential of GIs. Identification of geographical indications and trademarks are distinctive signs used to distinguish the goods or services in the marketplace. The EU Regulations 1308/2013 (Articles 152 to 165) establish the rules for producer organisation, inter-branch organisations their rules and recognitions. Also, Regulation (EU) n. 1151/2012 Art.45 on producer organisation contemplates the effective recognition of the roles and responsibilities of producer groups. Articles 157 and Articles 161 provide specific information about milk and milk products.
Food Quality Policy:

Schemes of Geographical Indications and Traditional Specialities in South East Europe

key issues and challenges for the producers and trends of protection in the SEE countries/territories shows that small farms play a key role in traditional food production and by integrating them into rural development programs, including support for better usage and marketing of traditional agricultural products and cooperation among farmers, can fully improve the farmers’ standard, as well as protection with quality schemes.

Mainly due to problems with the introduction of food safety requirements, most of the small food facilities in the SEE countries/territories are not registered or approved by the competent authorities, which is the main condition for starting the protection process with GI labels. Overcoming this significant problem, also present in small producers in EU countries, is through introduction of derogations and flexibility in the application of food safety standards. Food Package (Reg. (EC) 852/2004 and Reg. (EC) 853/2004) gives opportunities for small businesses, where is clearly prescribe that each country should provide sufficient flexibility in safety rules so they can to be applicable in all situations and conditions in order to avoid undue burdens for very small businesses.

Article 13 § 3 also provides opportunities for each country to adapt national measures and requirements according to the conditions in the region and specific characteristics of the traditional product with aim to enable the continued usage of traditional methods at any stage of production, processing or distribution of food. Unfortunately, competent Authorities in the SEE countries/territories do not pay enough attention to these given opportunities in food safety regulations that apply to small traditional producers. An exception is Montenegro, where the proper rural policy and appropriate support measures, added by applying flexibility to the requirements for registration of food production facilities, have allowed protecting five products with GIs labels, for a short period.

A rulebook on the small-scale production and marketing of animal source food has been adopted in Serbia but it is still in the implementation phase and in North Macedonia was published in July 2019.

Flexibility for small-scale processors is allowing small farmers to register easily farm products processing and then they can start with processing of registration GI foodstuff products.

Small-scale traditional producers are facing with evident lack of knowledge about food safety requirements but also insufficient information about legal requirements for small-scale food facilities. Lack of funds or conditions for raising loans to improve production, often accompanied by complex documentation they need to submit. Lack of access to proper facilities or capital can often hold back the implementation of food quality schemes, therefore, targeted national measures and funds must be provided to improve the facilities and equipment for food producers in a traditional manner (set targeted national measures).

Most of the small farmers are poorly informed on the benefits and principles of GI system and cooperatives are not developed at satisfactory level, as they are needed, for small-scale farms. In order to inform producers, simplify and speed up the implementation of quality schemes, an Official Guide for implementation procedures on PDO, PGI and TSG should be published by each country, accompanied by a range of information and trainings of farmers in local rural areas.

Family farms in the countries/territories face many difficulties – lack of land, lack of capital, not well organized and weak marginal bargaining position in the food chain, low incomes, poor infrastructure and other factors. For these and other reasons, there is a widespread need among farmers to diversify their products, and where possible to add value to them in order to get a fair income and gain competitiveness through cooperation. Additionally, tough criteria conditions on the market in terms of safety, quality and confidence of consumers of agricultural food products imposes the need for standardization, registration and protection of certain agricultural food products.

Producers should be familiar with the benefits of “protected labels” and to recognize the common goals of the association. This system encourages producers to join and jointly market, and after the process of protection at the national level, there is
the possibility of protecting such products at the level of the European Union.

A significant challenge for traditional food production is to improve its competitiveness by identifying innovations that guarantee products safety, while at the same time meeting general consumer demands and specific consumer expectations and attitudes towards traditional food.

First farmers should identify traditional product, then create a group with a common interest and protect it according to the food quality schemes. Manufacturers should take care of the proper labeling and packaging and, if possible, introducing innovations in primary production or processing that will improve the nutritional and sensory values or durability of the product, and then work on product promotion.

Additional state support is needed in promotion of traditional production (brochures, pamphlets, articles in public media) with involvement of consultancy services (lectures, trainings, etc.) in order to get producers interested.

Also, a strong support in innovation and transfer of technologies in the production of traditional foods is needed. It is necessary to establish a close cooperation with the scientific institutions that will help them in assessing the potential risk, but also in introducing innovations or expert’s opinion regarding highlighting the benefits of consuming a specific traditional product. This will contribute to the modernization of all aspects of its production, including logistics and distribution, which will support their safety and high quality products.

Farmers have long been encouraged to organize themselves as associations or cooperatives. Thus, the phenomenon of farmers’ cooperation is not new. Cooperation between farmers is often seen as a necessary condition to improve their bargaining power. In fact, as argued by the EU reports, strengthening farmers’ position in the market is often a predominant motive in arguments introducing support for setting up producer organizations into policy framework. As far as the Common Agricultural Policy (CAP) is concerned, producer organizations have been initially encouraged in the fruit and vegetable sector. A common denominator to all types of organization is their objective to increase welfare of their members. In addition their members-producers own producer organizations; they are set up, supervised and managed by producers in a way, which brings them specific benefits. Thus, in a broad sense, producer organizations are, like cooperatives, user-owned, user-controlled, and user-benefit organizations (Bijman et al., 2012).

A.2.4 Control bodies and certification system

In accordance with European regulations Reg, 1152/2004, EU quality schemes should be subject to a monitoring system of official controls, in line with the principles set out in Regulation (EC) No 882/2004 on official controls performed to ensure the verification of compliance with food and food law, animal health and animal welfare mentioned in this Regulation. To guarantee to the consumer the specific characteristics of geographical indications and Traditional Specialities Guaranteed (TSG), operators should be subject to a system that verifies compliance with the product specification. The scope of protection covers both the production phase and the surveillance of the protected name use once the product has been placed on the market. Both kinds of control are under the responsibility of the Member States (See also the guideline in the following pages).

Information on control activities for geographical indications and TSG should be included in the multiannual national control plans and annual report prepared by the Member States in accordance with Regulation (EC) No 882/2004. In accordance with Regulation (EC) No 882/2004, Member States shall designate the competent authority or authorities responsible for official controls carried out to verify compliance with the legal requirements related to the quality schemes established by this Regulation.

Procedures and requirements of Regulation (EC) No 882/2004 shall apply mutatis mutandis to the official controls carried out to verify compliance with the EU quality schemes. Member States shall designate the competent authority or authorities responsible for official controls carried out to verify compliance with the specific requirements related to the quality schemes established by this Regulation.
with the legal requirement related to the quality schemes for all products covered by Annex I to this Regulation. According to the law, official controls shall cover: (a) verification that a product complies with the corresponding product specification; and (b) monitoring of the use of registered names to describe product placed on the market.

Verification of compliance with the product specification, before placing the product on the market, shall be carried out by: (a) one or more of the competent authorities as referred (see Art.36) (b) one or more of the control bodies operating as a product certification body.

According to the reports from each country/territory analyzed, there seems to be a lack of resources and specialized staff towards the GIs protection and control bodies.

Additional efforts are needed in implementing the relevant rules and bodies for control systems, especially for official control and verification of compliance with product specification, which is very important in maintenance and survival of the protected product on the market. Quality control system for GIs is crucial to the functioning (and credibility) of each food quality scheme, including the GI scheme. Application requirement for farmers or producers in order to apply for the protection of their product, the Food Establishments must be registered or approved (for processing food of animal origin) by the competent authorities. Most of small farmers have not introduced food safety requirements and their food businesses have not been officially registered to the competent authorities: and they cannot apply for the protection of traditional products, or for IPARD measures.

In South East Europe are mostly absent institutions that regulate and govern the areas of production such as a farmer register and an animal register and land register have been developed. This lack generates many problems and discrepancies for the control system procedure. Without any institutions that regulate total agricultural area and declared agricultural parcels becomes difficult to establish the control plan procedure. Farm advisory services are chronically short in capacity and financing.

The absence or malfunctioning of the control and certification procedures is a major problem, and not only for PDO/PGI and TSG Quality schemes but for all types of quality signs, and jeopardizes the credibility and further development of the protected products and quality sign labels.

In North Macedonia there are two control bodies, which have received authorization by the Minister for verification and control of the production specification, but they are not accredited because of the costly accreditation process on one hand, and the lack of interest from producers to protect products on the other. In Montenegro, there is already an accredited body for organic production according to the standard MEST EN ISO / IEC 17065 by the Accreditation Body of Montenegro. In Serbia there are four certifications bodies authorized by the Ministry of Agriculture that are also accredited according to the requirements of the standard SRPS EN 17065 by the Accreditation body of Serbia.

An important segment in the creation of a food policy and the introduction of appropriate measures is the existence of accurate statistics in agriculture. In order to overcome the problem of different data from institutions involved in agriculture, an integrated, relevant database should be created which will provide accurate data in time, applicable for measures development and for all interested governmental and non-governmental institutions.
A.3 Rural Development Policy

The EU’s rural development policy helps the rural areas of the EU to meet the wide range of economic, environmental and social challenges of the 21st century. Support for rural development is the so-called 2nd Pillar of the common agricultural policy, providing Member States with an envelope of EU funding to manage nationally or regionally under multi-annual, co-funded programmes. According the EU framework for rural development programmes, each Member State should draw up their rural development programmes based on the needs of their territories and addressing at least four of the six common EU priorities.

- fostering knowledge transfer and innovation in agriculture, forestry and rural areas;
- enhancing the viability and competitiveness of all types of agriculture, and promoting innovative farm technologies and sustainable forest management;
- promoting food chain organization, animal welfare and risk management in agriculture;
- restoring, preserving and enhancing ecosystems related to agriculture and forestry;
- promoting resource efficiency and supporting the shift toward a low-carbon and climate-resilient economy in the agriculture, food and forestry sectors;
- Promoting social inclusion, poverty reduction and economic development in rural areas.

All SEE countries/territories have developed long-term strategic documents in the field of agriculture and rural development (Table A.2 and A.3). Table A.3 has been created with the support of regional experts. Due to the variety of collected information, the number of the documents listed is very different from country to country.

According to the analysis, the candidate countries presented well-elaborated strategies for agriculture rural development and food policy, and good plans as well.

The analysis shows that the strategic and programming documents reported from the national reports are in line with the EU food policy and approximated to EU standards, but, especially implementation of quality schemes is still weak and not so well addressed.
### Table A.3. Agriculture and Rural Development Strategies/Programmes in South East Europe countries/territories

<table>
<thead>
<tr>
<th>Country</th>
<th>Agriculture and Rural Development Strategies/Programmes</th>
</tr>
</thead>
</table>
| ALB     | ⇒ National Inter-Sector Strategy for Agriculture and Rural Development 2014-2020 (Government of Albania)  
         | ⇒ Strategy for Development and Integration 2014-2020 (General & National)  
         | ⇒ National Plan for European Integration 2019 – 2021  
         | ⇒ Integrated Rural Development Program - 100 Village Program  
         | ⇒ IPARD II Programme 2014-2020  
         | ⇒ Mid-term development strategy for agricultural sector for 2015-2019 (FBH, 2014)  
         | ⇒ Strategic plan for the development of agriculture and rural areas for 2016-2020 (RSR, 2015)  
         | ⇒ Strategic Plan for Rural Development of Bosnia and Herzegovina (2018-2021)  
         | ⇒ No IPARD  |
| BiH     | ⇒ Agriculture and Rural Development Program 2014 – 2020  
         | ⇒ Annual National Measures Program – each year  
         | ⇒ Strategy and Action Plan for Biodiversity 2011 – 2020  
         | ⇒ Strategy on Advisory Services for Agriculture and Rural Development 2012 – 2016  
         | ⇒ No IPARD  |
| KOS*    | ⇒ National Agriculture and Rural Development Strategy 2014-2020  
         | ⇒ National Program for Agriculture and Rural Development (NPARD) 2018-2021  
         | ⇒ No IPARD  |
| MNE     | ⇒ Strategy for the Development of Agriculture and Rural Areas - 2015-2020  
         | ⇒ Action Plan for Acquis alignment, Chapter 11 - Agriculture and Rural Development  |
| MKD     | ⇒ National Agriculture and Rural Development Strategy 2014-2020  
         | ⇒ IPARD (2014-2020)  |
| SRB     | ⇒ National Agriculture and Rural Development Strategy 2014-2020  
         | ⇒ The National Program for Agriculture for the period 2018-2020;  
         | ⇒ IPARD II 2014-2020  |

Source: Authors’ own elaboration based on national reports
With regards to agriculture, rural development and food policy, the strategies in all SEE countries/territories set priorities and measures presented in Table 4 gives a first broad overview.

**Table A.4. Food policy and Food Quality Schemes Measures in South East Europe countries/territories**

<table>
<thead>
<tr>
<th><strong>Albania</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RDP Priorities</strong></td>
</tr>
<tr>
<td>• Improvement of public infrastructure</td>
</tr>
<tr>
<td>• Integrated Rural Development Program - 100 Village Program</td>
</tr>
<tr>
<td>• Economic development through the diversification of economic activities</td>
</tr>
<tr>
<td>• Human and Social Development</td>
</tr>
<tr>
<td><strong>Food policy measures</strong></td>
</tr>
<tr>
<td>✓ “Investments in physical assets of agricultural holding” with special focus on the following sectors: Milk • Meat • Fruit • Vegetables • Grape</td>
</tr>
<tr>
<td>✓ “Investments in Processing and Marketing of agriculture products” with special focus on the following sectors: Milk and dairy processing • Meat processing • Fruit and vegetable processing • Wine</td>
</tr>
<tr>
<td>✓ “Farm diversification and Business Development” with special focus on the following sectors: Production of MAPs, mushrooms, honey, ornamental plants and snails; • Processing and marketing of wild or cultivated MAPs, mushrooms and honey; • On-farm processing and direct marketing of agricultural products; • Aquaculture; • Nature and rural tourism; • Services for rural business and population; • Handcrafts and manufacturing industry; • Renewable energy production and use.</td>
</tr>
<tr>
<td><strong>Food quality schemes measures</strong></td>
</tr>
<tr>
<td>✓ No support policies related to products with geographical indications or TSG</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Bosnia and Herzegovina</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RDP Priorities</strong></td>
</tr>
<tr>
<td>• Creating conditions for agricultural producers at state level to receive EU funds through ongoing projects.</td>
</tr>
<tr>
<td>• Gradual alignment of agriculture and rural development in BiH with the best EU practices.</td>
</tr>
<tr>
<td><strong>Food policy measures</strong></td>
</tr>
<tr>
<td>✓ Support to producers’ certification according to GLOBALGAP standards;</td>
</tr>
<tr>
<td>✓ Support to producers for integrated production (IP) certification</td>
</tr>
<tr>
<td><strong>Food quality schemes measures</strong></td>
</tr>
<tr>
<td>✓ No support policies related to products with geographical indications. No subsidies directly related to GI products</td>
</tr>
</tbody>
</table>
### Kosovo*

**RDP Priorities**
- Fostering knowledge transfer in innovation in agriculture, forestry and rural areas;
- Enhancing competitiveness in all types of agriculture and enhancing farm viability;
- Promoting food chain organization and risk management in agriculture;
- Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry;
- Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in the agriculture, food and forestry sectors;
- Promoting social inclusion, poverty reduction and economic development in rural areas.

**Food policy measures**
- Support in developing a competitive and innovation-based agri-food sector with increased production and productivity capable of producing high-quality products and meeting the EU requirements;
- Support in protecting natural resources and introducing agricultural production methods which preserve the environment; organic farming.

**Food quality schemes measures**
- No support policies related to products with geographical indications, no subsidies directly related to GI products

### Montenegro

**RDP Priorities**
- Improving competitiveness
- Improving food safety and food quality
- Improving sustainable resources
- Improving quality of life and development in rural area
- Improving administrative capacities

**Food policy measures**
- Improving food safety and food quality:
- Increase food safety standards at affordable consumer prices;
- Increase the quality of products (quality standards, organic products, PDO/PGI)."

**Food quality schemes measures**
- For producers group, their education, and prepare and define the necessary documentation for the registration of products with a geographical origin, as well as for improving the knowledge for assessing the quality of the product.
- For organic certified products aimed for the market and for products certified as a designation of origin, geographical indication, guaranteed traditional speciality, higher quality.
- For the promotion of authentic, specific and traditional agricultural and food products (packaging design, promotional short films, promotional notebooks, participation in regional and international fairs, exhibitions, etc.).
### North Macedonia

| RDP Priorities | • “Increasing the competence of the agricultural production and food industry, development of rural areas and sustainable management of natural resources”
| | • Restructuring and modernization of the agri-food sector;
| | • Regulation of the market, organization of the food-processing chain and improvement of the agricultural product quality;
| | • Improving the living and business conditions in the rural areas;
| | • Continuous access to knowledge and investment in human capital in agriculture;
| | • Completion of the functionality of the food safety system; and
| | • Sustainable management of natural resources and mitigation of the effects from climate changes. |

| Food policy measures | ✓ Introduction of higher quality standards and quality protection schemes in agricultural products
| | ✓ Promoting knowledge and advancement of human potential in rural areas; restructuring and development of physical potential, innovative practices promotion and improvement of agricultural products quality through support of economic association of agricultural holdings for joint carrying out of agricultural activity; promotion and marketing of traditional products. |

| Food quality schemes measures | • Technical assistance to cover the costs of introducing protected designations of quality for agricultural and processed products
| | • Direct payments for introduced food safety standards up to 20%, only for the farmers who already implemented quality schemes |

### Serbia

| RDP Priorities | • Increase of the production growth and producers’ income stability;
| | • Competitiveness improvement with adjustments to requirements of the domestic and international markets and with technological and technical improvement of the sector;
| | • Sustainable resources management and environment protection; – Improvement of the quality of life in rural areas and poverty reduction;
| | • Efficient public policy management and institutional framework improvement for agricultural and rural areas development |

| Food policy measures | ✓ Support for investment in processing and marketing in the dairy and meat sectors, etc.
| | ✓ Market chains development and logistic support to the sector;
| | ✓ Improvement of the products quality and safety; |

| Food quality schemes measures | • PDO/PGI producers have additional incentives to refund the costs of control and certification of products with geographical indications and to refund part of purchase costs for control stamps. For these measures, the return on assets amounts to 50%, or 65% (for areas with difficult working conditions), of the value of the realized investment |

*Source: Authors’ own elaboration based on national reports*
With the EU integration process and the process of harmonization of the agricultural policy with the CAP, agriculture is more often on the political agenda. In SEE countries/territories many documents are adopted: laws, strategies, programs. In all SEE countries/territories agricultural policy adopted the two-pillar approach of CAP - direct producer support and rural development measures, and budgetary transfers to agriculture with direct producer support being dominant and taking the largest share of the budget (over 70%).

Decoupling system is not implemented, and measures are still being distributed in a coupled form: per unit of agricultural product, area of agricultural land and head of livestock. Rural development is mainly focused on the increase of the competitiveness, as on-farm investments or agri-food restructuring support, whereas the support of quality schemes implementation in some countries/territories is missing (Albania, BiH and Kosovo*) or its implementation is too poor (North Macedonia).

According to the country reports, were identified some factors that cause deviations RDPs, such as long procedures, number of protocols and criteria, frequent amendments on the regulation, farmers’ experience, education, and skills, but also other factors, such as manageability of the problems to be solved or mitigated, clarity of the laws, skills of the policy administration and available financial resources, socioeconomic conditions, media attention and so on. Each of these issues deserves a special attention in the respective country in the evaluation process of the agricultural food policy implementation.

The national strategies identify some needs for improvement that show the presence of awareness for the need for changes. However, what is missing is a systematic evaluation of the policy direct (intended) and indirect (unintended) impact, and an ex-ante evaluation: agricultural policy development and assessment introducing new measures. The policy-making process still lack the standardized monitoring and evaluation system, to measure the degree of coherence between the policy objectives and measures implemented to achieve these objectives and their effects.

### A.4 Final remarks

The importance of traditional foods for each country is relevant, because local food production affects regional culture, preserving biodiversity and contributes to social and economic stability. Traditional food is a cultural heritage, and for many rural areas, its production and sales can be an important economic driver. But, traditional foods are threatened, as lifestyles are changed there is a danger of losing local knowledge and skills. Systematic investigation supported by food policy measures can help it to sustain and develop into a strong industry with a major emphasis on the tourism development. Therefore, the country must have an active rural food policy because it will help to achieve valuable goals for rural areas and for people who live and work there. SEE countries/territories are rich in traditional food products, and strong links between agro-biodiversity, traditional knowledge, cultural diversity and local innovations that are visible in the region provide unique products with specific features, which are not protected yet, at national or EU level. Only some progress was made in Montenegro, where five products are protected and only one in North Macedonia, in compliance with the harmonized regulations.

SEE countries/territories and entities show a variety of different microclimates and conditions for agricultural production, but also some similarities like land fragmentation and low average farm size. Agriculture and rural development play an important role in providing employment opportunities and income generation, but non-intensive agriculture, lower productivity, low use of technology and lack of organization of the predominant family farms in cooperatives or other forms of associations, makes this sector vulnerable and uncompetitive compared to EU agriculture. Therefore, the agricultural sector in the region can become competitive only with development of these specific “added value products”. But, the implementation of national legislation, especially for small producers in rural areas, is very slow. Most of the traditional manufacturers have not introduced food safety requirements and their food
businesses have not been officially registered by competent authorities.

A central goal of the food policy is to increase the competitiveness of the traditional food sector through support in improvement food safety and quality characteristics that can be translated into greater consumer demand. Therefore, government priority should be to strengthen the rural development policy and make it sustainable for small farmers (improving the conditions for traditional food production; providing adequate infrastructure; arranging in the rural areas, financial and institutional support for the restoration of the facilities, etc.). Appropriate development of food policy will help the rural areas to meet the wide range of economic, environmental and social challenges.

The role of the state in protecting traditional products is essential. Namely, product protection with PDO, PGI or TSG designation should first be carried out in the country of origin by the authorized institutions and then at the EU level. This means that each state needs to harmonize laws and provide the appropriate institutional structure and human resources to enable the proper implementation of legal procedures in the process of protection and the subsequent regular control of registered products.

Implementation and impact of the rural development and food policy should be monitored and evaluated in detail in order to identify deficiencies and problems and then to correct them accordingly. In that direction, the effectiveness and appropriately coordinated response of the state institutions to the creation of the appropriate agricultural and food policy, as well as the approximation of the legal regulations and reforms in the public institutions, is important. In this process, it is extremely important to mobilize all other actors that directly or indirectly influence the agricultural and rural sectors. (EU Report)

Improving the quality of the NRDPs is one of the key objectives of the food policy which should be supported by an effective programme implementation. Definition of targeted measures that would encourage farmers to introduce appropriate standards or legal requirements in order to further develop measures in support of farming practices contributing to traditional products and the sustainable management of natural resources. Successful implementation of the food policy requires coordinated management, administrative, organizational work together with an adequate number of qualified staff and appropriately analyzed and targeted financial support. A strategic combination of food measures with other measures such as advisory services, knowledge transfer, investment, innovation, diversification, can encourage farmers to invest and improve quality and productivity. Rural development policies should be implemented with more coordination between the relevant institutions and with a bottom-up decision-making process.

Almost all WB countries/territories need to strengthen or establish an Integrated Administration and Control System (IACS), and to enable easy and quick issuance of the necessary documents and credible data for the small traditional producers that are necessary for the application. In addition, these countries/territories should make special efforts in strengthening the administrative capacity for further implementation of Food Quality Laws that are more or less aligned with the EU legislation, in particular on establishing efficient control systems and control bodies.

From the conducted analysis, it was found that although the legislation of the most WB countries/territories is aligned with the European one, the implementation is weak and this is mainly due to several reasons:

- Insufficiently defined provisions (lack of implementing procedures) and / or appropriate bodies - further efforts are needed in implementing the relevant rules for efficient control system and to establish a functional control bodies, which is the main key to gain consumer confidence and survive on the market
- lack of information, knowledge and poor awareness of traditional farmers and their weak interest in association

However, it is very important that each country makes its own assessment of the implementation and functioning of the adopted quality law, in
terms of a clear application procedure, production conditions and food facilities registration, in the control systems and marketing, and into the establishment of the necessary institutional bodies with qualified staff.

In order to ensure more effective application of the foreseen derogations and flexibility in the rulebooks, the Guidelines for implementation food safety rules for small-scale food operators should be also provided, especially for the food of animal origin. Additionally, each country should pay attention on education, trainings and supporting of the small producers in order to ensure more efficient application of derogations and flexibility while ensuring the safety of the end product.

According to the different reports the following countries/territories prospect has emerged. The entire documents are enclosed as appendix (Part C: National Reports) at the end of this document.

**Albania,** as regards quality policy, the law on quality schemes for agricultural products and foodstuffs was adopted in February 2019. It establishes quality schemes and responsible bodies for the recognition and protection of denominations of origin, geographical indications and traditional specialities guaranteed for agricultural products and foodstuffs. However based on EU Commission Staff reports, the Albania authorities should complete the alignment and legal framework for organic products and protected designations of origin, geographical indications and traditional specialities guaranteed, and ensure the institutional and administrative capacity for its implementation. In the forthcoming year, the country should enforce food safety rules through improved official controls, including import conditions and controls. Analysis of the agriculture in Albania emphasizes the need for import and free access to EU market as an important avenue to improve the national and individual income from agriculture. There are several agricultural products and foodstuffs, wines, and other industrial products in Albania that are already protected by GIs. In addition, there is a potential for other products and processes that could be protected at the national level by one of the GIs or TSG.

**Kosovo** has approved certain legal framework covering the application, procedure of registration and the protection of GIs. The Law No. 05/L-051 on Geographical Indications and Designations of Origin determines that it applies to products for which the protection of designations of origin originates from a region, specific place or state, without any distinction between foodstuff and wines and other industrial products. Additional efforts are needed to harmonize regulations with EU Acquis and reorganization of the competent institutions. The country should enforce food safety rules through improved official controls, including import conditions and controls. The new upcoming sub-legal acts, detailed control procedures, clear rules on certification, verifications and other provisions for better implementation of quality schemes should be provided.

**Bosnia and Herzegovina (BiH)** has made limited progress in aligning its legislation and policies with EU standards. The major problems encountered are reported and implemented from the existing EU Regulations legal framework. The basic issues are discrepancies between its provisions and non-existence of implementing measures, instruments and structures, which can ensure its efficient implementation. Implementing legislation for agriculture sector was adopted even if there has been no progress on setting up of the state level by the Ministry of Agriculture. Based on EU reports for Bosnia and Herzegovina (2019), considerable adjustments of the legal and institutional framework and of administrative and implementation capacity are needed across all policy areas to align the legislation with the EU Acquis and to implement it effectively.
**Montenegro** remains moderately prepared in the area of agriculture and rural development. On quality policy, following the adoption of the Law on quality schemes for agriculture and food products in 2017, secondary legislation has been adopted and two products have been protected as geographical indications at national level (EU Commission report 2019). While implementing legislation has yet to be adopted, some progress is being made on the development and promotion of quality schemes in Montenegro. In the period of two years, in the country were registered 5 traditional products in accordance with harmonized regulations.

There is significant number of the products that Montenegro share with neighboring countries/territories. Trans-border registration is allowed by Montenegrin law regulation and EU law regulation, but there is no procedure between neighboring countries/territories which will ease trans-border GI’ products registration.

**North Macedonia**

The legislation on quality policy is aligned with the Acquis but progress has been limited on developing and promoting of quality schemes. Capacity to implement and control the quality schemes needs to be strengthened. Responsibilities for implementing rules on control procedure, according Reg. 882/2004 has FVA, and only primary agricultural products are control by SAI. Two certification control bodies were authorized by the Minister but they are still not accredited. Additional capacity building of these bodies for proper certification, controls and monitoring procedures on the implementation of the quality schemes is necessary. The new adopted provisions on flexibility and derogations for traditional products with introducing education programmes for the specialized small-scale processing facilities for implementation of standard technologies and food safety requirements is a good base for development quality schemes in the country.

**Serbia**

Based on the regional expert report, there is no country strategic approach to the GI development. The national legislative framework for implementing the system of protection of geographical indications of origin of agricultural products and foodstuffs is not fully in compliance with the EU Acquis.

Use of GI in Serbia is in the developmental stage. Most of the registered PDO/PGI is without registered users, and most of the GI registration is done with support of donors, without deep involvement and business planning done by direct producers and processors. Converting an application for the recognition of the status of authorized user of an appellation of origin into an application for the recognition of the status of authorized user of a geographical indication and vice versa is not in line with the EU Acquis. There is lack of legal basis for development of other quality schemes, such as TSG, Mountain products, etc. and there is no strategic approach related to flexibility in registration of processing facilities.

There are no provisions in regard to the conditions, manner and procedure related to official control of production and trade of agricultural products and foodstuffs with geographical indications.

Despite significant potential for GI products this sector is not yet developed, so producers are not using GI as a toll for gaining competitive advantage. Well-planned and long-term campaign at national level that will increase producers and customer awareness toward the GI, with continuously improved knowledge and skills of traditional producers, is important.

---

20. EU legislation provides more flexible approach based on the “dimensions” and “traditional” characteristics. EU Member State should define this application more in detail. Generally, this flexibility is referred to: traditional products - Dairies located in areas subject to geographical constraints, small dairies.
A.5 Recommendations and possible activities

Efforts will be necessary to overcome existing gaps in order to develop a long-term sustainable food policy and successful implementation of quality schemes. This report takes into considerations some possible recommendations for value chain stakeholders and public authorities engaged:

1. Institutional and political setting
2. Flexibilities and derogations of the food safety requirements
3. Certification control enforcement
4. Supporting the “bottom-up” approach and increasing awareness of producers
5. Supporting products registered as GIs (or potential candidates)
6. Training sessions on Geographical Indications and basic quality standard requirements
7. Increasing the visibility of GIs on the regional market and awareness of the consumers
8. Support and promotes national logos for PDO and PGI products.
9. Improving strong synergies with tourism and local food operators
10. Proposal on Food quality schemes annual follow-up report

A.5.1 Institutional and political setting

To establish a National Competent Authority with appropriate structure, qualified staff and resources capable to take all responsibilities in accordance with procedures determined in the REG. 1151/2012 to protect the products in the state and follow up activities (protection at EU level).

Strong cooperation among responsible national authorities should be ensured as it can provide significant benefits for carrying out the alignment process and the implementation of agricultural programme and food quality schemes.

To establish viable active rural development and food policy with vertical and horizontal cooperation and coordination and close co-operation between policy-makers and executive bodies, or control bodies or financial institutions.

Improve the RDPs in order to strengthen the implementation of food policy through well-analyzed and adopted measure and to introduce the so-called combined measures - with a strategic combination of food measures with other measures such as advisory services, knowledge transfer, investment, innovation, and diversification.

Continue the support for covering costs and obligations arising from participation in the schemes, but also to introduce additional measures for promotions and direct support for the introduction of food safety systems (facilities, equipment, etc.).

Train central and municipal authorities in development planning and project implementation to actively implement food quality schemes projects and mobilize local organizations, which represent the needs and interests of traditional food producers to actively participate in local development planning.

Strengthen the investment abilities of small holder farmers to undertake reconstruction, modernization and new investment and better provision of finances for capital investments. Support should be provided for investments in the facilities that process traditional products in the high mountain and abandoned areas to meet the necessary requirements for product safety (without this food facility registration by competent authority, farmers can not apply for protection).

A.5.2 Flexibilities and derogations of the food safety requirements

National legislation should provide flexibility and derogations, allowing small-holders and traditional products to comply with food-safety regulation. For example, EU enables (EU) Member State to grant derogation for food with traditional
characteristics from:

– general hygiene requirements on premises where such products are exposed to an environment necessary for the development of their characteristics (in particular walls, ceilings and doors that are not smooth, impervious, non-absorbent or of corrosion-resistant material and natural geological walls, ceilings and floors);

– the cleaning and disinfecting measures for such premises and the frequency with which they are carried out in order to take into account a specific ambient flora;

– requirements on materials of which the instruments and the equipment used specifically for the preparation, packaging and wrapping of these products are made. Instruments and equipment must be maintained at all times in a satisfactory state of hygiene and be regularly cleaned and disinfected.

Considering the huge number of traditional products which production area is spreading between the two or more countries/territories causing certain difficulties in their protection, SEE authorities should also provide clear provisions for mountain and trans-border GIs products registration and to sign bilateral or/multilateral agreements governing trans-border GIs registration.

With the aim to increase the use of GIs would be useful to prepare guidelines and requirements procedures for small farmers with easy-to-follow guidelines (list of “to do”) for the entire registration and/or certification process.

21 Foods with traditional characteristics are foods traditionally manufactured in Member States which are: (a) recognized historically as traditional products; or (b) manufactured according to registered technical references to the traditional process, or according to traditional production methods, or (c) protected as traditional food products by EU, national, regional or local law (as PDO/PGI/TSG). https://ec.europa.eu/food/sites/food/files/safety/docs/biosafety-hygiene-faq_all_business_en.pdf

A.5.3 Certification and control enforcement

Identification and establishing an adequate certification system in line with national and local contexts. Fully harmonize the law on quality schemes and establish clear rules and competencies.

Public authorities should consider new ways for certification in order to adapt to the diversity of local situations by building on the variety of possible verification systems: self-certification, second-party certification, and third-party certification, or even participative guarantee systems.

Controls should be done by agricultural, food and trade inspections, who, have lack of internal capacities. Additional capacity building, training and experiences of the control bodies are necessary for the consistently and proper implementation of the official controls and monitoring procedures on the implementation of the quality schemes among the producers.

Ensure a satisfactory level of products traceability, in particular for consumers protection, it is desirable to have all the regulated products and circulated an accompanying document. Controls should be covering the entire production/processors and packaging stages including the sales requirements.

A.5.4 Supporting the “bottom-up” approach and increasing awareness of producers

The role of producers and the creation of groups/organizations should be recognized and highlighted. Forming a group can be a vital step to developing a GI and can function in a number of ways.

Considering that the producers groups represent an important role in the GIs system, a collective approach is required in order to promote and preserve the origin-linked product and local resources. In working together to develop and apply for a GI, it is vital to develop a system that allows all
stakeholders to be involved, without each one of them being able to stop a project.

There is a potential number of actors to get involved: farm union, cooperative, consortium, specific group of producers who come together to create the GI local community (e.g. village), municipality/regional authority, marketing board or commodity exchange, processors of the product, traders and distributors (e.g. persons selling product to consumers), informal association or single operator.

Groups play an essential role in the application registration process. The group of producers must define the product according to precise specifications included in a document called “product specification”. The specifications are an essential element of the application and of the protection system. They contain the product characteristics and details, the production process and the origin of the raw material used for production. Producers should ensure standard production and product quality and as group could manage the product specification.

The group can develop activities related to the registered names protection enforcement surveillance, the production compliance with product specification, the information and promotion of the registered name as well as, in general, any activity aimed at improving the value of the registered names and effectiveness of the quality schemes and the development of local-promotional strategies.

This issue is linked to the need to strike the right balance in public and private coordination.

Taking this into consideration, collective rules should not be considered as a constraint but as a condition for efficiency. Setting up a collective action includes different aspects:

• Defining the community or group of stakeholders who will benefit from the right to establish the rules, and will share the rights and responsibilities to respect rules regarding the GI product;
• Establishing the network and the partnerships within the local production system, the territory and the external supportive actors, facilitating sharing information and knowledge. This includes practical activities such as meetings, visits etc.
• Defining the rules that will be shared among producers in the different phases.

A.5.5 Supporting products already registered as GIs (or potential candidates)

According to each country’s own reports (Albania, Bosnia Herzegovina, Montenegro, North Macedonia, Serbia and Kosovo) there are many products already protected as PDO and PGI but only few products have been certified. Taking this into consideration, it is necessary to work in cooperation with farmers, local authorities and research centers in order to motivate them to enter the process of certification, because in this way it could be achieved all the advantages of the schemes quality.

It is of utmost importance to clearly explain to producers what cooperation – which is strongly needed in any GI scheme – really means. It is important to introduce a supportive and encouraging programme for producers to associate and cooperate in groups. It could be effective, for example, to subsidize the activities of associating producers of quality products using funding available from Rural Development programme.

A.5.6 Training sessions on Geographical Indications and basic quality standard requirements

In countries/territories where GIs are recent, producers are not familiar enough with the concepts and may not immediately have the capacity and resources to lead or make decisions on the process.

It is needed to introduce education programmes for the specialized small-scale processing facilities for standard technologies implementation and necessary food safety requirements.
Additional training on labeling, packaging and traceability of traditional products is needed. Furthermore, continued and improved involvement of the agriculture extension services to assist farmers in administrative, technical and marketing fields. Attract and involve interested stakeholders from the entire food supply chain, to provide them with a forum for exchange ideas, best practices and knowledge.

Due to the changing lifestyle there is a danger of losing local knowledge and skills. Systematic research and traditional foods registration can help to sustain and develop them into a strong industry with a major emphasis on tourism development seen from multiple aspects.

Engaging key stakeholders, with a sound reputation and influence in the field or organizing targeted and focused consultations for input and consensus building on specific issues and topics, and starting to create a sense of commitment stimulating active involvement in knowledge sharing and consultation processes.

**A.5.7 Increasing the visibility of GIs on the market and awareness of the consumers**

Launch the well-planned and long-term public campaign in order to raise public awareness on GI products (related to general consumers’ benefits of GI products use).

Consumers’ perception is linked to the reputation of the origin-linked product and its recognition in the market. Market studies are necessary to identify this reputation and perception by answering different questions: Is there a specific demand and a willingness to pay for it?

Do consumers differentiate that particular product from others of the same category? Is there a specific group of consumers who can be targeted for this specific product?

**A.5.8 Supporting and promoting national logos for PDO - PGI and TSG products**

Promoting GIs foodstuff production, processing and marketing throughout the establishment of producer’s associations: State or local support bodies for consulting should be introduced to deal with specific advertising of certain protected products, which in the future can be developed into the certification control bodies. Promotion activities in the countries/territories should be planned in the future.

Establishing continuous knowledge transfer and information campaign for the agricultural producers/processors (primarily related to GI foodstuff procedures and benefits) and to publish National Guidelines for PDO, PGI and TSG implementation.

Promoting the economic sustainable development, the authorities should adopt policies to support the value-added for the rural area thanks to GI products image and reputation. To be more specific, synergies among the GI system, local industries and other GI products should be created.

**A.5.9 Improving strong synergies with local tourism and local food operators**

Origin-linked products could help tourist routes development around the countries/territories. Every place has its own distinctive identity, local heritage, traditions and specific products that constitute important elements for rural and agro-tourism. Consumers may also be a vehicle for information transmission and spreading the popularity of the GI product. In particular, travelling consumers, emigrants or tourists can enhance the reputation of a local product.

In this direction SEE countries/territories should start, or expand or modernize the economic activities of rural tourism development of traditional crafts and other activities should be supported, along with services and recreational activities development, renewable energy, traditional food processing and marketing of traditional agricultural products.
Traders, sellers, restaurant owners and other actors belonging to the supply chain, even if not involved directly in the qualification process, can play an important role in enhancing the economic vibrancy of the GI product by supporting marketing and promotion activities and helping to create new marketing opportunities.

A.5.10 Proposal on Food quality schemes annual follow-up report

Based on the reports on food policy and quality schemes in the South East Europe countries/territories, it has been identified that further action is needed to enable producers and administration involved in these activities to introduce a PDO, PGI or TSG.

Therefore, it will be necessary to monitor the annual situation in order to realistically perceive the undertaken activities and the implementation level, as well as to identify inconsistencies or problems during the quality schemes implementation. Examples of monitoring activities are represented in the following table 5 and table 6.

Table A.5 Annual summary table name of the country

<table>
<thead>
<tr>
<th>Quality schemes</th>
<th>Category</th>
<th>Registered Geographical Indication</th>
<th>N. of registered products at EU level</th>
<th>Number of registered producers</th>
<th>Annual value of production</th>
<th>Other indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>PDO</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PGI</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TSG</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total GIs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Optional Quality schemes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Authors’ own elaboration based on regional expert feedback

*Category of products: cheese, wine, fresh meet, fruit (etc.)
Table A.6 Annual Follow up form for GI schemes

<table>
<thead>
<tr>
<th>PARAMETAR</th>
<th>STATUS</th>
<th>PERFORMED ACTIVITIES ON PARAMETAR IMPROVEMENTS</th>
<th>ASSESSMENT OF IMPLEMENTED ACTIVITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Level of harmonization with EU*</td>
<td>- How the specification is done by farmers, consultants...?</td>
<td>- Legal framework for producers organization progress</td>
<td>- Incentives for associations and other supports</td>
</tr>
<tr>
<td></td>
<td>- How the product is proven to be traditional, is it personal witnessing acceptable?</td>
<td></td>
<td>- ..........</td>
</tr>
<tr>
<td>2. Product specification</td>
<td>- Current role of producers organizations in GI</td>
<td></td>
<td>- ..........</td>
</tr>
<tr>
<td></td>
<td>- Type of producers’ organizations involved in GI (i.e. PO, cooperatives, civil society associations’...)</td>
<td></td>
<td>- ..........</td>
</tr>
<tr>
<td>3. Role of producer’s organizations</td>
<td>- Current status of GI’ inspection process</td>
<td>- i.e. increased number of inspectors</td>
<td>- Improved control plan procedures</td>
</tr>
<tr>
<td></td>
<td>- New legal settings related to flexibility of GI processors</td>
<td></td>
<td>- ..........</td>
</tr>
<tr>
<td>4. Inspection process</td>
<td>- Current status of legislatives (Describe flexibility level)</td>
<td></td>
<td>- ..........</td>
</tr>
<tr>
<td>5. Flexibility on GI’ processing facilities</td>
<td>- Number/value of production of GI’ processing facilities under flexible regime</td>
<td></td>
<td>- ..........</td>
</tr>
<tr>
<td>6. Subsidies directed to GI’</td>
<td>- Subsidies of certification costs</td>
<td>- Annual measures related to financial educational and marketing support to GI’ sector</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Support in marketing of GI’ products</td>
<td></td>
<td>- ..........</td>
</tr>
</tbody>
</table>
### 7. Customer awareness erase, Promotion of GI’ products
- Annual activities related to customer awareness building
- Annual implemented measures

### 8. Farmers education on GI
- Annual activities related to farmers education
- i.e. start of education or advisory services,

### 9. Trans border GI’ products
- Are there bilateral or multilateral agreements
- Procedures of registration, promotion and control of trans border GIs

### 10. Support measures related to dairy and slaughterhouse, EU export numbers and other import supports

### 11. Other

*Source: Authors’ own elaboration based on regional expert feedback*

*Level of harmonization benchmark is legal framework sufficiently harmonized for national products to be registered at EU level*
LIST of REFERENCES


Corsinovi P. and Gaeta d. (2015), European Integration in a potential candidate country: harmonize the law on Geographical indications


European Commission (2014), Workshops on Geographical Indications. Development and Use of Specific Instruments to Market Origin-Based Agricultural Products in African-ACP Countries


Regulation (EC) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules


## Annex A.1 - Inventory of Origin-linked products in South East Europe countries/territories

### 1. ALBANIA

<table>
<thead>
<tr>
<th>Product name</th>
<th>Vaji Borsh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmers</td>
<td>na</td>
</tr>
<tr>
<td>Volume of production</td>
<td>na</td>
</tr>
<tr>
<td>Value of production</td>
<td>Na</td>
</tr>
<tr>
<td>Region:</td>
<td>Borsh Region</td>
</tr>
<tr>
<td>Applicant:</td>
<td>S.E.D. Borsh Sh.p.k. (L.J.C)</td>
</tr>
<tr>
<td>Status:</td>
<td>Expired</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product name</th>
<th>Boronica e Bjeshkëve Kuksiane</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmers</td>
<td>na</td>
</tr>
<tr>
<td>Volume of production</td>
<td>na</td>
</tr>
<tr>
<td>Value of production</td>
<td>na</td>
</tr>
<tr>
<td>Region:</td>
<td>Kukes Region</td>
</tr>
<tr>
<td>Association:</td>
<td>Shoqata e Grumbulluesve dhe Tregetareve te Boronicës Kukës</td>
</tr>
<tr>
<td>Status:</td>
<td>Registered</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product name</th>
<th>Geshtenja e Tropojes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmers</td>
<td>na</td>
</tr>
<tr>
<td>Volume of production</td>
<td>na</td>
</tr>
<tr>
<td>Value of production</td>
<td>na</td>
</tr>
<tr>
<td>Region:</td>
<td>Tropoja, Bajram Curr,</td>
</tr>
<tr>
<td>Association:</td>
<td>Shoqata e prodhuesve te geshthenjes dhe mjaltit te gesht-enjes ne Tropojë</td>
</tr>
<tr>
<td>Status:</td>
<td>Registered</td>
</tr>
</tbody>
</table>
2. BOSNIA AND HERZEGOVINA

<table>
<thead>
<tr>
<th>Product name</th>
<th>Livno cheese</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmers</td>
<td>1000</td>
</tr>
<tr>
<td>Volume of production</td>
<td>2,000 t</td>
</tr>
<tr>
<td>Value of production</td>
<td>€ 7,000,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product name</th>
<th>Cheese in a sack</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmers</td>
<td>800</td>
</tr>
<tr>
<td>Volume of production</td>
<td>700 t</td>
</tr>
<tr>
<td>Value of production</td>
<td>€ 2,000,000</td>
</tr>
</tbody>
</table>
3. KOSOVO*

<table>
<thead>
<tr>
<th>Product name</th>
<th>Sharri Cheese – Djathi i Sharrit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmers</td>
<td>na</td>
</tr>
<tr>
<td>Volume of production</td>
<td>na</td>
</tr>
<tr>
<td>Value of production</td>
<td>na</td>
</tr>
<tr>
<td>Region:</td>
<td>Sharri Region</td>
</tr>
<tr>
<td>Association:</td>
<td>Sharr Cheese Producers</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product name</th>
<th>Rugova Cheese - Djath Rugove</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmers</td>
<td>na</td>
</tr>
<tr>
<td>Volume of production</td>
<td>na</td>
</tr>
<tr>
<td>Value of production</td>
<td>na</td>
</tr>
<tr>
<td>Region:</td>
<td>Sharri Region</td>
</tr>
<tr>
<td>Association:</td>
<td>no</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product name</th>
<th>Flija</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmers</td>
<td>na</td>
</tr>
<tr>
<td>Volume of production</td>
<td>na</td>
</tr>
<tr>
<td>Value of production</td>
<td>na</td>
</tr>
<tr>
<td>Region:</td>
<td>Entire Kosovo*</td>
</tr>
<tr>
<td>Association:</td>
<td>no</td>
</tr>
</tbody>
</table>
4. MONTENEGRO

<table>
<thead>
<tr>
<th>Product name</th>
<th>Njeguška sausage (Njeguška kobasica)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product type</td>
<td>Dried processed meat</td>
</tr>
<tr>
<td>Number of farmers</td>
<td>70</td>
</tr>
<tr>
<td>Volume of production</td>
<td>1,000 t</td>
</tr>
<tr>
<td>Value of production</td>
<td>€ ≤ 7,000,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product name</th>
<th>Dried beef meat (Goveda pršuta)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product type</td>
<td>Dried meat</td>
</tr>
<tr>
<td>Number of farmers</td>
<td>500</td>
</tr>
<tr>
<td>Volume of production</td>
<td>2,000 t</td>
</tr>
<tr>
<td>Value of production</td>
<td>€ 24,000,000</td>
</tr>
</tbody>
</table>
## 5. NORTH MACEDONIA

<table>
<thead>
<tr>
<th>Product name</th>
<th>BISTRA KASHKAVAL (Бистра кашкавал)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product type</td>
<td>cheese</td>
</tr>
<tr>
<td>Number of farmers</td>
<td>2</td>
</tr>
<tr>
<td>Production area:</td>
<td>West region, mountain. Bistra</td>
</tr>
<tr>
<td>Volume of production</td>
<td>8,620 kg</td>
</tr>
<tr>
<td>Value of production</td>
<td>€155,160</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product name</th>
<th>Wild fig slatko (Слатко од диви смокви)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product type</td>
<td>processed fruit</td>
</tr>
<tr>
<td>Production area:</td>
<td>Southeastern regions</td>
</tr>
<tr>
<td>Number of farmers</td>
<td>32</td>
</tr>
<tr>
<td>Volume of production</td>
<td>6,200 jars of 370 g</td>
</tr>
<tr>
<td>Value of production</td>
<td>€25,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product name</th>
<th>Bukovo pepper (Буковска Пипер)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product type</td>
<td>fresh vegetable, spice</td>
</tr>
<tr>
<td>Number of farmers</td>
<td>2</td>
</tr>
<tr>
<td>Volume of production</td>
<td>8,620 kg</td>
</tr>
<tr>
<td>Value of production</td>
<td>€155,160</td>
</tr>
</tbody>
</table>
### 6. SERBIA

<table>
<thead>
<tr>
<th>Product name</th>
<th>Type</th>
<th>Number of farmers</th>
<th>Volume of production</th>
<th>Value of production</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Futog cabbage</strong> (Futoški kupus)</td>
<td>vegetable</td>
<td>na</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td><strong>Deliblato Honey</strong> (Deliblatski med)</td>
<td></td>
<td>200</td>
<td>100 t</td>
<td>EUR 1,000,000</td>
</tr>
<tr>
<td><strong>Pirot ironed sausage</strong> (Pirotska peglana kobasica)</td>
<td></td>
<td>500</td>
<td>1,000 t</td>
<td>EUR 10,000,000</td>
</tr>
</tbody>
</table>
Section B:
Short guidelines on the steps and procedures for registration of quality products with Geographical Indications and Traditional Specialities on EU level
Disclaimer:
This document is designed for applicants who wish to register the name of an agricultural product or foodstuff as a PDO (protected designation of origin) or PGI (protected geographical indication) or TSG (traditional specialities guaranteed) in the EU. This document is for informational purposes only. It carries no legal or interpretative value and does not substitute, amend or otherwise modify the rules laid down by legislation. The examples here reported are for informational purposes (not advertising) and the contents have been collected from each single website.

Aims of the guidelines
The objective of these guidelines is to provide technical support to the South East Europe countries/territories regarding the requirements for the implementation of the European (EU) schemes of geographical indications and traditional specialities.

This document should help the stakeholders involved in the registration, protection and development of Geographical Indications with the aim to provide support to South East Europe countries/territories (Albania, Bosnia and Herzegovina, Kosovo*, North Macedonia, Montenegro, and Serbia) on the implementation and registration of European quality schemes such as Geographical Indications (GIs) and Traditional Specialities.

In particular this document represents short guidelines on the steps and procedures for registration of products with geographical indications and traditional specialities according to the European requirements. Its content highlights the main information required by the EU during the request for registration and protection of the GIs at the EU level. This also could represent a good starting point for those countries facing the alignment process during the EU accession.

In addition, with the aim of raising awareness and helping the implementation of quality schemes of geographical indications in the South East Europe countries/territories, this document provides some technical examples of implementation in some European Countries (all used examples are available on the web).

Due to the differences in the application procedures between European countries and third countries, and considering the different alignment process to the EU requirements for WBs, this document takes into consideration the general procedures required for the European countries (EU Members) and provides additional notes for the third countries.

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

23 “third countries” refers to all non-EU countries, including WBs
B.1 REGISTRATION PROCESS: the main procedures at EU level

B.1.1 How to register

To register the name of a product, EU producers or producer groups need to lay down the product’s specifications and link to the geographical area, if applicable. The application is sent to the national authorities for scrutiny and then forwarded to the European Commission, who will examine the request. In order to register a GI, the product must comply with detailed specifications including, at least, the raw materials and the principal physical, chemical, microbiological or organoleptic characteristics of the product. Evidence of the geographical area of production must be provided, along with the production method, with all of these elements demonstrating that the product originates in the defined geographical area, and that it complies with the labelling method.

Any producer or group of producers in a geographical area relating to a PDO/PGI designation is entitled to use the registered name to market the product concerned, as long as the conditions of production set out in the product specification are respected. Applications are generally made by producer groups, which normally represent all the interested producers in a locality.

For non-EU products to be registered at EU level, producers send their applications directly, or via their national authorities, to the European Commission. However applications could be submitted directly by producers to the Commission – it is not obligatory to send them through national authorities.24

Joint applications (as referred to in the Regulation (EU) No 1151/2012) can be submitted to the Commission by an EU Member State concerned, or by an applicant group in a third country concerned, directly or through the authorities of that third country. It shall include the declaration from all the Member States concerned. Requirements laid down for product specification of the Regulation (EU) No 1151/2012 should be fulfilled in all EU Member States and third countries concerned.

For spirit drinks and agri-food products, the European Commission has respectively a maximum of 12 and 6 months to examine the application and decide if the product will be protected under the quality scheme requested. As for wine, there is no deadline for the application examination.

EU and non-EU producers, national authorities and the European Commission can oppose or cancel the registration of a product name under a quality scheme. The opposition can be done from the moment the product is registered, and for a period of three months. If the opposition is valid, the two parties involved (the party opposing the registration and the group of producers registering the product) should consult each other to find a solution.

If no agreement is reached, the Commission takes the final decision on cancelling or not the registration. Cancelling the registration of a product name is a possibility when compliance with the product specifications are no longer ensured. It is also possible to cancel the registration of a product name (only for food) when no registered product name (as PDO, PGI or TSG) has been put on the market for seven consecutive years.

All documents sent to the European Commission have to be in one of the official languages of the European Union institutions or accompanied by a certified translation into one of those languages.

---

24 In case of applications from 3rd countries, it is not needed to get first protection as GI in the country of origin – EU requires a proof that the name is protected, but it could be also protected as a trade mark.
B.1.2 Application requirements: the procedure at the national level

The application process takes place in a two-tier procedure: at the national level and at EU level. However, for non-EU countries applications could be submitted directly by producers to the Commission – it is not obligatory to send them through national authorities. The main actors involved in the procedure are applicants (group of producers), and national and EU authorities responsible for registration.

The procedure at national level for EU Countries contains the following steps:

- Definition by the group of producers of its product according to precise specification (see the following pages)
- Request from the producer group sent to competent national authorities
- Examination of the application by the national authority to check if it is justified and meets the legislation conditions (EU regulations and national laws)
- Objection procedure (any person having a legitimate interest and established or resident on its territory may lodge their objection to the application).

To register the name of a product, producers or producer groups need to lay down the product’s specification and the application is sent to the national authorities for scrutiny. Applications should be examined by the national authorities, in compliance with the minimum common provisions, including a national opposition procedure.

The National Competent Authority (NCA) shall scrutinise the application by appropriate means in order to check that it is justified and meets the conditions of the respective scheme. If it is found not appropriate, applicants are informed of this negative decision and the application is not passed on. If the application lodged by the applicant group meets the conditions and is qualifying for the favourable decision, the application can be forwarded to the European Commission for subsequent scrutiny of the applications.

As part of the scrutiny, the national authority shall initiate a national opposition procedure that ensures adequate publication of the application and that provides for a reasonable period within which any natural or legal person having a legitimate interest and established or resident on its territory may lodge an opposition to the application. Admissibility of oppositions received should be examined and if the requirements of this Regulation are considered to be met, a favourable decision may be taken and an application dossier lodged with the Commission. In such case the Commission shall be informed of admissible oppositions received.

If, after assessment of any opposition received, the NCA considers that the requirements of the Regulation are met, it takes favourable decision. If the specification was significantly amended after the publication of the application, these amendments should be published together with the favourable decision. Each producer from the group should prove production according the product specification via competent national control bodies and then can be entered into the Register of producers.

If a group of producers applies for the registration of a name that designates a border geographical area, or a traditional name connected to that geographical area situated in another country, the national authorities must consult the relevant authorities of this country before transmitting the application to the Commission.

This provision is aimed at establishing whether a product is being produced elsewhere under the same name, on both sides of the border, as well as tries to find an overall solution to the problem. One solution, for example, could consist of the establishment of a common specification and a joint application with the third country or Member State concerned. In this case, producers would be able to keep their rights to use the name, even if they represent a minority of producers located in a country different from that where the majority is located.
B.1.3 Application requirements: the procedure at the EU level

After receiving the documents from the National Competent Authority or directly from an applicant from a third country, the Commission examines the application.

The Commission shall scrutinise by appropriate means any application, in order to check that it is justified and that it meets the conditions of the respective scheme. This scrutiny should not exceed a period of six months. The Commission shall, at least each month, make public the list of names for which registration applications have been submitted to it, as well as their date of submission.

If the EU Commission considers that the conditions laid down in Regulation 1151/2012 are met, it publishes in the Official Journal of the European Union, the single document of the application and the reference to the publication of the specification (the Member States must provide for an electronic access to the publication of the specification). Where that is not the case, the Commission rejects the registration application. The publication opens an opposition period during which any Member State or third country may object to the registration, by sending a duly substantiated statement to the Commission. If no oppositions, the name will be entered in the register of protected designations of origin and protected geographical indications and published in the OJEU (Official Journal of EU).

Any other member state or third country and all persons having a legitimate interest, established or resident in another member state or a third country, may lodge an opposition to the proposed registration.

Oppositions can only be based on the reasons specified in Article 10(1) of the Regulation, namely:

a) The conditions referred to in Article 5 of the Regulation for designations of origin or geographical indications or the requirements referred to in Article 7(1) of the Regulation for specifications are not complied with

b) The proposed name conflicts with the name of a plant variety or animal breed or with a registered name or well-known trade mark pursuant to Article 6(2), (3) or (4) of the Regulation

c) The registration of the proposed name would jeopardise the existence of an entirely or partly homonymous name or trade mark or the existence of products which have been legally on the market for at least five years preceding the date of the publication provided for in Article 50(2)(a) of the Regulation;

d) The name whose registration is requested is a generic name.

If the reasoned statement of opposition is admissible, the Commission will invite the parties concerned, in a first step, to reach an agreement. If no agreement is reached, the Commission will take a decision, within the scope of a committee procedure, whether or not the name shall be entered in the register of protected names.

The Commission may cancel a registration on its own initiative or upon request of a member state or of any natural or legal person with a legitimate interest, if the conditions of the specification for an agricultural product or foodstuff covered by a protected name are no longer met or no product was put on the market under the protected designation of origin or the protected geographical indication in the past seven years (Art. 54 of the Regulation).
B.2 CONTENT of APPLICATION for REGISTRATION OF PDO and PGI

Registration is the outcome of a private voluntary initiative on the part of the producers concerned: the first step is to lodge an application for registration.

The system is voluntary and open. Any producer located in the area and respecting the conditions of production specified in the product specification is entitled to use the registered name to market its product. Therefore, as a principle, applications are made in the name of producer groups. A group means any association of farmers, producers and/or of processors dealing with the same product.

Other interested parties, for example consumers, may also participate in the group. Such groups prepare together the application for registration of their products. Indeed, according to Regulation, any one producer who is established in the defined geographical zone may use the name as long as all the conditions of the specifications are fulfilled. The specifications must be transparent, clearly defined and made public. This must be ensured through the precise and thorough description of the given product and its method of production.

The application must state clearly whether the name is to be registered as a protected geographical indication or as a protected designation of origin.

An application for registration of a designation of origin or geographical indication shall include at least:

- The name and address of the applicant group
- The name and address of the authorities
- The name and address of the bodies verifying compliance with the provisions of the product specification;
- The product specification;
- Providing information for each required element and all other supporting documents. For example such documents could include the results of surveys or literary works proving the reputation of a name or maps showing the particular natural elements of a geographical zone. Additional illustrative documents such as photos, menus, recipes or invoices can be useful.
- A single document setting out the following:
  - The main points of the product specification: the name, a description of the product, including, where appropriate, specific rules concerning packaging and labelling, and a concise definition of the geographical area;
  - A description of the link between the product and the geographical environment or geographical origin, as the case may be, including, where appropriate, the specific elements of the product description or production method justifying the link.

When application is coming from EU countries the declaration by the Member State is needed, that it considers that the application lodged by the applicant group and qualifying for the favorable decision meets the conditions of this Regulation and the provisions adopted pursuant thereto;

**Important note**

When a group of producers from the WB countries/territories (or other third countries) sends an application to the EC for product registration with PDO or PGI, supporting documentation must also provide evidence that the product name is protected in its country of origin (date of protection in the country of origin, legal basis: legal act / ministerial order / registration recommendation, product name, etc.)

Also, when the application is submitted directly to the EU by a producer group, additional documentation (information) should be included: the name and address and contact details of the public authority or product certification body (if more than one, give details for all).
The verification of compliance with the specifications before placing the product on the market shall be carried out by: one or more of the public authorities designated by the third country; and/or one or more of the product certification bodies.

In relation to control bodies/product certification bodies the proof of accreditation with the standard EN ISO/IEC 17065:2012 should be provided. The scope of accreditation should cover the controls of geographical indications. The accreditation may only be performed by a national accreditation body in the Union in accordance with the provisions of Regulation (EC) No 765/2008; or an accreditation body outside the Union that is a signatory of a multilateral recognition arrangement under the auspices of the International Accreditation Forum.

B.2.1 Application dossier: some explanations

B.2.1.1 Name and Address of the Applicant Group

✓ Stipulate the name and address of the applicant group

The applicant group must have a legal status (association, cooperation, etc.) with a NAME (which can be the name of a natural or legal person) and a single address in the country (telephone, fax and e-mail are desirable).

Groups who work with the products with the name to be registered may only submit applications for registration of names under the quality schemes. In the case of a ‘protected designations of origin’ or ‘protected geographical indications’ name that designates a trans-border geographical area or in the case of a ‘traditional specialities guaranteed’ name, several groups from different Member States or third countries may lodge a joint application for registration.

Only an association of producers or processors of the product can file the application for registration. In exceptional cases, an individual natural or legal person may also file an application, but essentially it needs to be explained that the producer is the only one in the area; and that the characteristics of the area or product/foodstuff produced within the area differ from those produced outside.

On a separate sheet the following details of the Applicant Group should be included:

- Name, address (telephone, fax, e-mail if available),
- Legal status (according to national law),
- Size (how many members of the group), and
- Composition (role or occupation of the members: farmers; producers; distributors; finishers; packers; etc.).

Source: Author’s own elaboration based on EU official guidelines
LEGAL STATUS of the producers – means that all producers of the potential product from the group should have Food establishments registered or approved by the competent authority in the state/entity (Legal Registered Number). That means all food producers intended to protect their products should implement GHP, GMP and flexible HACCP, acquire legal status - registered by competent authority and then send application.

B.2.1.2 Name and address of the Authorities

- Stipulate the name and address and contact details of the public authority or product certification body (if more than one, give details for all).
- In annex - give more information about public authorities like: a statement of other position, capacity and the adequacy of their functions by the national authorities addressed to the Commission.

Rationale

In the Regulation it is clear that the protection afforded, should be equally available to designations of origin and geographical indications of third countries that meet the corresponding criteria and that are protected in their country of origin.

In each country competent national authorities take the necessary measures to protect the names within their territory, for all quality schemes set in Reg. 1151/2012. They should also prevent and stop the unlawful production or marketing of products using such a name.

The national authorities of the state concerned, in compliance with minimum common provisions, including a national opposition procedure, should examine the applications from the group of producers. The Commission should subsequently scrutinise applications to ensure that there are no manifest errors and that Union law and the interests of stakeholders outside the Member State of application have been taken into account.

The competent authorities in the countries should meet a number of operational criteria in order to ensure that they are impartial and effective. NCA shall offer adequate guarantees of objectivity and impartiality, and adequate qualified staff and resources necessary to carry out their functions. Also, provisions on delegating some competences of performing specific control tasks to control bodies should be envisaged. The competent authority should also scrutinise the application by appropriate means in order to check that it is justified and meets the conditions of the respective scheme.

Member States or concerned country should take appropriate administrative and judicial steps to prevent or stop the unlawful use of protected designations of origin and protected geographical indications that are produced or marketed in that state/country.

States should designate the authorities that are responsible for taking all steps in accordance with procedures determined in the Reg. 1151/2012.

These authorities should offer adequate guarantees of objectivity and impartiality and shall have at their disposal the qualified staff and resources necessary to carry out their functions.

B.2.1.3 Name and address of the bodies verifying compliance with the provisions of the product specification

- Stipulate the name and address and contact details of the product certification body (if more than, give details for all).
- In an annex - give more information like: their certificate of accreditation and the status of the accreditation authority as a member of the International Accreditation Forum (IAF) or in the EU.
- Specific tasks of the authorities or bodies can be also listed.
**Keynote**

Compliance with the specification must be subject to verification. This can either be done by public authorities or by a product certification body. If the public authorities do verification checks, they must offer guarantees of impartiality and objectivity and have at their disposal qualified staff and resources necessary to carry out the checks.

If verification checks are done by a product certification body, it must be accredited in accordance with ISO/IEC 17065 (Conformity assessment — Requirements for bodies certifying products, processes and services). The accreditation authority must be recognised by the IAF (International Accreditation Forum) or be an accreditation authority of a Member State of the EU.

**Rationale**

Each country/state should provide inspection structures in order to ensure that the requirements set out in the specifications are met. States are obliged to set up the necessary control bodies to ensure compliance with EU rules. Enforcement of the scheme is carried out by authorities designated by the state/country, acting within the rules laid down at EU level.

Member States or third country merely had to ensure that inspection structures were in place in order to guarantee that the requirements laid down in the specifications were met.

The added value of the geographical indications and traditional specialities guaranteed is based on consumer trust. It is only credible if accompanied by effective verification and controls. Those quality schemes should be subject to a monitoring system of official controls, in line with the principles set out in Regulation (EU) No 625/2017 on official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health and plant protection products.

Information on control activities for geographical indications and traditional specialities guaranteed should be included in the multiannual national control plans and annual report prepared by the Member States or third country in accordance with Regulation (EU) No 625/2017.

**B.2.1.3.1 Designation of competent authority for official controls**

In accordance with Regulation (EU) No 625/2017, States shall designate the competent authority or authorities responsible for official controls carried out to verify compliance with the legal requirements related to the quality schemes established by the Regulation 1151/2012. Procedures and requirements of Regulation (EU) No 625/2017 shall apply mutatis mutandis to the official controls carried out to verify compliance with the legal requirement related to the quality schemes for all products covered by Annex I to the Regulation 1151/2012.

**Official controls shall cover:**

- Verification that a product complies with the corresponding product specification; and
- Monitoring of the use of registered names to describe product placed on the market, in conformity with names registered as PDO, PGI or TSG.

**B.2.1.3.2 Verification of compliance with product specification**

In respect of designations of origin, geographical indications and traditional specialities guaranteed that designate products originating in a third country, the verification of compliance with the specifications before placing the product on the market shall be carried out by:

- One or more of the public authorities designated by the third country; and/or
- One or more of the product certification bodies

States should make public the name and address of the authorities and bodies, and update that information periodically. The Member States should make public the name and address of the authorities and bodies, and update that information periodically.

---

25 Regulation (EU) No 625/2017 on official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health and plant protection products.
should inform the Commission of the names and addresses of the competent authorities and the Commission shall make public the name and address of the national authorities and bodies and update that information periodically.

**It is important to ensure surveillance of the use of the name in the market place. Therefore, each state shall carry out checks, based on a risk analysis, to ensure compliance with the requirements of the Regulation and, in the event of breaches, the states should take all necessary measures.**

Competent authorities may delegate specific tasks related to official controls of the quality schemes to one or more control bodies. Such control bodies should be accredited in accordance with European Standard ISO/IEC 17065 (Conformity assessment — Requirements for bodies certifying products, processes and services).

Competent authorities should be able to delegate some of their tasks to other bodies.

Appropriate conditions should be laid down to ensure that the impartiality, quality and consistency of the official controls and of the other official activities are preserved. The delegated body should in particular be accredited according to the International Organization for Standardization (ISO) standard for performance of inspections.

The delegated body should operate and be accredited in accordance with the standards relevant to the delegated tasks in question, including the standard EN ISO/IEC 17020 ‘Requirements for the operation of various types of bodies performing inspection’.

**Planning and reporting of control activities - each country should** ensure that activities for the control are specifically included in a separate section within the multi-annual national control plans. The annual reports concerning the control of the obligations established by the Regulation shall include a separate section comprising the information laid down in Article 113 of Regulation (EU) No 625/2017.

---

**B.3 PRODUCT SPECIFICATION**

In order to benefit from the protection given to a Geographical Indication (and (to be eligible for registration), EU regulations establish that an agricultural product, a foodstuff, a wine or a spirit must comply with a “production specification”.

The product specification is a key document, which contains information about the product, its specific qualities, its area of production, and explains the link between the geographical environment and the product in question. The specification must clearly state whether the name is to be registered as a protected geographical indication or as a protected designation of origin.

The specification is therefore the **product’s identification document, prepared and presented (during the application process) that lays down the detailed rules and conditions for the production of the product to be designated as a PDO or PGI.**

According to Regulation (EU) No 1151/2012 Art. 7 of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs on the protection of Geographical Indications and Designations of Origin for agricultural products and foodstuffs, replacing the Council Regulation (EC) No 510/2006, a product specification should be included at least the following elements:

1. **Product Designation (the name of the product)**
2. **Product Description (raw materials, main characteristics)**
3. **Definition of the geographical area**
4. **Evidence of product origin within the geographical area**
5. **Description of the production methods**
6. **Evidence of the link with the geographical area or geographical origin**
7. **Mention of quality control body**

---

26 Regulation (EU) 2017/625 of the European Parliament and of the Council of 15 March 2017 on official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health and plant protection products,
Schemes of Geographical Indications and Traditional Specialities in South East Europe

**Food Quality Policy:**

8. *Specific rules concerning labelling in regard to the acronyms PDO or PGI*

9. *Regulations and conditions in compliance with national/EU provisions*

Each country should determine the basic criteria to establish a code of conduct, according to its own idea of GIs and the needs of local producers. Those elements justifying the link between the qualities, the characteristics or reputation of a product and the geographical environment are crucial to identify a Geographical Indication.

**B.3.1 Product designation (the name of the product)**

It includes the name to be protected as a geographical indication (GI), as it is used, whether in trade or in common language, and only in the languages, which are or were historically used to describe the specific product in the defined geographical area.

A name may not be registered as a designation of origin or geographical indication where it conflicts with a name of a plant variety or an animal breed and is likely to mislead the consumer as to the true origin of the product. A name proposed for registration that is wholly or partially homonymous with a name already entered in the register established under Article 11 of the EU Regulation may not be registered unless there is sufficient distinction in practice between the conditions of local and traditional usage and presentation of the homonym registered subsequently and the name already entered in the register, taking into account the need to ensure equitable treatment of the producers concerned and that consumers are not misled.

A homonymous name which misleads the consumer into believing that products come from another territory shall not be registered even if the name is accurate as far as the actual territory, region or place of origin of the products in question is concerned.

A name proposed for registration as a designation of origin or geographical indication shall not be registered where, in the light of a trade mark’s reputation and renown and the length of time it has been used, registration of the name proposed as the designation of origin or geographical indication would be liable to mislead the consumer as to the true identity of the product.

Words having particular descriptive meanings, such as ‘original’, ‘traditional’, ‘farmhouse’, ‘natural’, etc., should normally be avoided, unless this is an intrinsic part of the name used to describe the product.

Box 1. *Example of Product Designation - Italian PDO Asiago Cheese*

<table>
<thead>
<tr>
<th><strong>PRODUCT SPECIFICATION PDO</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>“ASIAGO”</td>
</tr>
<tr>
<td>(Ministerial Decree 03/08/2006 Official Gazette no. 190, 17/08/06)</td>
</tr>
</tbody>
</table>

Article 1: Name

The protected designation of origin “Asiago” is reserved for the semi-cooked cheese, produced with cow’s milk, obtained in accordance with this specification. Production is divided into two different types of cheese, pressed Asiago and fostered Asiago, whose characteristics are described below.

Box 2. Example of Product Geographical Indication - Italian PGI Toscano Extra Virgin Olive Oil

**PRODUCTION SPECIFICATIONS OF “TOSCANO” EXTRA VIRGIN OLIVE OIL, PROTECTED GEOGRAPHICAL INDICATION**

**1. Denomination**

Toscano” Protected Geographical Indication, eventually accompanied by one of the following additional geographical references: “Seggiano”, “Colline Lucchesi”, “Colline della Lunigiana”, “Colline di Arezzo”, “Colline Senesi”, “Colline di Firenze”, “Montalbano”, “Monti Pisani” is reserved to the olive oil that meets the conditions and the requirements established in the production specifications within this document.


According to the second example (Box 2), the Extra Virgin Olive Oil Toscano PGI can be produced in the Italian region called Tuscany and it could be eventually accompanied by additional geographical references (within the same administrative Region “Tuscany”) (see the following points).

Box 3. Example of Product Designation - Parma Ham PDO

**PRODUCT NAME: PROSCIUTTO DI PARMA**

Since 1970 the designation of origin “Prosciutto di Parma” has been legally protected at a national level by Law No. 506 dated 4 July 1970 and was subsequently recognised as a PDO with EC Regulation No. 1107 dated 12 June 1996 pursuant to EEC Regulation no. 2081/92


### B.3.2 Product description (raw materials and main characteristics)

The description essentially establishes the ways in which a product is specific, and details how it is to be differentiated from other products in the same category. Specification of processing, packaging and presentation may also be important, because methods of cutting, slicing, grating or packaging may be essential in maintaining the characteristics and value of the product.

A description of the product, including the raw materials, if appropriate, as well as the principal physical, chemical, microbiological or organoleptic characteristics of the product, but can also include the sizes or the minimum weight. Give details of the production steps that take place within the specified geographical area for PDO and what is external for PGI.

Highlighting the influence of the geographical environment and/or the *savoir-faire* of the local producers in the final product.

- Physical attributes (shape, colour, weight etc.)
- Chemical features (minimum fat content, maximum water content etc.)
- Microbiological information (e. g. any bacteria present)
- Biological details (race, variety etc.)
- Organoleptic characteristics (taste, flavour, colour, odour etc.)
Schemes of Geographical Indications and Traditional Specialities in South East Europe

Box 4. Example of product description - Asiago PDO cheese

**PRODUCT SPECIFICATION - PDO “ASIAGO”**

(Ministerial Decree 03/08/2006 Official Gazette no. 190, 17/08/06)

**Article 3: Animal feed**

The cattle whose milk is intended for processing into PDO “Asiago” cheese should not be fed with the fodder and feed as indicated below:

**Forages:**
- Crops of canola, rapeseed, mustard, Greek hay; Leaves of fruit trees, leaves of chard and collars; silo grass of clover, pea, and by-products; Fruits and their by-products from industrial processing, fresh and kept moist; vegetables and related products, fresh and kept moist; By-products of fermentation industries, fresh and kept moist (brewers grains, distillery etc.);

**Feeds:**
- meat, fish and feather meals; rapeseed meal, citrus seeds, grape seeds; vegetables and dried fruit;
- industrial processing of dried vegetables and fruit by-products (beans and peas peels, artichokes, chestnuts, pods, husks, seeds, dregs); sugar by-products: protein concentrate from molasses, various dried pulps, and others; industrial fermentation dried products; stillage fermentation, fermentation residues and others.

If the milk is intended for the production of PDO Asiago cheese which bears the term “mountain product” it is also forbidden to be fed with any type of silage.


Box 5. Example of product description - Tuscan PGI Extra Virgin Olive Oil

**PRODUCTION SPECIFICATION OF “TOSCANO” EXTRA VIRGIN OLIVE OIL, PROTECTED GEOGRAPHICAL INDICATION**

2. Olive Varieties:
1) “Toscano” Protected Geographical Indication, without any additional geographical references, must be obtained by the following olive varieties present, alone, or in combination, within the following olive groves: Americano, Arancino, Ciliegino, Frantoio, Grappolo, Gremignolo, Grossolana, Laricinaese, Lazzerino, Leccino, Leccio del Corno, Leccione, Madonna dell’Impruneta, Marzio, Maurino, Melaiolo, Mignolo, Moraiolo, Morchiano, Olivastra Seggianese, Pendolino, Pesciatino, Piacenti, Punturico, Razzino, Rossellino, Rossello, Santa Caterina, Scarlinense, Tondello and their synonyms. There can also be other varieties for a maximum of 5%.

2) The additional geographical reference “Seggiano” is reserved to the “Toscano” Extra Virgin Olive Oil obtained by the olives coming from olives groves composed by the variety Olivastra Seggianese. Also other olive varieties can be admitted as pollinators present in the olive groves for a maximum of 5%.

3) The additional geographical reference “Colline Lucchesi” is reserved to the “Toscano” Extra Virgin Olive Oil obtained by the olives of the following varieties: Frantoio or Frantioiana until 90%, Leccino until 20%. Also other olive varieties can be admitted in the olive groves for a maximum of 15%.

4) The additional geographical reference “Colline della Lunigiana” is reserved to the “Toscano” Extra Virgin Olive Oil obtained by the olives of the following varieties: Frantoio or Frantioiana until 90%, Leccino until 20%. Also other olive varieties can be admitted in the olive groves for a maximum of 15%.

5) (…etc.)

B.3.3 Definition of the geographical area delimited

The geographical area represents the key element of the GIs purposes. The process of defining the physical boundaries for the production area of a local product is an essential and crucial step. The geographical area corresponds to the territory where the GI product is elaborated (or can be elaborated) according to the stages defining the GI product (raw material, processing, etc.).

The product specification has to set out precisely the limits of the geographic area, using supporting documents including maps. The delimitation should be based on the link between the product and its geographical origin. Each delimitation process requires a collective approach among the stakeholders involved in the registration steps. However, there is no standard EU approach towards the delimitation of the GI area. Each country has its own method and procedures to define the area. However, as a general rule, the geographical area is defined in a detailed, precise way based on evidence relating to historical, geological, agronomical or climatic conditions.

Geographical limits are defined by natural or human factors, but not necessarily by administrative boundaries. Sometimes, specialists such as historians, geologists, economists, etc. are called in to help define the area. The process of delimitation should take into account different criteria:

- Physical criteria, such as soil, climate, topography, water supply, etc.
- Local practices, such as conditions of cultivation, varieties, harvesting, processing practices, etc.
- Local production history and the GI reputation: historical data and documented sources (literature, laws, recipes but also oral sources such as stories and narrations) mentioning the product and the geographical origin in the past can be considered and presented with the aim to demonstrates the historical production. Where a GIs application is based on reputation, explain what that reputation consists of and how the reputation relates to product from the geographical area.

When the GI area covers regions from two Member States, the EU GI system provides for the registration of cross-border GIs27.

27 A cross-border GI is a GI which comes from an area that covers regions from two countries. There are specific provisions with regard to the protection of cross-border GIs for agricultural products and foodstuffs and for wines. Examples of GIs registered as cross-border are PGI Rosée des Pyrénées Catalanes France and Spain (for meet); Slovenia-Croatian (PGI) for Extra Virgin Olive Oil under the name Istria Olive Oil, Maasvallei Limburg (wine), is a Belgian and Dutch protected designation of origin (PDO), Istarski pršut / Istrski pršut »(ham) is a Croatian and Slovenian PDO. Miód z Sejneńszczyny / Łoździejszczyzn »/« Seinų / Lazdijų krašto medus »(honey) is a Polish and Lithuanian PDO, Genièvre / Jenever / Genever »(spirit drink) is a geographical indication in Belgium, the Netherlands, France and Germany.
Box 6. Description of production area: Example of Asiago PDO cheese

PRODUCT SPECIFICATION PDO “ASIAGO”

(Ministerial Decree 03/08/2006 Official Gazette no. 190, 17/08/06)

Article 2 Production Area
PDO “Asiago” cheese is produced with milk from herds located in the defined area and in dairies located within the protection zone that is stated below:
Province of Vicenza: the whole territory; Province of Trento: the whole territory; Province of Padova: the municipalities of Carmignano di Brenta, S. Pietro in Gù, Gransurtto, Gazzo, Piazzola sul Brenta, Villafranca Padovana, Campodoro, Mestrino, Veggiano, Cervarese S. Croce and Rovolon; Province of Treviso: the territory thus delimited: taking as a reference point the town of Rossano Veneto, near Vicenza, the limit follows the road Rossano - Castelfranco Veneto until its junction with state road no. 53 “Postumia”. Along this road, crossing the ring road south of Treviso, to its intersection with the Alemagna highway. The boundary continues north along the path of said highway to the river Piave.
Then turns west along the right bank of said river to the border of Treviso and Belluno. From this point the limit is identified with the boundary of the province of Treviso to the point of this meeting with the boundary of the province of Vicenza.
The production areas indicated above, which are located at a height not less than 600 metres, are identified as mountainous territory.


Box 6 shows the article 2 of Production Specification of Asiago PDO cheese in referring to the production area. It is defined in detail, by reference to administrative boundaries (province and municipalities), physical boundaries (e.g. rivers, roads).

According to the product specification of Toscano PGI Extra Virgin Olive Oil the product with the PGI recognition can be produced with the olives within the administrative boundaries of Tuscany region. However, the product specification allowed the use of additional geographical references under the designation of “Toscano PGI” (within the same administrative Region of “Tuscany”) such as “Toscano” of Colline di Firenze. In that case any additional boundaries are described in the production rules.

B.3.4 Evidence that the product originates in the defined geographical area

The aim of this point is to highlight the main effects provided by the interaction with the geographical area. This section generally describes the natural factors involved, and particular attention should be drawn to the soil characteristics of the land within the defined geographical area in combination with the climate conditions, which have direct effects on both the composition of raw material and processing (an/or ageing).

The main requirement here is for applicants to show full traceability of their product. A clear path must be identified between the area of production and the final product on the market. The specification must demonstrate what measures have been put in place to ensure traceability (for example, by keeping a register), i.e. that the product and its raw material, where appropriate, originate from the area.

Avoid unsubstantiated general statements. Statements should be precise: e.g. give average rainfall in mm (provided this is relevant to the specific product); explain which aspects of the climate give rise to the effects on the product, etc.

Box 7. Example of evidence that the product originates in the defined geographical area Asiago PDO cheese

PRODUCT SPECIFICATION PDO “ASIAGO”
(Ministerial Decree 03/08/2006 Official Gazette no. 190, 17/08/06)

**Article 4: Origin of the product**

Each stage of the production process is monitored, for every input and output. In this way, product traceability is ensured by registration in specific lists, managed by the control structure, by milk producers, gatherers, processors, packers and matures of cheese without the crust, and timely declaration of the quantities produced to the control structures. The verification of process and product non-compliance carries prohibition of marketing the product under the name Asiago.


Box 8. Example of evidence for Italian PDO Parma Ham

**SECTION D**

**EVIDENCE OF PRODUCT ORIGIN WITHIN THE GEOGRAPHICAL AREA**

(etc.)...This series of relationships has pervaded and evolved with the history of the people and places that have generated them. For this reason, a historical, cultural and legislative description of the birth and history of a food product is definitely the best and perhaps the only way to illustrate its distinctive characteristics.

The indication of the elements proving that the product originates in the geographical area referred to in the designation shall necessarily include all the elements dealt with about the area as established in Section C above. Specifically:

- Parma Ham certainly originates in the geographical area referred to in Section C above and its characteristics are essentially due to the geographical environment, including the relevant natural and human factors. Furthermore, as indicated in point C.2, its processing takes place exclusively inside the defined geographical area;
- At the same time, the raw material that is used in the preparation of Parma Ham originates in the defined geographical area indicated in Section C, where the production takes place, and its characteristics are essentially due to the environment, including the relevant natural and human factors.

**HISTORY OF THE PO VALLEY PIG**

The pig is an omnivore that is easy to feed and relatively easy to domesticate. Hence its transition from a wild pig to a domesticated one has taken place many times and in many different areas, starting from various pig breeds and sub-breeds. This is why each “cultural region” has its “own pig” and the Po Valley is no exception.

For centuries and in every cultural area or region, the pig had only been partially domesticated. Only in fairly recent times has the pig become a true “domestic pig”, meaning completely dependent on humans. Lately, this dependency has been emphasized through improved breeding techniques that have led to an animal called the “technological pig” or “industrial pig”.

(etc.)

B.3.5 Description of the method of obtaining the product

The description of the product includes should be made considering the entire supply process with regard to the processing methods (for processed products), for all the stages that are taking place in the territory concerned and as relevant, the description would include:

- Ingredients and raw materials;
- Production processes, techniques and technical criteria;
- For animal products: species, breeding practices, age at slaughter, etc.;
- For vegetal products: varieties, harvesting (method and period), storage, etc.;
- Physical characteristics (shape, appearance, etc.) and presentations (fresh, preserved, etc.); chemical (additives, etc.);
- Microbiological (use of ferments, presence of germs, etc.);
- Organoleptic (flavour, texture, colour, sensory profile, aromas, taste, etc.).

To provide this definition, different complementary means can be used: literature research, interviews with other inhabitants (especially the elderly) and to some traditions specialist, carrying out physicochemical analysis, etc. The following boxes 8 and 9 show some examples of how the methods of production can be described in the product specifications.
PRODUCT SPECIFICATION PDO “ASIAGO”  
(Ministerial Decree 03/08/2006 Official Gazette no. 190, 17/08/06) 

**Article 5 Production Method** 

The “Asiago” cheese, both in the type of pressed and in that of fostered, is produced by milk complying with health regulations. However, production of fostered “Asiago” in huts during the pastures period of milk is allowed. Notwithstanding the health regulations in force, the milk must be stored at temperatures between 4 and 11 degrees Celsius and should be processed within a maximum time of 60 hours of first or optional second milking. In the case where the “Asiago” cheese is manufactured with raw milk, the transformation must be obtained within 36-48 hours in the plant, according to existing provisions.

For the production of pressed “Asiago” cheese, milk may be used that is obtained by one or two milkings, raw or pasteurized at 72 degrees Celsius for 15 seconds, according to current regulations. For the production of fostered “Asiago” cheese, milk can be used from two milkings partially skimmed to separate the cream, or from two milkings partially skimmed, or from a single milking even partially skimmed.

It may be raw milk or thermised to 57/68 degrees Celsius for 15 seconds with positive analytical phosphatase parameter. Further milk treatments than those expressly set forth in this specification are not allowed. For the production of PDO Asiago cheese which bear the words “mountain product”, it is allowed to use milk from 2 or 4 milkings, but the processing of the milk must occur within 18 hours of receipt, in the case of use of milk of 2 milkings, within 24 hours of receipt in the case of use of milk of 4 milkings.

Milk production in place for the production of pressed “Asiago” must be whole milk and the mixture in the boiler is milk, lactic acid or starter, bovine rennet and possibly small amounts of sodium chloride. During processing, for technological requirements, an amount of drinking water may also be added.

In the case of production of fostered “Asiago” the milk used in processing is partially skimmed, possibly with the addition of lysozyme (E 1105) within the legal limits, the mixture is thus formed from partially skimmed milk, lactic acid or starter, bovine rennet, any small amounts of sodium chloride and lysozyme. (Etc.).. The milk for processing into Asiago must derive from one or two milkings. The milk for the transformation of fostered Asiago must result from two milkings partially skimmed, from two milkings, one of which is skimmed, or from a single milking even partially skimmed.

In the processing of milk into pressed “Asiago”, the following technological parameters are met:

- Coagulation temperature 35/40 °C
- Cutting the curd at 15/25 minutes by the addition of rennet the size of walnut / hazelnut;
- Semi cooked temperature: 44 ° + / - 2 °C;
- Pressing for up to 12 hours;

(. Etc.)

**Box 10. Toscano Extra Virgin Olive Oil: example of method of production**

**PRODUCTION SPECIFICATION OF “TOSCANO” EXTRA VIRGIN OLIVE OIL, PROTECTED GEOGRAPHICAL INDICATION**

**Article 5: Oil making modes**

1) The area of extraction of extra virgin olive oil with Protected Geographical Indication “Toscano” includes the whole territory administered by the Region of Tuscany.

1a) The area of extraction of extra virgin olive oil with Protected Geographical Indication “Toscano” of Seggiano includes the entire administrative territory of the areas listed in paragraph 2, section. 3 of the province of Grosseto.

1b) The area of extraction of extra virgin olive oil with Protected Geographical Indication “Toscano” of Colline Lucchesi includes the entire administrative area listed in paragraph 3 of Section 3.

Etc.

2) The Region Tuscany has the faculty, after consultation with the Consortium, to allow that the above operations of oil extraction are carried out also in establishments situated nearby the territories listed in the previous-subsections 1a), 1b) 1c), 1d), 1e), 1f), 1d), 1h), provided within the administrative territory of the Region of Tuscany.

3) The harvesting of olives for the production of extra virgin olive oil with Protected Geographical Indication “Toscano” is directly from the plant with mechanical means or by picking.

4) The olives for the production of extra virgin olive with Protected Geographical Indication (section 1) must be washed at room temperature; any other treatment is prohibited.

5) For the extraction of extra virgin olive oil described in section 1 only mechanical and physical process are allowed, to ensure the achievement of oils without alterations of the qualitative characteristics of the fruit.

6) The holders of oil batches that have to be analysed (physic-chemical and organoleptic analysis) for the use of Protected Geographical Indication must apply for their product certification.

7) The Region of Tuscany establishes a register of milling plants authorized for the olives processing for the oil. Production (section 1), and defines the operations’ areas referred to additional geographical mentions.

8) Milling plants, members of the regional register and authorized for the oil production (sec.1), must comply with the rules to maintain the characteristics of the fruit and keep the best organoleptic quality of the product. Moreover they have to observe the rules of production as established by the Region of Tuscany on a proposal of the Consortium.

9) According to the correspondence of the established parameters, the Region of Tuscany updates every year the register of milling and packaging plants.

*Source: downloaded from web: [https://www.oliotoscanoigp.it/cms/doc/DisciplinareOlioToscanoIGPEn.pdf](https://www.oliotoscanoigp.it/cms/doc/DisciplinareOlioToscanoIGPEn.pdf)*
B.3.6 Mention of quality control body

The product specification shall include the name and address of the authorities or, if available, the name and address of bodies verifying compliance with the provisions of the product specification pursuant to Article 37 of the Reg. 1151/2012 and their specific tasks.

If the public authorities do verification checks, they must offer guarantees of impartiality and objectivity and have at their disposal qualified staff and resources necessary to carry out the checks.

All GI operators must be covered by a system of official controls. States will ensure that any operator complying with this Regulation is entitled to be covered by a system of official controls. The list of bodies in charge of the controls will be published and periodically updated by the Commission.

The cost of the verification of compliance with the specifications, in respect of the geographical indications and designations of origin relating to a geographical area within the Community, will be borne by the operators subject to those controls.

Product certification bodies should be accredited in accordance with European Standard ISO/IEC 17065 (Conformity assessment — Requirements for bodies certifying products, processes and services).

B.3.7 Specific rules concerning labelling in regard to the acronyms PDO/PGI

Provides any specific labelling rule and packaging for the agricultural product or foodstuff in question.

Packaging’ is any activity that takes place after the product/foodstuff to which the name applies has been created in a final form; it does not apply to ‘slaughter’ for meat, nor to ‘harvest’ and ‘washing’ for crops. Product has to be packed into something appropriate in order for it to be transported and sold. A requirement on producers to pack in certain bags of certain weights.

Restrictions on slicing, bottling, grating etc. or packaging can only be included at the request of the Applicant Group. Such requirements should not be encouraged as they restrict the freedom to provide services in the Internal Market and may have the effect of discriminating against small producers who do not have ready access to the packaging facilities, and who wish to sell in bulk form.
### PRODUCTION SPECIFICATION OF “TOSCANO” EXTRA VIRGIN OLIVE OIL, PROTECTED GEOGRAPHICAL INDICATION

**Article 7. Description and Presentation**

1) It is forbidden to add to label that includes Protected Geographical Indication “Toscano”, any description not expressly provided in this document of product specifications, including adjectives such as: “fine”, “chosen”, “selected”, “superior”. Truthful and documented references may be included, provided they design to highlight the work of individual producers, such as, “varietal”, “hand- picked”, etc. That is previously authorized by the Consortium.

2) You may use true names, company names, private brand; they must not have laudatory meaning and must not mislead the consumer.

3) The use of company names, estates, farms and their geographical location, and the reference to the packaging in the olive farm or in the association of olive farms or in industry located in the production area are allowed only if the product has been obtained only with olives picked in the olive groves belonging to the company and if the packaging occurred in the company itself.

4) The packaging operations of extra virgin olive with Protected Geographical Indication of Section 1 must take place in the Region of Tuscany.

5) Each additional geographical indication, as authorized by Section 1 of this specification, must be stated on the label with no bigger size than the characters indicating the Protected Geographical Indication “Toscano”.

6) The use of other geographical indications related to other districts, villages, estates, and farms from which the oil actually comes must be expressed in characters not exceeding half of those used to describe the P.G.I. “Toscano”.

7) The name of the Protected Geographical Indication “Toscano” must appear on the label with clear and indelible characters, so that it can be distinguished from the complex indications that may appear on it.

8) The bottler manufacturer must submit the draft of the label for approval to the Consortium. The Consortium must respond within 30 days of any changes that need to be made.

9) The designation shall comply with the labelling rules established by the legislation in force.

10) The extra virgin olive oil with Protected Geographical Indication “Toscano” must be released to consumption in suitable containers of a capacity not exceeding 10 litres.

11) The extra virgin olive oil with Protected Geographical Indication “Toscano” accompanied by one of the additional geographical indications listed in Section 1 must be released to consumption in suitable containers of a capacity not exceeding 5 litres.

12) It is compulsory to indicate on the label the year of production of olives from which the oil is obtained.

*Source: downloaded from web: https://www.oliotoscanoigp.it/cms/doc/DisciplinareOlioToscanoIGPEn.pdf*
B.3.8 Regulations and conditions in compliance with national/EU provisions

In this section EU recommended to describe any additional requirements under national laws affecting the production and marketing of the product that have not been described above.

B.4 SINGLE DOCUMENT

General points:

The single document for an application for registration of a protected designation of origin or a protected geographical indication should identify the product by using definitions and standards commonly used for that product.

The description shall focus on the specificity of the product bearing the name to be registered, using measurement units and common or technical terms of comparison, without including technical characteristics inherent to all products of that type and related mandatory legal requirements applicable to all products of that type.

The Single Document is sufficient in itself. Do not make any reference to annexes, national legislation and rules, EU legislation, the specification, or any other document. Do not provide an extensive bibliography. The Single Document does not need to be very long (a maximum of 3 to 5 pages and not more than 2 500 words, except in duly justified cases), but it does have to be precise and concrete.

Please avoid subjective and imprecise descriptions such as ‘delicious’, ‘perfect’, ‘tasty’, ‘beautiful’, ‘housewives’ favourite’, etc., and avoid exaggerations and unscientific superlatives: ‘best’, ‘most sought after’, etc.

In compiling the Single Document, please use the templates (available in all EU languages) provided on the Commission’s website. The templates have the correct format for publication in the Official Journal of the EU (OJ), should your application be successful.

For the content, please refer to Single Documents already approved by the Commission and published in the OJ (available in the DOOR database)²⁹.

In the case of amendments, producer groups different from the one that submitted the original application can also submit applications for changes. However, these producers must work with the product named in the amendment.

Box 12: Single document: key points

<table>
<thead>
<tr>
<th>EU No: PDO ( )</th>
<th>PGI ( )</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NAME (S)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>KEY POINT</strong>: The name must be used to designate the specific product. Made-up names are not accepted. Names that describe a general product and do not refer directly to the specific product are not accepted.</td>
<td></td>
</tr>
<tr>
<td>Proof of use: the name must be in use in commerce or in common language to designate the specific product before the application is made. It would be useful to include elements describing the commercial or linguistic use.</td>
<td></td>
</tr>
<tr>
<td>Language and script:</td>
<td></td>
</tr>
<tr>
<td>- The name must be written in the language used in the region of origin, which may be a national language or a lesser-used language or a dialect or a language historically used in that region to describe the product;</td>
<td></td>
</tr>
<tr>
<td>- If the name is not in Latin letters, provide a Latin transcription of the name. Note that a ‘transcription’ is neither a translation nor a transliteration: a transcription in Latin letters gives (approximately) the same sound as the word read in its original script.</td>
<td></td>
</tr>
<tr>
<td>If more than one name is used for the same product (e.g. where national and regional languages are used):</td>
<td></td>
</tr>
<tr>
<td>- The applicant can choose to register one or all names;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- the names must be separated by ‘/’; (do not use ‘or’): ‘Lorem-Ipsum’ / ‘Lorus-Ipsus’</td>
</tr>
<tr>
<td></td>
<td>- if the names in fact refer to different products, file a separate application for each product with a different name. Every time it is quoted as such, this double name must be repeated. The text can be made more readable by using terms such as ‘the cheese’ and ‘the apple’ where the meaning is clear.</td>
</tr>
<tr>
<td>If one name covers more than one distinct product (e.g. the raw and prepared form of the product) note that the name must be used to denominate each form of the product. Both products must be described and all the conditions of registration must be fulfilled for both products, e.g. a raw and a prepared fish. If all the conditions are fulfilled for registration, one application is enough.</td>
<td></td>
</tr>
<tr>
<td>Be precise: the name must be exactly the same (same words, same characters) in all instances throughout the text of the Single Document.</td>
<td></td>
</tr>
<tr>
<td>A justification must be provided in case of a name that refers to or includes the name of a country.</td>
<td></td>
</tr>
<tr>
<td>If you use a name which includes or constitutes names of varieties or breeds, please provide evidence that the conditions set out in Article 42 of Regulation (EU) No 1151/2012 are met.</td>
<td></td>
</tr>
</tbody>
</table>

**MEMBER STATE OR THIRD COUNTRY**

Name the country in which the product is produced. If more than one country is involved, i.e. where the geographical area straddles a border, list all countries.
### DESCRIPTION OF THE AGRICULTURAL PRODUCT OR FOODSTUFF

#### 3.1. Type of product
Use the product classifications in Annex XI to Regulation (EU) No 668/2014 (part 2.5)

#### 3.2. Description of the product to which the name in (1) applies

**KEY POINT:** The product must be specific: it cannot be a generic product, with no characteristics distinguishing it from others. Ask yourself: What makes this product special? In what ways is it different from another product in the same category? We do not insist on unique products, but if there is nothing to distinguish the product from a commodity product then it cannot be accepted as a PDO or PGI.

Please begin the description with the detailed type product, even if it looks repetitive in the original. A good way to begin is: ‘The ‘Lorem-Ipsum apple’ is an apple of the variety…’ In the Official Journal publications, the name ‘Lorem-Ipsum apple’ will not be translated, enabling the reader to see immediately in his/her own language what the product is: ‘La ‘Lorem-Ipsum apple’ est une pomme …’

**KEY POINT:** The description must give technical, scientific data to describe the specific product. Include the product’s specific physical, microbiological, chemical, and organoleptic data. If this data is already intrinsic to the type, variety or breed to which the product belongs, however, it should not be included. Use precision and the kind of language that an agronomic scientist or food technologist would use to describe the product. Use the definitions and standards commonly used for this product. Use commonly used measurement units, comparative and technical elements.

**KEY POINT:** This Section must be consistent with Section 5 as regards the specificities of the product. For livestock products from grass-fed animals, the minimum grazing period should be mentioned (months or total period in the year).

#### 3.3. Feed (for products of animal origin only) and raw materials (for processed products only)
For non-processed products, leave this section blank.

**For PDOs:** All feed must be sourced from within the geographical area (Article 5(1)(c) of Regulation (EU) No 1151/2012). Please therefore provide confirmation that all feed has been sourced from within that area.

However, if this is not technically possible, derogation is allowed (Article 1 of Commission Delegated Regulation (EU) No 664/2014). Under this Article, feed sourced from outside that area can be added, provided that the product quality or characteristic essentially due to the geographical environment are not affected. In addition, added feed must in no case exceed 50% (of dry matter on annual basis) of total feed. If feed from outside the area has to be added to the animal feed rations, please provide a detailed description of these exceptions and justify them in accordance with Article 1 of the Commission Delegated Regulation (EU) No 664/2014. Indicate the percentage of feed (dry matter on an annual basis) sourced from outside the geographical area, explain why it is not possible for 100% of feed to be sourced from within the area, and demonstrate that the product quality or characteristic essentially due to the geographical environment are not affected.

All raw materials must be sourced from within the geographical area (Article 5(1) (c) of Regulation (EU) No 1151/2012). Please therefore confirm that all raw materials have been sourced from within that area.

If raw material from outside the area has to be used, please provide a detailed description of these exceptions and justify them in accordance with Article 5(3) of Regulation (EU) No 1151/2012.

State the feed and raw material used and any qualitative conditions, such as a grade, carcass class, variety or breed, fat content etc.
For PGIs:
Describe and justify any restrictions on the sourcing of the raw material, as they may represent obstacles to the single market. They must be justified as regards the link (e.g. by qualitative criteria linked to the specificity of the product). It is difficult to justify a restriction on the national supply of raw material. Restrictions on the supply of raw material to the geographical area can be justifiable. State the raw material used and any qualitative conditions, such as a grade, carcass class, variety or breed, fat content etc.

3.4. Specific steps in production that must take place in the identified geographical area

For PDOs:
All production steps must take place within the geographical area (Article 5(1) (c) of Regulation (EU) No1151/2012). Please therefore confirm that all steps take place within that area.
The only possible exception concerns the origin of raw material (see section 3.3). In certain well-justified circumstances, for designations recognised in the country of origin prior to 1 May 2004, raw material may be sourced from a larger or different geographical area (Article 5(3) of Regulation (EU) No 1151/2012). In this case production steps may legally take place outside the identified geographical area. The description of and justification for this derogation must be included in section 3.3, and therefore a simple reference to this section is sufficient.

For PGIs:
At least one production step must take place within the geographical area (Article 5(2) (c) of Regulation (EU) No 1151/2012).
Without going into too much detail, list all steps, from sourcing the raw material through to the final product, which must take place within the geographical area. For example, for meat, the stage of slaughter and cutting is part of the production process. Slicing, grating, packaging is not part of the production process and should be described under section 3.6.

Please describe and justify any restrictions and derogations; if the restrictions concern cases already covered in section 3.3, insert a simple reference to this section.

3.5. Specific rules concerning slicing, grating, packaging, etc. of the product to which the registered name refers

This section is optional. State any rules and restrictions on these activities; that is, the steps that occur after the final product is made, and give their justification.

KEY POINT: Any geographical restriction must be backed up by a strong product-specific justification.
The prohibition of packaging outside the area should be the exception, since is a restriction on the freedoms of the Single Market. Make it clear if the restriction prevents a buyer (e.g. a supermarket in another Member State) from re-packing or slicing etc. the product and provide justification for such limitations.

3.6 Specific rules concerning labelling of the product to which the registered name refers

This item is optional. You may state here any particular labelling requirements, such as a product logo that must appear on the product label. A logo in black-and-white can be reproduced in the Single Document. This can be useful for inspectors in other Member States upholding your rights. If a logo has to be reproduced on the label, it must be accessible to all producers.

Do not repeat any labelling required by national or EU rules: these rules apply irrespective of the PDO or PGI registration and if the rules are amended, the PDO/PGI producers may have to file for an amendment.

It is not necessary to include optional labelling.
CONCISE DEFINITION OF THE GEOGRAPHICAL AREA

Be precise. In the Specification, describe the geographical area by referring as far as possible to physical boundaries (e.g. rivers, roads) or administrative boundaries. It must be clear to a farmer and to an inspector whether each individual field is within or outside the area. Avoid general terms.

In the Single Document, if the area comprises 50 counties within a province of 55 counties, do not list the 50, but state: ‘The province of Lorem-Ipsum, excluding the counties of Dolor, Sit, Amet, Magna and Adipiscing.’

KEY POINT: The geographical area must be delimited with regard to the link between the place and the product.
- State if the area is limited to particular zones (e.g. fish ponds) or soil types within the area. A continuous and homogeneous area is preferable, also in the particular characteristics of the environment, which is essential to prove the link.  
  We recommend including a map of the area.
LINK WITH THE GEOGRAPHICAL AREA

KEY POINT: The link with the geographical area is the essential part of the Single Document. It should demonstrate in what way the product’s characteristics are due to the geographical area and what the natural, human and other elements are which give its specificity to the product.

This section must describe the specificities of the product and of the geographical area, which produces or influences these factors, and how these two are linked. This is the ‘link’ between the geographical area and the quality of the product.

The description must also underline in what way the methods of production for the product are superior to others and contribute to its specific and distinctive character.

PGI application: State clearly whether the application is based on a specific quality or reputation or on other characteristics attributable to its geographical origin.

Specificities of the product

This section must be coherent with section 3.2. And as far as possible avoid repetitions. Identify and describe what makes this product special compared to similar products. State only the particular characteristics of the product that are due to (or caused by) the elements described in section 5.1.

KEY POINT: Do not include features of the product that have no relation to the geographical area or the producers’ expert knowledge, or have no bearing on the reputation of the product.

Give concrete and precise elements justifying this expert knowledge.

Give concrete examples of the effective use of the name, in both the past and the present, preferably using elements drawn from the marketing of the product.

Specificities of the geographical area:

KEY POINT: Identify and describe the characteristics of the defined geographical are relevant to the link. These may include the pedo-climatic features; topography, climate, soil, rainfall, exposure, altitude, etc. Do not include features of the geographical area that have no influence on the specificity of the product. Avoid using general terminology, e.g. ‘beautiful landscape’.

The know-how of the local producers can also be described here. This must be a specific and particular skill - normal production skills are not sufficient.

How the specificities of the geographical area influence those of the product (causal link):

KEY POINT: Show how the features of the product are produced by the factors present in the area. Give an objective reasoning that links the specificities of the area and of the product.

In the case of PGI applications based on reputation, state here the reasons why the specific product is associated with the geographical area.

Indicate the specific reputation and provide information and precise elements to justify it. Press cuttings can be one of the best ways to illustrate this link.

Show that the reputation of the product is linked to the name and attributable to the geographical area. You can prove reputation with elements like awards, references in professional books or press, special mentions in cooking publications, etc.

Reference to publication of the specification.

Please describe and justify any restrictions and derogations; if the restrictions concern cases already covered in section 3.3, insert a simple reference to this section.
B.5 TRADITIONAL SPECIALITY GUARANTEED (TSG)

Traditional speciality guaranteed (TSG) highlights the traditional aspects such as the way the product is made or its composition, without being linked to a specific geographical area. The name of a product being registered as a TSG protects it against falsification and misuse. The specific objective of the scheme for traditional specialities guaranteed is to help the producers of traditional products to communicate to consumers the value-adding attributes of their product.

The traditional specialities guaranteed (TSG) scheme is established to safeguard traditional methods of production and recipes by helping producers of traditional product in marketing and communicating the value-adding attributes of their traditional recipes and products to consumers.

Example: Gueuze TSG is a traditional beer obtained by spontaneous fermentation. It is generally produced in and around Brussels, Belgium. Nonetheless, being a TSG, its production method is protected but could be produced somewhere else.

B.5.1 Content of application for registration of TSG

An application for registration of a name as a traditional speciality guaranteed shall comprise:
- the name and address of the applicant group;
- the product specification;
- Declaration by the Member State that it considers that the application lodged by the group and qualifying for the favourable decision meets the conditions of this Regulation and the provisions adopted pursuant thereto. From third countries proof of protection is needed.

B.5.2 Main criteria for TSG registration

To ensure that names of genuine traditional products are registered under the scheme, the criteria and conditions for registration of a name should be adapted, in particular those concerning the definition of ‘traditional’, which should cover products that have been produced for a significant period of time ( Whereas 36 of the Reg. 1151/2012).

A name shall be eligible for registration as a traditional speciality guaranteed where it describes a specific product or foodstuff that:
- results from a mode of production, processing or composition corresponding to traditional practice for that product or foodstuff; or
- is produced from raw materials or ingredients that are those traditionally used

For a name to be registered as a traditional speciality guaranteed, it shall have been traditionally used to refer to the specific product; or identify the traditional character or specific character of the product.
The name of traditional speciality guaranteed shall be registered in its original script. Where the original script is not in Latin characters, a transcription in Latin characters shall be registered together with the name in its original script.

If it is demonstrated in the opposition procedure that the name is also used in another Member State or in a third country, in order to distinguish comparable products or products that share an identical or similar name, the decision on registration taken in accordance with Article 52(3) may provide that the name of the traditional speciality guaranteed is to be accompanied by the claim ‘made following the tradition of’ immediately followed by the name of a country or a region. Thereof a name may not be registered if it refers only to claims of a general nature used for a set of products, or to claims provided for by particular Union legislation.

**B.5.3 Product specification (TSG)**

To ensure that traditional specialities guaranteed comply with their specification and are consistent, producers organised into groups should themselves define the product in a specification. The option of registering a name as a traditional speciality guaranteed is open to third-country producers (Whereas 37 of the Reg. 1151/2012).

Product specification for traditional speciality guaranteed shall comprise:

- the name proposed for registration, in the appropriate language versions;
- a description of the product including its main physical, chemical, microbiological or organoleptic characteristics, showing the product’s specific character;
- a description of the production method that the producers must follow, including, where appropriate, the nature and characteristics of the raw materials or ingredients used, and
- the method by which the product is prepared; and the key elements establishing the product’s traditional character.

**B.6 ADDITIONAL QUALITY SCHEMES**

The European Commission has adopted a regulation on the optional quality terms. These schemes were established to facilitate communication with the European market on the added value of agricultural products made in difficult conditions such as mountainous areas or outermost regions.

**Specifications:** Raw materials and animal feed come from mountain areas. For processed products, production should take place in such areas as well.

The quality term ‘mountain product’ highlights the specificities of a product, made in mountain areas, with difficult natural conditions. Recognizing this is an advantage for farmers as well as consumers as it enables to market the product better but also ensures certain characteristics to the consumer.

**Specifications - Agricultural and food products produced in outermost regions.**

Product of EU’s outermost regions - Agriculture in the EU’s outermost regions faces difficulties due to the remoteness and insularity, including difficult geographical and meteorological conditions. To ensure greater awareness of agricultural products from the EU’s outermost regions (the French Overseas Departments - Guadeloupe, French Guiana, Réunion and Martinique - and the Azores, Madeira and the Canary Islands) a dedicated logo has been created.

---

B.7 CONCLUSIONS and FINAL REMARKS

At this stage, one of the most important steps for those who decide to establish a GIs system is to first of all determine whether a product has sufficient level of differentiation and whether the stakeholders are interested in the long-term commitment required in terms of both cooperation and resources.

GI must be carefully considered and structured with broad participation, and leadership to permit optimal benefits to the diverse stakeholders of the region. At the national level this means: securing recognition and demarcation; determining the quality or process standards that will apply; supporting associative processes at the level of supply chains and organizations; and securing development or promotional funds to meet basic costs that can add up to hundreds of thousands of dollars before any GI products are sold (ITC, 2009).

The importance of traditional foods for each country is relevant, because local food production affects regional culture, preserving biodiversity and contributes to social and economic stability.

Implementation of food quality schemes can bring many benefits not only to producers, but also to consumers and local communities. They create added value, improve market access, protect local know-how and protect national resources.

As part of the EU’s system of IPRs, names of products registered as GIs are legally protected against imitation and misuse within the EU and in non-EU countries where a specific protection agreement has been signed.

For all quality schemes, each EU country’s competent national authorities take the necessary measures to protect the registered names within their territory. They should also prevent and stop the unlawful production or marketing of products using such a name31.

In order to develop a long-term sustainable food policy and successful implement of quality schemes, the South East Europe countries/territories should address some possible actions/guidelines:

1. Establish national institutional framework (infrastructure) and efficient system for the enforcement of GIs in practice.

   o States should designate the authorities that are responsible to take appropriate administrative and judicial steps in the process of registration traditional products.

   o Authorities should offer adequate guarantees of objectivity and impartiality, and should have the qualified staff and resources necessary to carry out their functions.

   o Certification control enforcement

Food Quality Policy: Schemes of Geographical Indications and Traditional Specialities in South East Europe

2. Support the “bottom-up” approach and increasing awareness of producers - The role of producers and the creation of groups/organisations should be recognised and highlighted. Groups play an essential role in the application process for the registration. The group of producers must define the product according to precise specifications to be included in a document called “product specification”. The specifications are an essential element of the application and of the system of protection. They contain the product characteristics and details, the production process and the origin of the raw material used for production. Producers should ensure standard production and quality of the product and as group could manage the product specification.

The group can develop activities related to the surveillance of the enforcement of the protection of the registered names, the compliance of the production with the product specification, the information and promotion of the registered name as well as, in general, any activity aimed at improving the value of the registered names and effectiveness of the quality schemes and the development of local-promotional strategies.

3. Support products registered as GIs (or potential candidates)
   - Support potential groups in getting legal status (registration the establishments) with implementation the derogations and flexibility for small farmer producers and additional support by local governments
   - Improve the Rural Development Programs in order to strengthen the implementation of food policy
   - Support to and promotion of national logos for PDO and PGI products.
   - Training sessions on Geographical Indications and basic quality standard requirements
   - Increase the visibility of GIs on the regional market and awareness of the consumers
Chapter C1 - Food Quality Policy in Albania

Author
Veli Hoti,
Senior Legal Expert
LL.M. in Intellectual Property Law and Knowledge Management
C.1.1 INTRODUCTION

Agriculture remains one of the sectors with the largest development potential in Albania. It is still an important economic sector constituting around 22.5% of the GDP, providing the income base for most of the population and serves as an employment safety net. Out of the country’s total population, around 58% live in the rural areas and almost 50% of them are engaged in agriculture.

The Albanian agricultural sector has been dominated by small private economies since the collapse of the communist state in 1991, when rural farmers disperse quasi-state collective farms. Consequently, agriculture became an important source of income in the rural areas and is already experiencing a transition from the level of living satisfaction to a commercial sector. About 40% of Albania’s total area is classified as agricultural land (24% of farmland and 15% of pastures), while the other part is divided between forests (36%) and other functions. More than 75% of Albania’s territory is hilly and mountainous, therefore a significant part of the agricultural land is hilly. In the vast majority of its territory, mainly in the north and in the east, Albania is a mountainous country, with agricultural land concentrated in the most populous part of the western coastal lowland (43% of the land area).

Herbal production is part of the country’s National Strategy for Economic and Social Development, one of the priorities in the Government’s Program, of the European Integration Plan and of the Action Plan for the Implementation of the European Partnership (2010-2014).

The Stabilization and Association Agreement (SAA) was signed by Albania on 12 June 2006 and entered into force on 1 April 2009. Pursuant to Articles 71, 76 and 95 of the SAA in the field of plant production, the main objective is the gradual approximation of Albanian and Community legislation and the development of strategies for land use, land market, rural development, diversification of farm activities and increasing competitiveness in agriculture.

Whereas, pursuant to Article 70 of the SAA, Parties recognize the importance of the approximation of Albania existing legislation to that of the Community and of its effective implementation. Albania shall endeavor to ensure that its existing laws and future legislation shall be gradually made compatible with the Community acquis. Albania shall ensure that existing and future legislation shall be properly implemented and enforced. In line with Article 73, paragraph 2 – SAA Albania shall take all the necessary measures in order to guarantee no later than four years after the date of entry into force of this Agreement a level of protection of intellectual, industrial and commercial property rights similar to that existing in the Community, including effective means of enforcing such rights.

The overall goal is to orient and ensure a sustainable development of agricultural crops in order to optimize production to meet the needs of the country, minimize import and increase export opportunities, and support and manage this development.

Albania with its climatic conditions, geographic position and long tradition in vegetables and potatoes cultivation has potential for cultivating over 60 species of vegetables. There are currently over 30 such cultivated species and the trend for increasing their number grows. This fact and other favorable factors have made vegetable production currently in some potential areas of the country to extend throughout the year. The same applies to the fruit and vegetable sector as a result of supportive policies.

The further implementation, management and control of the Common Agricultural Policy requires creation, modification and / or reinforcement of appropriate administrative structures. Following the reform of the Common Agricultural Policy, the main parts of the EU Acquis for the Albanian legal framework to be further aligned with are:
C.1.2 RURAL DEVELOPMENT PROGRAMS AND FOOD POLICY

Albania’s agriculture and rural development sector, and geographical indications, are considered as one of the key tools to further enhance the value of agrobiodiversity products and more importantly promote sustainable rural development. GIs are considered to establish a connection between products and their territorial identity, quality, characteristics, and reputation of origin-based products which are essentially associated with geographical origins and area.

Analysis of the agriculture in Albania emphasizes the need for import and free access to EU market as an important avenue to improving the national and individual income from agriculture.

Following the Law No. 9817 Date 22/10/2007 For Agriculture and Rural Development in Albania [hereinafter “the law on Agriculture and rural development”], MARD is responsible of rural development programs and food policies. There are several main policy documents of which the work of Albanian Agricultural and Rural Development policy is based. The policy documents are as follows:

1. The National Inter-Sector Strategy for Agriculture and Rural Development 2014-2020
3. National Plan for European Integration 2019 - 2021
4. "Integrated Rural Development Program - 100 Village Program"

The National Inter-Sector Strategy for Agriculture and Rural Development 2014-2020 of the Government of Albania was prepared by Ministry of Agriculture, Rural Development and Rural

Albania is a member of the World Intellectual Property Organization from 30 June 1992 and a signatory country to the Paris Convention for the Protection of Industrial Property, to the Madrid Agreement concerning the International Registration of Marks from 4 October 1995 and the Madrid Protocol since 30 July 2003. Albania is a WTO Member since 8 September 2000. But so far there are no bilateral agreements between the EC and Albania’s specific to GIs.

---

Development Water Management (at that time) from October 2012 to April 2013, and is designed according to the framework of the “Europe 2020” strategy for fast, durable and inclusive increase and the overall strategic objective development of Albania to join the EU. The main objective of the strategy is defining the strategic framework for addressing the challenges faced by the agricultural sector and agro-processing as well as the development of rural areas in a sustainable economic, environmental and social way, proposing policy instruments similar to CAP instruments, paying special attention to the preparation of sectors, policy instruments and institutional adaptation to EU membership, in order to achieve a steady improvement of Albania’s competitiveness.

Additionally, the Strategy contains chapters describing and assessing the agricultural development and development in rural areas by economic, environmental and social perspective, by providing information about the situation in the rural areas, and serves as the basis for interventions proposed in the strategy.

The National Strategy for Development and Integration (NSDI) for the period 2014-2020 provides the strategic framework and cross-sector strategies for the challenges the country faces in the agriculture and other relevant sectors. The NSDI guides the Medium-Term Budget Programme (MTBP), as well as annual budget allocations, by providing policy objectives which are included in the Ministry of Finance’s instructions for the budget preparation by all Ministries and national agencies.

The Government is currently reviewing the NSDI as well as other relevant national strategies (The Agriculture and Food Sector Strategy for Albania (AFSS); The National Inter-Sector Strategy for Agriculture and Rural Development 2014-2020; The Environmental Sector and Cross-Cutting Strategy (ESCCS) as well as the national strategy for EU integration).

“The Integrated Rural Development Program - 100 Village Program” aims to coordinate development interventions in the rural areas of the 100 villages, by cross-sectoral and multi-stakeholder approach, disconnected from fragmented interventions and with strict sectoral approaches, which are happening or are expected to take place in the country. The designated areas (100 villages), are done through 3 objectives as follows:

1. Improvement of public infrastructure (support for road infrastructure, revitalization of public / urban spaces, community infrastructure, public services, environmental infrastructure, tourism, monuments of cultural heritage, multifunctional community centers, environmental landscape etc.)

2. Economic development through the diversification of economic activities (improvement of the tourism potential in rural areas, agro tourism and rural tourism, investment in improving trade services, investments in the production of traditional products and other economic and financial services etc. Support for incubators of products traditional rural, promotion and marketing of rural areas, transportation services, fairs and local festivals etc.)

3. Development of social and human capital (support for creating rural networks, local action groups and civil society in rural areas, vocational training for young people and women, support for cultural heritage, support for the promotion of traditions and livelihoods in village, etc.)

The Albanian National Intellectual Property Rights Strategy 2016 – 2020 is an inter-sector document, which makes concrete one of the attempts of the Government of the Republic of Albania to establish an all-inclusive dialogue among various actors, to create appropriate conditions for respecting and protecting Intellectual Property. The implementation of the Strategy 2016-2020 will constitute a fundamental element in further social and economic progress, the honest competition increase, in creating a market trust and in European integration. The document has been drawn up on the basis of the duties foreseen and unrealized in the prior Strategy 2010-2015, the implementation of duties set by the EU Progress Reports, the fulfilment provided in Article 73 of the SAA and its chapter 7 “Intellectual Property”, as well as on the basis of a detailed analysis of the needs and problems identified in practice by
the institutions involved in the system during this period.

Specifically, it aims at growth in the Albanian economy towards an innovative economy based on knowledge. A constituent part of this strategy is to assure the rights of Intellectual Property, the good functioning of the judicial system, as well as modernization of the institutions involved in the system. The Strategy suggests that the IP system should encourage technology transfer through the market of transferring technology, especially with the sale and purchase of technology protected by patents. It also gives priority to the fields of public awareness about the importance of IP.

Direct payments in 2017 represented a high percentage of the agricultural support for the sector (close to 80%) and their importance will increase further in the 2018. Overall, public expenditure for farmers support is very low and there is no consistency in the yearly amounts of national aid granted to the sector. Direct payments are linked to production: planting of vineyards, fruit trees, nuts, hazelnuts, almonds and medicinal and aromatic plants; cows with a semi-pasture regime; support for registered sheep/goats; support for extensive farming of cows; and support for beehives (the last three measures account for animal payments in the sector). Direct payments are not linked to cross-compliance rules.32

C.1.3 EVALUATION OF THE OFFICIAL SYSTEM IN RELATION TO THE EU ACQUIS AND IMPLEMENTATION OF THE POLICIES

There are several agricultural products and foodstuffs, wines, and other industrial products in Albania that are already protected by GIs. In addition, there is a potential for other products and processes which could be protected at the national level by one of the GIs or TSG. According to WIPO’s Country Profiles, Albania has not filed or deposited any request for protection of GI (PDO, PGI, TSG) for agriculture products and foodstuff at the EU or any other international level33.

Albania is obliged to provide protection for GIs, in accordance with the provision of the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration34. Albania joined this treaty last year, however, it will enter into force as of May 8, 2019. In addition, Albania is required to provide the same legal protection for GIs as in the EU, thus, in accordance with the provisions of the Stabilization of Association Agreement between EU and Albania.

Albania has not signed any bilateral or multilateral agreements for the purposes of the mutual recognition of GIs. Even though, since 1994 more than 175 new regional or bilateral trade agreements have been signed and many of them contain detailed chapters on intellectual property rights.35 There are currently concerns over how regional and bilateral trade agreements will impact existing rights and obligations under the TRIPS Agreements, due to the fact that in many

34 Lisbon Agreement https://www.wipo.int/treaties/en/registration/lisbon/
35 WTO Secretariat and regionalism. World Trade Organization, 2000. The total of regional and bilateral agreements notified to the WTO since 1950 are more than 250 in 2004.
cases the new regional or bilateral obligations can go further than what is already established in the TRIPS Agreement or inconsistencies could arise in their implementation. This situation becomes even more worrisome in light of obligations under Article 4 of the TRIPS Agreement Most-Favoured-Nation Treatment principle, which implies that with regard to the protection of intellectual property, any advantage, favor, privilege or immunity granted by a Member to the nationals of any other country shall be accorded immediately and unconditionally to the nationals of all other Members.

Albania should not only focus on bilateral agreements with regional/neighboring countries but also work on the Negotiations with EU. There are a large number of regulations and directives that Albania’s legal framework must comply with. On the other hand, following the latest reports published by the European Commission Albania institutions should work on the IPR legislation in order to further align with the EU Statutory Regulations.

Albania’s progress towards the European Union, especially having been considered as a “candidate country”, has its path to the EU led to the harmonization of its GI legislation with the EU acquis in order to ensure a level of protection and respect for IPR equivalent to that which exists in the EU. This is set out in the relevant provisions of the SAA. However, the legal framework, although recently amended, remains to be further aligned with the EU Acquis.

The legislative framework in Albania has a very low alignment with the EU acquis and further action is needed to approximate legislation with the latest developments in this sector.

C.1.3.1 Legal Framework

Albania has approved certain legal framework covering the application, registration procedure and the protection of GIs. Depending on the agricultural and foodstuff products and industrial products and processes, the legal framework sets out different procedures and institutions.

The main law is the Law No. 8/2019 on the quality scheme of agricultural and foodstuff. The entire Albanian legal basis by which the GIs are affected are being under the responsibility of other stakeholders such as the MARD, FVA, and others, are as follows:

⇒ The law No. 8/2019 on the quality scheme of agricultural and foodstuff;
⇒ The Law No. 9817 Date 22/10/2007 For Agriculture and Rural Development;
⇒ The law No. 10433 for Inspection in the Republic of Albania dated 16.06.2011;
⇒ The Law No. 9863 on Food dated 28.01.2008.

The law No. 8/2019 on the quality scheme of agricultural and foodstuff establishes the rules for the functioning of the quality system of agricultural and food products, by providing fair competition for farmers and producers of agricultural and food products with characteristics and indicators of value-added quality and on the other hand the information required to the consumer on the quality of these products.

The law on the quality scheme of agricultural and foodstuff also sets out the duties and competences of the bodies responsible for:

- verification of compatibility of registered agricultural and food products such as TSG, PDO, PGI with product specifications, before placing them on the market;
- verification of compliance with product specifications for registration requirements designations of origin and geographical indications for agricultural and food products, such as is defined in the law on industrial property;

Food Quality Policy: Schemes of Geographical Indications and Traditional Specialities in South East Europe

- evaluation of applications for registration of the denomination “Traditional Guaranteed Specialty”;
- carrying out official controls to verify the compatibility of agricultural products and registered foodstuffs, such as TSG, PDO, PGI, with the requirements set out in this law.


On the other hand, the other relevant legal framework, in particular, the Law on industrial property determines that the law applies to products for which the protection of designations of origin originates from a region, specific place or state, without any distinction between foodstuff and wines and other industrial products.

The law on Agriculture and Rural Development determines objectives, measures and programs of the agriculture policies and rural development based on Agriculture and Rural Development Plan. This law determines the rules for providing agriculture public services, research and professional training, data base and information in field of agriculture policies and rural development.

Legal Analysis and registration procedure

According to the Law No. 8/2019 on the quality scheme of agricultural and foodstuff establishes the rules for the functioning of the quality system of agricultural and food products, by providing:

- fair competition for farmers and producers of agricultural and food products with characteristics and indicators of value-added quality;
- the information required to the consumer on the quality of these products.

The law also sets out the duties and competences of the bodies responsible for:

- evaluation of applications for registration of the denomination “Traditional Guaranteed Specialty”;
- verification of compliance with product specifications for registration requirements designations of origin and geographical indications for agricultural and food products, such as is defined in the law on industrial property;
- verification of compatibility of registered agricultural and food products such as TSG, PDO, PGI with product specifications, before placing them on the market;
- carrying out official controls to verify the compatibility of agricultural products and registered foodstuffs, such as TSG, PDO, PGI, with the requirements set out in this law.

According to the Law No. 8/2019 on the quality scheme of agricultural and foodstuff, the Ministry of Agriculture is the competent authority for defining and evaluating quality schemes of agricultural and food products. In order to do so, the Ministry establishes the Quality Schemes Committee (QSC). The Quality Schemes Committee in charge for the applications evaluation for labeling TSG and in substance evaluation of product specifications for PDO and PGIs. In substance evaluation of the product specifications means the examination of the entire application for the purposes of not only formal but mostly substantial examination of the GI application. The Commission carries out the assessment for:

1. applications for TSG registration;
2. applications for changing the product specifications with the TSG name;
3. objections to registration applications for the TSG naming and objections to product specifications PDO and PGI;
4. compliance with product specifications for PDO and PGI registration requirements for agricultural and food products;
5. mutual objections to the EU.
3. The Quality Schemes Committee of the Ministry of Agriculture carries out:

a) obtaining and reviewing the formalities of applications for registration of the TSG and obtaining requests from the General Directorate of Intellectual Property for evaluation compliance with product specifications for PDO and PGI registration;

b) filing an application to the European Commission, at the request of the group, for EU registration products registered as TSG in Albania;

c) obtaining and reviewing formalities of objection from another country in relation to Albanian products applying for EU registration under the TSG name;

d) obtaining and reviewing formalities of objection by the Republic of Albania for applications for the TSG naming registration filed from another country.

On the other hand, Article 6 of the Law on quality scheme of agricultural and foodstuff sets out the Criteria for registration right and it constitutes that a name is eligible for registration as a traditional guaranteed specialty where it describes a specific product or a food that results by the method of production, processing or composition that correspond to traditional practice for that product or food; or is produced from raw materials or ingredients that are traditionally used. In addition to that, it regulates that in order for a name to be registered as a TSG, it should, first, be traditionally used by referring to a specific product, or, secondly, identify the traditional character or specific character of product.

The right to file an application for TSG protection is granted to a group working with products whose names will be recorded. A single natural or legal person may be treated as a group when it is verified that the person is the only producer who wants to file a claim.

For the agricultural and foodstuff GI requests, the application is submitted to the Ministry of Agriculture. The application includes:

a. the name and address of the producer group or the person acting on behalf of the group;

b. Product specifications, which include:
   - the name to be labeled as TSG, as it is used in the market or in the common language;
   - a description of the product, including its main physical, chemical, microbiological or organoleptic characteristics that show the particular character of the product;
   - a description of the production method that manufacturers must follow, including when it is appropriate, the nature and characteristics of the raw materials or constituents used or
   - the special way of their production;
   - the main features that create the traditional character of the product;

c. the category of agricultural or food product;

d. information on the procedure and frequency of control over product compliance with specifications;

e. a summary of the product specifications;

f. the list of submitted documents, together with the application for registration;

g. the document confirming the payment of the registration fee.

If the application meets the formal requirements as defined in paragraph 2 of Article 9 of this Law, the responsible structure in the Ministry should notify the applicant that the application meets the formal requirements, then, submit the application to the evaluation committee - QSC, within 3 working days from the verification of application. The Ministry then publishes the data for receiving the application for registration on the ministry’s website.

A GI should necessarily be a geographic name. This may be the name of an administrative or historical region of an administrative unit, a country that refers to a geographic area. Since geographical indications or designations of origin cannot be registered with a name that does not represent the geographical area, there should be a link between the name and the geographical area. The registration of a designation of origin or geographical indication does not protect the use of geographical
names of another geographical area.

The designation of a country may be registered as a designation of origin or geographical indication only if the country has specific characteristics that give the product special qualities. In addition to the geographic name, the geographical indication or designation of origin may contain some product data such as its name, type, and some essential features that give consumers additional product information.

Where an area covers a range of products such as “milk” or “sausage” for the same geographical indication or designation of origin, applications must be submitted separately and appropriate documentation for each product to be submitted. If the name required for registration as a geographical indication or designation of origin contains additional terms such as “classical”, “traditional”, “authentic”, etc., which cannot be protected, they shall be excluded from the protection.

Only a name used in trade to describe the product shall be registered as a designation of origin or geographical indication. This name can only be entered in languages that are historically used in the geographic area to describe the product in question. The group of applicants must prove (at least for agricultural or food products) the previous use of the name in question. For this purpose, the application for registration must be accompanied by labels, advertisements, press articles etc.

Article 11 sets out specific rules on the boundaries of the geographic area which constitutes the limited area where the product is produced. For this purpose, consider the elements to be emphasized to prove its connection to the origin of the product. Geographical area boundaries should be defined in detail. The geographical area may be determined from the list of territorial-administrative boundaries, or from the list of natural or geographical boundaries. Geographical boundaries can be shown by the administrative unit or location, showing the common position of sites, geographic facilities such as mountains, rivers, constructions etc.

The logos of a protected geographical indication and a protected designation of origin should be on the label of agricultural or foodstuffs protected as PDO and PGI, accompanied by the registered name, while the manufacturers themselves may agree on the position of placing the logo on their packaging. Logos can be used in Albania as well as in the markets of other countries.

The use of logos is optional for wines or alcoholic beverages or PDO/PGI coming from other countries. Logos can only be used on the product for which the PDO or PGI has been registered. Logos cannot be used on a product that has a PDO or PGI component or is a mix of different materials. Logos should be used in color. Their use of black and white is only allowed when they are the only colors used in the packaging.

As regards to the GI vs TM relations, no provisions are set out. The legal framework in Albania does provide protection for GIs outside of Albania as well if application complies with the requirements / conditions specified in the Law and that the GI in question is protected in the country of origin. Additionally, if the GI is no longer protected or used in the country of origin it can’t be protected in Albania either.

The legal framework in Albania does not provide any protection of GIs to be granted on the basis of bilateral or international agreements on mutual protection of GIs with whom Albania sings agreement. The scope of protection of these GIs should be the same as the protection granted to the GIs under Law on industrial property, if and to the extent that the relevant bilateral or international agreement does not provide otherwise.

Both laws provide protection of the designation of origin or geographical indication registered in accordance with the GI law starts from the date of entry in the Register of designations of origin or geographical indicators. In addition, the right of use of the designation of origin or geographical indication lasts for ten (10) years from the date of entry of authorized user in the Register of Authorized Users and may be renewed by the party indefinitely for period of ten (10) years in accordance with the provisions of this Law as long as designation of origin or geographical indication is registered.

Albania does not provide protection for trans-border GIs.
Following the Decision of the Council of Ministers of Albania on the adoption of regulation on geographical indicators and designations of origin the symbols per each product are the following:

<table>
<thead>
<tr>
<th>PDO</th>
</tr>
</thead>
<tbody>
<tr>
<td>![PDO Symbol]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PGI</th>
</tr>
</thead>
<tbody>
<tr>
<td>![PGI Symbol]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TSG</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Traditional Specialty Guarantee“</td>
</tr>
</tbody>
</table>

Figure C.1.1: Symbols of the products with Geographic Indications and Traditional Specialty Quarantined

According to Article 27 of the Law on quality scheme and foodstuff in Albania, the National Food Authority is the competent authority responsible for carrying out official controls to verify the compatibility of agricultural and food products registered as PDO, PGI and TSG, with the requirements. The Official controls include: verifying that a product is in compliance with the PDO, PGI and TSG specifications, monitoring the use of protected names in the market, such as PDO, PGI and TSG, for agricultural and food products, control and monitoring of imported agricultural or food products, that are traded under the terms PDO, PGI and TSG. All operators who produce, store or place on the market a labeled product PDO, PGI and TSG are subject to official controls. Official controls for the control of products labeled PDO, PGI and TSG are carried out based on risk analysis.

C.1.3.2 Institutional Setting

Following the Albania’s current legal framework, the institutional setting of the GIs Authorities in place are the following:

1. The Committee on Quality Scheme – CQS

The Quality Schemes Committee is established by and within the MARD. This Committee is consisted of 7 members, as follows:

- two representatives from the ministry;
- five experts from academic, scientific or independent research institutions, with extensive knowledge on issues related to PDOs, PGIs, TSGs, with professions such as: culinary specialists, ethnographer / historian, food technologist and agronomist.

One of the representatives of the ministry is elected chairman of the commission, upon the order of the minister. The members of the commission are appointed and dismissed by order of the minister and are elected based on education, profession and experience, which should be at least 10 years in the profession.

The function, duration, organization and duties of the commission shall be determined by decision of the Council of Ministers, upon the proposal of the Minister.
2. Industrial Property Agency – IP Directorate

Albanian Directorate of Industrial Property is a government Institution which provides grant and protection for Patents for Inventions and Utility Models, Industrial Designs, Trademarks & service marks, Geographical indications and Topography of Integrated Circuits. IP Directorate is a public Institution under the Ministry of Finance and Economy. Its legal basis is based upon national legislation and international conventions and treaties to which the Republic of Albania is party. It is responsible for administering all the procedures for grants and protects the industrial property rights.

IP Directorate provides reliable examination and registration related to: patents, trademarks, industrial design and geographical indications; Drafts and composes laws and regulations related with IP system; Represents Albania and fulfills obligations in conjunction with bilateral agreement with homologue office and other organism and international organizations for issues of the industrial property.

3. The National Food Authority – NFA

The NFA develops and implements the Government’s policy and it is the competent authority with inspection functions for the national level management of safety field and consumer protection, plant protection and animal health. Its roles are set out in the Law No. 10433 for Inspection in the Republic of Albania, dated 16.06.2011; and Law No. 9863 on Food, dated 28.01.2008.

In accordance with the Law No. 8 2019 on Quality Scheme and Foodstuff, the NFA is the competent authority responsible for carrying out official controls to verify the compatibility of agricultural and food products registered as PDO, PGI and TSG, with the requirements.

4. Certification, Auditing and Controlling bodies

In accordance with the requirements of the Law No. 8/2019 on the quality scheme of agricultural and foodstuff, certifying bodies carry out verification of compatibility of agricultural products and foodstuff with product specifications. The certification body shall be approved if it is accredited in accordance with the European Standard EN 45011 or ISO / IEC17065, according to the legislation in force in the field of accreditation. The certification body shall submit the results of the checks carried out regularly and whenever requested. However, the detailed criteria for the approval and competence of certification bodies shall be established with the decision of the Council of Ministers.

Other IPR institutions that somehow assist and play a role in the GI, mostly protection and enforcement role, are the following:

The Albanian legal framework covering GIs provides the difference between industrial products and foodstuff and wines, it is therefore considered that the IP Directorate is in charge of the Registration of industrial types of GI applications.
The GIs legal framework remains to be further aligned with the EU acquis as to provide the same legal protection as specified in Articles of the SAA between Albania and the EU, thus, to ensure that the roles of each authority are set out clearly and in line with the EU best practices. Consequently, the IP Directorate would be in charge of the GI registration of industrial products, and MARD would be in charge of the registration of foodstuff and wines.

There are certain by laws and provisions from the basic laws missing in relation to the main duties and responsibilities of the Albania’s GI institutional framework.

FVA in addition, does not have appropriate by-laws that would enable it to conduct the controlling of the GIs for the purposes of controlling the products if they are in line with the Products Specifications as set out by the Law and GIs and in accordance with the Book of Requirements of a certain GI.

The new proposed GI institutional setting for Albania is as follows:

According to the proposed currently existing structure, the Registration Authorities are set out to be:

- The CQS within MARD - and
- The GDIP.

Following the above stated,

- The proceedings on the protection of geographical indications and designations of origin for foodstuffs (food) and wine is carried on at the MARD in compliance with the Law on Agriculture and Rural Development, the Law on quality scheme and other legal and sub-legal acts of this Ministry; whereas,

- The proceedings on the protection of geographical indications and designations of origin for other products and services (industrial products mainly) is carried out by the GDIP in line with the Law on Industrial Property, and other sub-legal acts approved in the GI field.

- The NFA is entitled to license and authorize, private entities and economic operators that are able to conduct controlling and inspection checks for the purposes of checking out the implementation
of the Product Specifications and the respect of the requirements as set out in the Book of Requirements of each registered GIs.

C.1.3.3 Food quality measures in place

Direct payments during 2018 accounted for a high percentage of the Ministry’s total funds. Unlike in 2017, it was important to increase the competitiveness of agricultural products and for the top 15 products with the highest potential, to support the entire value chain, from production to sale.

Direct payments are provided for several categories. The main categories followed by sub-categories are as follows:

⇒ increasing the competitiveness of products:
  ▪ new planting of fruit trees and medicinal herbs;
  ▪ construction of greenhouses for the cultivation of tomatoes, cucumbers and peppers;
  ▪ improvement of cultivation and innovation technologies;
  ▪ increase and improve the collection, storage, selection, packaging and processing capacities of agricultural production and fishery;
  ▪ certification and protection of agricultural products.

⇒ Improving the food chain of products:
  ▪ For maternity-born heads;
  ▪ for certified containers for milk transport;
  ▪ for slaughter construction, collection points, animal breeding facilities;
  ▪ for delivery of milk;
  ▪ for beekeeping breeding.

⇒ To improve the fishing management;
⇒ To encourage formalization and co-operation of producers;
⇒ To diversify economic activity in rural areas.

Direct Payments (Subsidies)

European Union Instrument for Pre-Accession Assistance for Rural Development –IPARD II and the Government of Albania each year announce a Call for Application under the IPARD II Programme from the Instrument for Pre-Accession Assistance (IPA) for Rural Development (IPARD) with the aim of approving Grants to Agro Food Sector.

The Call is opened for all citizens (natural persons and legal entities) of Albania who work and operate in the territory of the Republic of Albania in the area of agriculture and rural development with special focus on the following measures for which applications can be submitted:

Measure 1: “Investments in physical assets of agricultural holdings” with special focus on the following sectors: Milk • Meat • Fruit • Vegetables • Grape

Measure 3: “Investments in Processing and Marketing of agriculture products” with special focus on the following sectors: Milk and dairy processing • Meat processing • Fruit and vegetable processing • Wine

Measure 7: “Farm diversification and Business Development” with special focus on the following sectors: Production of MAPs, mushrooms, honey, ornamental plants and snails; • Processing and marketing of wild or cultivated MAPs, mushrooms and honey; • On-farm processing and direct marketing of agricultural products; • Aquaculture; • Nature and rural tourism; • Services for rural business and population; • Handcrafts and manufacturing industry; • Renewable energy production and use.

The overall indicative budget shall be made available for all measures such as following:

Measure 1: with total budget of 21.65 Million EUR, with minimum total eligible investment of 10,000 EURO and maximum total eligible investment of 500,000 EUR.

Measure 3: with total budget of 20.37 Million EUR, with minimum total eligible investment of 25,000 EURO and maximum total eligible investment of 2,000,000 EUR.
Measure 7: with total budget of 8.30 Million EUR, with minimum total eligible investment of 10,000 EUR and maximum total eligible investment of 400,000 EUR.

C.1.3.4 Identification of key issues and challenges

Albania provides legal basis for the use of symbols; however, it does not provide sufficient legal provisions on the labelling PDO/PGI foodstuff as well as the method of controlling the labelling of agricultural and food products with geographical indications of origin. Consequently, there are no provisions stipulating how GI products should be marked by the control stamps.

The Law on industrial property provides that producers shall meet the requirements for the specification and possess the certificate of compliance of the product with the product specification issued by one of the authorized certification companies. However, there are no such authorized certification entities accredited to conduct the work. Although the Law on quality scheme provides that the certification body shall be approved if it is accredited in accordance with the European Standard EN 45011 or ISO / IEC17065, according to the legislation in force in the field of accreditation, there are no certification and controlling authorities in reaching out the objective to mark the GI products with control stamps, that would certainly establish a reliable control system and better visibility of such products in the Albania’s market.

There are certain by-laws and provisions from the basic laws missing in relation to the main duties and responsibilities of the Albania’s GI institutional framework.

FVA in addition, does not have appropriate by-laws that would enable it to conduct the controlling of the GIs for the purposes of controlling the products if they are in line with the Products Specifications as set out by the Law and GIs and in accordance with the Book of Requirements of a certain GI.

As it will be shown at the correlation table, the Albanian Law No 8 2019 on Quality Scheme and Foodstuff is in Compliance with the EU acquis.

C.1.4 NATIONAL INVENTORY OF ORIGIN-LINKED PRODUCTS AND COST-BENEFIT ANALYSIS

There are several agricultural products that are already protected in Albania mainly by the Law on industrial property. It is important to mention that these products are protected by the old Law on industrial law, prior to the entry into force of the latest amendments to the Albania’s current legal framework.

The following are some of the examples of the GIs in Albania.

1. Borsh Olive Oil (Vaji i Ullirit Borsh)

Borsh is a maritime village, in the Albanian Riviera, in the former Lukovë municipality, Vlorë County, Albania.

It is well-known for its pure nature and richness in various products. And Borsh Oil is the most well-known product across the country and abroad.

Borsh Oil is one of the first GIs applied, registered and protected in Albania. As the GI was protected under the former Law on Industrial Property, granting only 5 years of registration to the GIs, this GI is no longer protected. The protection was not renewed as there was no Authorized user in line with the Law on Industrial Property and the Council of Ministers Decision.

Borsh Oil is commercialized nowadays in Albania. Unfortunately, not as a GI, protected GI,
Food Quality Policy: Schemes of Geographical Indications and Traditional Specialities in South East Europe

but mainly as a product that comes from a well-known region in Albania, with a high know-how and knowledge by the producers of the region.

2. Gështenja e Tropojës – Tropoja Chesnut

The district of Tropoja is one of the 36th districts of Albania. It had a population of 28,000 inhabitants (in 2004), and an area of 1,043 km², with a municipality and seven communes, and its capital city is Bajram Curri. There is an 81-kilometer border line, among which 41 km with Kosovo* and 34 kilometers with Montenegro. The livestock sector dominates the economy, but this district is also rich in minerals like Chromium and Quartz and it has one of the largest chestnut plants in Europe.

3. Wines

The Albanian wine (Vera Shqiptare) is produced in several regions throughout Albania within the Mediterranean Basin. The country has one of the oldest wine making traditions, dating back to the ice and Bronze Age whereas Ancient Illyrians and Greeks inhabited the country’s territory some 3,000 years ago. It belongs chronologically to the old world of wine producing countries.

The Albanian legal framework provides protection for wines as well. The registration procedure is similar to the application and registration procedures described in earlier chapters of this document.

The wine sector in Albania is not well organized, due to many challenges that Albania faces in terms of property issues and cadastral system which is not in line with the EU practices. As a result, no adequate GPS system is at place. To sum up, these types of GIs are used to enhance the commercial value of the natural, traditional and craft products of all kinds if their particular characteristics may be attributed to their geographical origin. The special characteristics of those products are appreciated by the public and may be symbolized by the indication of source used to identify the products. So, better exploitation and promotion of such GIs by Albanian Institutions, throughout media, awareness campaign, even exposure into International Fairs, would make it possible to afford better protection for economic interests of the local communities and to preserve our traditional knowledge.
C.1.5 BEST EXAMPLES AND BEST PRACTICES

Below are the most well-known products that have a great potential in the market.

| Name: Vaji Borsh | Name: Hasi Kid Goat Meat |
| Application No: AL/E/2006/6 | Application No: AL/E/2016/1 |
| Region: Borsh Region | Region: Hasi Region, North Albania |
| Applicant: S.E.D. Borsh Sh.p.k. (L.J.C) | |
| Status: Expired | Status: Registered |

The product:

| Name: Boronica e Bjeshkëve Kuksiane | Name: Geshtenja e Tropojes |
| Application No: AL/E/2017/1 | Application No: AL/E/2017/3 |
| Region: Kukes Region, North Albania | Region: Tropoja, Bajram Curr, North Albania |
| Existing Association: Shoqata e Grumbulluesve dhe Tregëtarëve të Boronicës Kukës | Existing Association: Shoqata e prodhuesve të gështenjës dhe mjaltit të gështenjës në Tropojë |
| Status: Registered | Status: Registered |

The product:
C.1.6 DIGITAL APPROACHES IN CERTIFICATION AND PROMOTION OF THE SCHEMES OF GEOGRAPHICAL INDICATIONS AND TRADITIONAL SPECIALTIES

Only a few awareness campaigns have taken place in the country, thus, promote the GIs. The website of the Ministry of Agriculture and Rural Development is updated, however, does not provide specific section on the GIs.

Source: http://www.bujqesia.gov.al/

The General Directorate for Patents and Trademarks as formerly known, now it is named that the GDIP has its own website. GIs are not promoted accordingly. Consequently, GIs fall under the Trademark section, which makes search even more difficult.

Source: http://www.dpim.gov.al/
As one can see, there is not even enough evidence on the registration procedure, GIs legal framework, and not adequate searching tools – even though the database is accessible through the WIPO\textsuperscript{38} website and the TMView\textsuperscript{39} and EUIPO\textsuperscript{40} searching tools.

\textsuperscript{38} World Intellectual Property Organization

\textsuperscript{39} TM view - https://www.tmdn.org/network/

\textsuperscript{40} European Intellectual Property Office Search engine - https://euipo.europa.eu/ohimportal/en/search-availability
Hasi Kid Goat Meat:

The Hasi Goat Meat as a potential GI at that time, was promoted at the first regional Practitioners’ encounter on Geographical Indications in South East Europe countries/territories in 2016. Participants from the invited countries of the South East Europe countries/territories such as: Albania, North Macedonia, Montenegro and Bosnia and Herzegovina were represented by delegations composed of civil servants, local authorities, producer associations, universities and development brokers. The aim was to cross visions, objectives and practical challenges to build a functional legislative and institutional framework – in line with EU standards – to register and protect product names and support an effective collective action at local level. Practical case studies (at least, one by country) were presented and extensively discussed.

The Chestnut and Chestnut Honey Producers – Tropoja is one of the best examples of product’s promotion. This Association has its own website and Facebook page.

Source: http://geshtenjatropoje.al

41 The first regional Practitioners’ encounter on Geographical Indications in South East Europe countries/territories - http://www.ksiip.com/news-1/
There is a Facebook page also with a lot of information about the Chesnutt of Tropoja.

Source: https://www.facebook.com/pg/Shoqata-Gështenja-e-Troqojës--416632405105063/photos/?ref=page_internal

Borsh Olive Oil is another good example that shows that social media can be used to attract customers’ attention by publishing various articles. Although many articles are in relation to the benefits of the Olive Oil, one can see that Borsh GI is all over the Facebook fan page.

Source: https://www.facebook.com/183684602108385/photos/p.544504446026397/544504446026397/?type=1&theater
Only a few of the public institutions use Facebook and other social media as a means of promotion. There are certainly producers’ associations who share some news from public authorities on their website. According to the internet world statistics, Albania had 2,160,000 Internet users in Dec, 2018, 73.5% penetration, per IWS. In total there were 1,400,000 Facebook users in December 2017, 47.6% penetration rate. Therefore, there is a lot of potential for the use of new digital approaches.

The new digital approaches that could be used by Albania are the following:

- **Facebook pages and Facebook ads** – Facebook ads can help target people from a specific location, or those who “like” other pages, among other options such as age and interests.

- **YouTube** – Creating videos and posting them to YouTube can provide an easier access to the content. From there, not only does Google index content, but others, such as farmers, producers, and other associations can embed videos on their blogs and share them via social media.

- **Email marketing** – once MARD and other stakeholders have the farmers associations’ contacts, the Email marketing is a great tool. Email is a digital marketing strategy that may seem out of fashion, but it continues to be as effective as ever. In order to effectively implement an email marketing strategy, the first step is to create a database of farmers, producers, and association of farmers.

- **Social media** – social media helps MARD, GDIP and other stakeholders to communicate closely with the current farmers and its associations as well as with your potential customers and encourage them to promote and buy GI products.

- **TV** – TV shows and documentaries certainly shall continue to remain the best tool for promotion having in mind that public authorities can always play promotional videos up to 30 seconds at the national TV. Certainly, other TV interviews, shows etc., can be used on other TV Channels. Recommendations are to use also other regional TV Channels as these are mostly frequently viewed by farmers and give them the opportunity to promote their products locally.

In sum, all of the above stated shall contribute to the public awareness in relation to the quality of the GI products, inform producers, clients, and other stakeholders on the GI Symbols, Logos, labelling, certification stamps, and other signs.

---

C.1.7 CONCLUSIONS AND RECOMMENDATIONS

Albania’s agricultural and rural policy should further support the development and the export of its goods using indigenous knowledge and intellects, and to foster the development of GI rights. Albania has some GIs already protected, although not in line with the EU Acquis, as most of the products are protected by the former Law on industrial property which does not provide a sufficient legal basis, but it is considered that Albania has the potential for several more products - agricultural foodstuff, wines, industrial products and processes - to be protected by GIs.

The importance of supporting agriculture and rural development is crucial as the agriculture plays a significant role in Albania’s economy by being an important contributor to GDP, having the majority of inhabitants focused on living in rural areas. This will certainly generate income to the country when the relevant producers obtain a better rate of returns.

The cooperation between Albania and EU has had a positive impact. Albania has recently established appropriate mechanisms to ensure that there are institutions and adequate legal basis at place. Despite that the secondary legislation remains to be drafted and approved. In addition, based on the provisions of the SAA, Albania is to take the necessary measures and to have its national legal framework aligned with the EU acquis, and guarantee that no later than 4 years after entry into force of the SAA Agreement at similar level of protection to that existing in the EU of intellectual, industrial and commercial property rights, is provided, including effective means of enforcing such rights. This was not achieved in due time. However, the latest legal changes have further harmonized Albania’s IPR legal framework with the EU relevant acquis.

Having said the above, below are the recommendations for Albania, to ensure that an adequate and effective GIs system is in place and farmers and other stakeholders receive appropriate legal protection and support measures by the public institutions:

⇒ Although the institutions and some other relevant stakeholders are already established, it is recommended that the institutional setting is to be re-organized so that Albania provides the full mandate and competencies of each institution, thus, to ensure that:

☑ The proceedings on the protection of geographical indications and designations of origin for foodstuffs (food) and wine are carried by the Ministry of Agriculture and Rural Development in compliance with the Law on Agriculture and Rural Development, Law on Quality Scheme and other legal and sub-legal acts of the Council of Ministers;

☑ The proceedings on the protection of geographical indications and designations of origin for other products and services (industrial products mainly) are carried out by the General Directorate of Industrial Property in line with the law Industrial Property, and other sub-legal acts of the Council of Ministers approved in the GI field.

Food Quality Policy: Schemes of Geographical Indications and Traditional Specialities in South East Europe


- Review and drafting of the amendments to the Law Industrial Property;
- Review and drafting of the amendments to the Law on agriculture and rural development;

⇒ To establish the GI registry database within MARD, similar to the GDIPS System (Industrial Property Automation System) used by GDIP, to be used for the purposes of the GI registrations within MARD – agricultural foodstuffs and wines. This database to be easily accessed by the public in terms of having access to the product specification, geographical denomination and the Book of Requirements.

⇒ The drafting, approval, entry into force and enforcement of the Council of Ministers Decision on determining the function, duration, organization and duties of the Commission on Quality Scheme, thus, to set out the rules of functioning of this Commission.

⇒ The drafting, approval, entry into force and enforcement of the Council of Ministers Decision on determining the detailed criteria for the approval and competence of certification bodies shall be established with the decision of the Council of Ministers.

⇒ Further Support to the 100 villages initiative and the expansion of the programme into more villages and rural areas of Albania. This programme “100 fshatrat”, is certainly considered an innovative response of the Albanian government to awaken the economy in rural areas, through the interventions to improve the infrastructure, the promotion of agricultural and agro touristic activity, the awakening of cultural activity etc.

⇒ To introduce policy measures, under MARD, to support farmers, producers and other stakeholders, to the further identification of appropriate potential GI products for applying for the GIs.

⇒ To provide protection for trans-border GIs.

⇒ To introduce such a labelling system that includes control stamps printed by the relevant authority in Albania with usual system of printed GI’ symbols, in order to lower costs and to improve product visibility and recognition by customers and certainly introduce provisions toward the conditions, manner and procedure related to official control of production and trade of agricultural products and foodstuffs with geographical indications;

⇒ To establish a continuous process of knowledge transfer, by drafting and launching a long-term public campaign or a national GI strategy in order to further strengthen the GIs System in place and increase public awareness towards the consumers’ benefit of using GI products, promote GI foodstuff production, processing and marketing throughout producers’ various institutions and stakeholders.

⇒ Finally, after having the first GIs protected, to explore and evaluate the economic impact of the GI products and the exports of such product, so that in can further enable administrative, educational and investment support to GI producers in order to gain EU export numbers.
List of references

- The law No. 8/2019 on the quality scheme of agricultural and foodstuff - https://qbz.gov.al/share/unFMFAv3SE-W-0MJAMvG5Q
- The Law No. 9817 Date 22/10/2007 For Agriculture and Rural Development - https://qbz.gov.al/share/BoKa4FQqQuK1wcAjbOkHwA
- The first regional Practitioners’ encounter on Geographical Indications in South East Europe countries - http://www.ksiip.com/news-1/
C.2.1 Introduction

Agriculture in Bosnia and Herzegovina is both economically and politically important sector that characterize underused natural resources and production potentials, low productivity, poor technical and technological capacities of farms, generally underdeveloped agricultural and food chain value, low competitiveness, considerable dependence on foreign trade, etc.

As a sector, agriculture, forestry and fishery are contributing to GDP with around 8%. It employees around 18% of available labour force, and has on disposal around 1.781,000 ha of utilized agricultural area (UAA). Besides, out of the country’s total area (5,113 million ha) 47% represents agriculture land. Large part of the country is mountainous (66% of the territory is considered mountainous or hilly) and only 20% (app. one million ha) is suitable for intensive farming. High availability of grassland and mountainous pastures points to the potential advantage for production of livestock and dairy products. Orchards and vineyards cover approximately 100,000 ha.

The structure of the agricultural sector has been characterized by small sized and economically weak family farms, which mostly produce for home (natural) consumption. Over 50% of agriculture holdings are estimated to be less than 2 ha. The state farms, generally much larger, are mostly out of operation or operates with difficulties due to fact that the privatization process has not been completed (EC, 2019).

Most of the atomized farms are usually not in position to compete in economics of scale, so its completeness should be based on “value-added” products such as GI. Due to the specific geographical position, available natural resources and rich tradition, BiH can successfully compete with wide assortment of home-made food products and traditional specialties. Based on the abovementioned, products with certain aspect of geographical indications are expected to be developmental trump card of agricultural sector in BiH.

BiH participates in the Stabilization and Association Process (SAP) and is committed to engage in necessary political, economic and social reforms leading progressively to a closer relationship with the EU and to a potential future accession. The negotiations on a Stabilization and Association Agreement (SAA) were launched in November 2005. On 16th June 2008 the SAA was signed, and finally entered into force during June 2015.

Although Bosnia and Herzegovina is clearly aiming for European integration and harmonization of its agricultural policy with the EU CAP, this process is progressing slowly, without any visible signs and without the political readiness to advance at a faster rate. The slow EU integration process is caused by the on-going economic crisis and, particularly, by the lack of political will to implement the necessary reforms. This is reinforced by the fact that BiH has not made progress in establishing the necessary institutional structures for implementing and utilizing IPARD, losing by that considerable financial resources which could contribute to institutional building and agricultural sector improvement at national level (MFTER 2016).

In February 2016, the country applied for EU membership and in September 2016 the European Council invited the European Commission to submit its opinion on the merits of BiH’s application. In December 2016, the Commissioner for European Neighbourhood Policy and Enlargement Negotiations handed over a comprehensive Questionnaire covering all EU accession criteria. The country’s consolidated answers were finalized in February 2018 and delivered to the President of the European Commission (EC, 2018). After all, BiH has to make progress in reforms and become a more functional state in order to achieve opening accession negotiations.
C.2.2 Rural development programs and Food policy in COUNTRY/ CAP within the national strategic and program documents

Yugoslavia and previous states which constituted it, were among the most proactive world countries towards the protection of sources and appellations of origin, as was being signatories of:

- the Paris Convention (1883);
- the Madrid Agreement (1891); and

During the Yugoslavian era, the protection of GI was exclusively perceived as Intellectual property tool. During the 90’s, the new states started to reform the former system. Reform started to be driven by EU integration, when GI became one of the tools oriented to rural development. Taken top-down approach in which the producers were out of focus was characterized by poor process transparency was changed by new regulation introducing the modern producer-oriented system.

The strategic framework for agricultural and rural development is primarily based on Strategic Plan for Rural Development of Bosnia and Herzegovina (2018-2021). According to proposal of the Ministry of Foreign Trade and Economic Relations, the Council of Ministers of Bosnia and Herzegovina in January 2018 was adopted above-mentioned document, creating conditions for agricultural producers at national level to receive EU funds through ongoing projects. Strategic plans are providing the broader framework that will lead to the gradual alignment of agriculture and rural development in BiH with the best EU practices.

Set goals and measures in strategic document are providing foundation for GI development in BiH. Strategic goals of high importance for GI are recognized as support to quality standards, knowledge transfer, support to producer associations, investments in agriculture and rural development, etc.

Specifically, strategy’s measure no. 6: “Support for development of public food safety and agri-food quality infrastructure and services” are including 4 sub-tasks: 6.1.) Harmonization of food safety legislation, in line with the EU standards and best practices to support development of competitiveness of agri-food products; 6.2.) Gradual harmonization of legislation and practices with quality policy (EU PGI, PDO and TSG legislation) for introducing, registering and promoting of PGI, PDO and TSG products and other quality schemes; 6.3.) Support to producers’ certification according to GLOBALGAP standards; and 6.4.) Support to producers for integrated production (IP) certification.

On the other hand, there are several obstacles in GI sector in BiH. Firstly, available processing facilities are facing significant barriers related to their registration\(^43\). EU Member states often have a specific law where flexibility measures are indicated. However, it is possible to have deregulations according to the national and regional regulations. Generally, this flexibility is referred to traditional products (PDO or PGI) produced in small dairies located in areas that are subject to geographical constraints. According to flexibility small farms can gain registration and start with processing of GI foodstuff products.

Secondly, farmers have poor knowledge towards the benefits and principles of GI system. Besides, consumers show low awareness on GI, so policy support related to increasing the farmers’ knowledge and consumers’ awareness will be highly useful.

Thirdly, policy support in development of producer associations will positively affect the GI sector, enforcing the CMO regulation and establishment of licensing and controlling procedures for PO and PG.

\(^{43}\) Hygiene requirements, necessary equipment, buildings, number and qualification of employed staff, etc. are making registration costly or even not possible.
C.2.3 Evaluation of the official systems in place for the implementation of EU legislation concerning PDOs, PGIs and TSGs for agricultural products and foodstuffs

Despite the available natural resources and tradition that could enable increase in competitiveness of Bosnian farmers throughout the offer of several processed and home-made food products, due to administrative barriers, so far, BiH have not been able to start protecting food products nationally, or at the EU level (in line with EU legislation).

C.2.3.1 Legal Settings

First legal framework related to GI products are set by Food Safety Agency, based on the Food Act (Official Gazette of BiH, no. 50/04), in cooperation with the competent authorities of the Entities and the Brčko District of BiH, adopted by the Council of Ministers of Bosnia and Herzegovina. Two main parts of regulation are:

- Rulebook on originality and marks on foodstuffs geographical indications (Official Gazette of BiH, no. 27/10); and
- Rulebook on trademarks of traditional specialties guaranteed (Official Gazette of BiH, no. 27/10).

Mentioned regulations are in line with EU regulations:


The area of foodstuff protection with the designations of origin, geographical origin and traditional food reputation in Bosnia and Herzegovina was, among others, the subject of European Commission recommendations and technical conclusions gained from the first meeting of the Agriculture and Fisheries Subcommittee of the EU and BiH that was held in Brussels on 29th June, 2016. Recommendation considers harmonization of the regulations with the EU Regulation no. 1151/2012, as well as harmonization of the area of protection of geographical indications with the norms of the Wine Law and the EU Acquis.

In order to harmonize the subject area with the regulations in force in the EU member states, the Council of Ministers of BiH, at its 68th session (held on 18th August 2016) has adopted the Information on the manner of solving the area of foodstuff protection with labels of originality, geographical origin and traditional reputation of food in Bosnia and Herzegovina, in order to en-

Scheme C.2.1 Official marks for PDO, PGI and TSG in BiH

After entering into force of the new Regulation (in January 2019), the first application for the registration of protected designation is officially received (product of „Visočka pečenica”). Besides, several food products are in the final stage of documentation completion for applying for registration.
sures the functionality of the system. The Council has made the conclusions, which instruct the Food Safety Agency of BiH to prepare and submit to the Council of Ministers of BiH for further consideration the amendments to the Ordinance on Origin and Food Markers and Regulations on Traditional Food Reputation, aligning them with EU Regulation no. 1151/2012 on quality systems for agricultural and food products.

At the 157th session of the Council of Ministers of Bosnia and Herzegovina (held on 7th November 2018), was set out the new Rulebook that prescribes the procedures for the protection of designations of origin, designations of geographical origin and for protecting the marks of traditional specialty guaranteed at the territory of BiH, as well as the procedures for filing in a request for registration and submission of objection for the designations of origin, designations of geographical origin and designation guaranteed traditional food specialties products at the EU level.

The Rulebook on quality systems for food products (Official Gazette of BiH, no. 90/18) is partially compliant with:

- EU Regulation no. 1151/2012 of the European Parliament and the Council of 21st November 2012 on quality schemes for agricultural products and foodstuffs;
- EU Commission Regulation no. 668/2014 that lays down the rules for the application of EU Regulation no. 1151/2012.

By the entry into the force of the Rulebook on quality systems for food products previously established rulebooks (Rulebook on originality and marks on foodstuffs geographical indications and Rulebook on trademarks of traditional specialties guaranteed, Official Gazette of BiH, no. 27/10) were cancelled.

C.2.3.2 Institutional Setting

The registration procedure of the designation of origin, the geographical indication and the indication of the guaranteed traditional specialty shall be initiated by the application submitted to the Food Safety Agency of Bosnia and Herzegovina.

The applicant for the registration of appellation of origin and geographical indication shall provide the Agency the following elements:

a) Completed application form for the registration of the name of a food product with a protected designation of origin or a protected designation of geographical origin taken from The Rulebook on quality systems for food products;

b) Copy of the evidence for the group registration;

c) Statement of the competent body of the group related to adopted decision on the protection of the designation of origin and the indication of the geographical origin of the food product;

d) Power of attorney (if the group is represented by an authorized representative or proxy, certified by a notary);

e) The product specification in accordance with Article 7. of the Rulebook on quality systems for food products;

f) Completed form of a single document in Annex III taken from the Rulebook on quality systems for food products;

g) The certificate of the conformity assessment body to be certified;

h) The name and address of the requesting entity and the bodies, if available, which verify compliance with the product specifications.
The applicant for the registration of a traditional specialty guaranteed logo is required to submit to the Agency the following documents:

a) A completed application form for a guaranteed traditional specialty taken from the Annex X of the Ordinance on quality systems for food products;

b) A copy of the evidence on the registration of the group;

c) Statement of the competent body of the group toward the adopted decision on protection of the name of the food product as a guaranteed traditional specialty;

d) Power of attorney (if the group is represented by an authorized representative or proxy), certified by a notary;

e) The product specification in accordance with Article 26. of the Ordinance on quality systems for food products, as well as the completed form taken from the Annex IX of the abovementioned Rulebook;

f) The certification of the conformity assessment body in order to be certified.

The procedure is carried out by the Commission for registration of the designations of origin and designations of the geographical origin of food products in Bosnia and Herzegovina, i.e. the Commission for the allocation of designations of guaranteed traditional specialties, appointed by the Council of Ministers of Bosnia and Herzegovina, upon the proposal of the Agency, in cooperation with the competent authorities of the entities and Brčko District of BiH.

The fee for the registration procedure of the designations of origin, the geographical indication and the indication of the traditional specialty guaranteed is charged by the Agency, and it is prescribed by the Decision on the amount of the fee for the procedure for registration of appellation of origin, indication of geographical origin and indication of guaranteed traditional specialties. Adequate procedure for the geographical indications registration is presented at the next scheme (Scheme C.2.2).

Directorate for European Integration of BiH has established partial compliance of the Rulebook on quality systems for food products with the provisions of EU Regulation no. 1151/2012 and EU Regulation no. 668/2014, and “fully harmonized” will be on the day of EU accession.
There are identified three subjects that are not fully harmonized with EU Acquis:

1) The Rulebook on quality systems for foodstuffs has taken over the establishment of a quality system for food products, but a quality system for agricultural products has not been established;

2) Regulations have not taken over the provisions of EU Regulation no. 1151/2012 which regulate non-mandatory quality terms, as well as provisions defining mountain products;

3) Article 668 of the EU Regulation no. 1151/2012 stipulates that the name of the protected designation is registered on the original letter, in case the original letter is not a Latin alphabet, together with the name in the original letter, a transcript is registered in the Latin alphabet. This article is not taken over by the Rulebook.

The Rulebook on quality systems for food products has been taken over in most of the EU regulations. The part that has not been taken over is from the EU Regulation no. 882/04.

Control scheme for PDO, PGI and TSG in BIH

The control system in BIH related to GI’ is in responsibilities of:

- Certificate of conformity with the product specification – carried out by certification bodies.
- Verification of the use of registered labels on the market – carried out by competent inspection bodies.

At the Scheme C.2.3 is presented Control scheme for PDO, PGI and TSG in BIH.

Control scheme for PDO, PGI and TSG in BIH

<table>
<thead>
<tr>
<th>Verification of compliance with applicable food regulations</th>
<th>Inspections entities, BD, BiH, cantons and cities / municipalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Confirmation of compliance with the specification for PDO, PGI and TSG</td>
<td>• Authorized Certification bodies, • Accredited by ISO17065</td>
</tr>
<tr>
<td>Inspection of the use of registered ZOP, ZOGP and TSG on the market</td>
<td>Inspections entities, BD BiH, cantons and cities / municipalities</td>
</tr>
</tbody>
</table>

Scheme C.2.3: Control scheme for PDO, PGI and TSG in BIH
CERTIFICATION - Confirmation of product specifications is performed:

- It is implemented after the decision on protection of the name and prior to placing the product on the market.
- It is conducted by one or more control bodies that act as conformity assessment bodies for products authorized by the Council of Ministers of BiH, upon the proposal of the Agency.
- Conformity Assessment Bodies must be accredited according to the requirements of BAS EN ISO / IEC 17065.
- Currently, one body in BiH is authorized - Organic control.

Control plan

- The control plan is drawn up by the conformity assessment body, based on product specifications and must be approved by the Food Safety Authority.
- A request for compliance must be submitted by each label authorized user, as well as by each participant in the production, processing and distribution chain specified in the product specification.
- Upon completion of the procedure, the conformity assessment body gives a certificate of conformity to the user of the label and, within seven days from the date of issuance, is submitted to the Agency.
- The Agency keeps records of issued certificates of compliance.
- If a major nonconformity is found, the conformity assessment body must notify the Agency and the competent inspection without delay.

Official control over the production and marketing of food products with designations of origin, geographical origin and guaranteed traditional food specialties are carried out by the competent inspection bodies.

It can be concluded that BiHs GI is sufficiently developed system that will be functional and adapted to legal arrangements at the national level in the field of official controls. Certification compliance will be done by legal entities accredited to ISO 17065, whether domestic or foreign, that must be authorized at the proposal of the Agency.

Due to high standards related to the registration (food safety standards) of milk and meat processing facilities set by the legal framework, producers in BiH can’t legally produce and sell cheeses made with raw milk, and process meat on traditional way. Food safety standards poses significant barrier for GI’ in BiH. Due to this barrier processing of traditional animal origin products are often produced in facilities without official registration and this products are marketed on the green market.

C.2.3.3 Food quality measures in place

New frameworks for mid-term policy action in the agricultural sector and rural areas have been established in two BiH administrative units. The FBH adopted a mid-term development strategy for agricultural sector for 2015-2019 (FBH, 2014), and the RSR adopted a strategic plan for the development of agriculture and rural areas for 2016-2020 (RSR, 2015). Both strategic documents emphasize their determination for European integration and the concepts of modern public policymaking (JRC, 2017).

The total agricultural transfers at the country level amounted to EUR 82.2 million in 2010, while in 2015 this dropped by almost one quarter to EUR 63.2 million (Table 1). The first pillar measure (market and direct producer support) represents the largest part of the total support with 57% in 2010, increasing to 91% in 2015. By its share within the total transferred sum at the second place is the rural development support, which takes about 37% of the total support in 2010, significantly dropping down to 5% in 2015. General service support has minor importance in BiH, accounting for less than 6.5% in the total support for the period 2010-2015. These agricultural policy developments in Bosnia and Herzegovina indicate that the reduction in the total agriculture support did not have a significant effect on direct producer support (i.e. first pillar measure). In contrast, direct producer support increased in observed period, and this increase was at the expense of rural development and general service support. These results suggest that direct producer support is the preferred instrument to support the agricultural sector in BiH (JRC, 2017).
Table C.2.1. Budgetary support to agriculture in BiH (million EUR), 2010-2015

<table>
<thead>
<tr>
<th>Administrative level/group of measures</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bosnia and Herzegovina</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market and direct producer support measures</td>
<td>46.66</td>
<td>60.76</td>
<td>50.06</td>
<td>60.65</td>
<td>55.2</td>
<td>57.25</td>
</tr>
<tr>
<td>Structural and rural development measures</td>
<td>30.44</td>
<td>8.20</td>
<td>29.62</td>
<td>6.81</td>
<td>9.20</td>
<td>2.88</td>
</tr>
<tr>
<td>General measures related to agriculture</td>
<td>5.09</td>
<td>2.19</td>
<td>3.05</td>
<td>3.59</td>
<td>2.96</td>
<td>3.10</td>
</tr>
<tr>
<td><strong>Total BA</strong></td>
<td>82.18</td>
<td>71.15</td>
<td>82.73</td>
<td>71.05</td>
<td>67.36</td>
<td>63.23</td>
</tr>
<tr>
<td><strong>FBH</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market and direct producer support measures</td>
<td>28.71</td>
<td>32.36</td>
<td>24.99</td>
<td>35.54</td>
<td>31.05</td>
<td>33.68</td>
</tr>
<tr>
<td>Structural and rural development measures</td>
<td>9.82</td>
<td>3.98</td>
<td>18.07</td>
<td>0.87</td>
<td>5.71</td>
<td>1.20</td>
</tr>
<tr>
<td>General measures related to agriculture</td>
<td>0.92</td>
<td>0.39</td>
<td>0.51</td>
<td>1.29</td>
<td>0.26</td>
<td>0.21</td>
</tr>
<tr>
<td><strong>Total FBH</strong></td>
<td>39.45</td>
<td>36.74</td>
<td>43.57</td>
<td>37.70</td>
<td>37.02</td>
<td>35.10</td>
</tr>
<tr>
<td><strong>RSR</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market and direct producer support measures</td>
<td>15.63</td>
<td>26.36</td>
<td>22.12</td>
<td>22.07</td>
<td>22.43</td>
<td>20.91</td>
</tr>
<tr>
<td>Structural and rural development measures</td>
<td>20.34</td>
<td>3.92</td>
<td>11.17</td>
<td>5.56</td>
<td>3.36</td>
<td>1.50</td>
</tr>
<tr>
<td>General measures related to agriculture</td>
<td>4.17</td>
<td>1.80</td>
<td>2.54</td>
<td>2.30</td>
<td>2.70</td>
<td>2.88</td>
</tr>
<tr>
<td><strong>Total RSR</strong></td>
<td>40.14</td>
<td>32.08</td>
<td>35.83</td>
<td>29.94</td>
<td>28.49</td>
<td>25.30</td>
</tr>
<tr>
<td><strong>BD</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market and direct producer support measures</td>
<td>2.31</td>
<td>2.04</td>
<td>2.94</td>
<td>3.04</td>
<td>1.72</td>
<td>2.65</td>
</tr>
<tr>
<td>Structural and rural development measures</td>
<td>0.28</td>
<td>0.29</td>
<td>0.38</td>
<td>0.37</td>
<td>0.12</td>
<td>0.18</td>
</tr>
<tr>
<td>General measures related to agriculture</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total BD</strong></td>
<td>2.59</td>
<td>2.33</td>
<td>3.33</td>
<td>3.41</td>
<td>1.84</td>
<td>2.83</td>
</tr>
</tbody>
</table>


Agricultural support differs significantly from year to year due to prolonged economic and political crisis, political lobbying and lack of clear programming of policy measures. This unstable policy development generates an uncertain policy environment for the agents operating in the agricultural sector, which may have adverse implications for its future growth and development. The average annual agricultural support in BiH was EUR 75.9 million and displayed a downward trend in observed period. The first pillar measures has the largest share within the total support (in average around 73% of the total agricultural support) in BiH for the same period, followed by rural development support (around 19%), (JRC, 2017).
As there are no GI registrations and end users in BiH yet, there is no support policies related to products with geographical indications. Also, there are no subsidies directly related to GI products. Besides, there are few projects related to GI, as are bilateral assistance project related to Livno cheese, or project towards the Sack cheese that is in focus of FAO Case studies.

Measures to protect the registered names by national authorities and to prevent or stop the unlawful production or marketing of products using such a name are in line with EU practice, so only the registered user can dispose with GI mark. Certification body is controlling the conformity in production with the product specification. Once again has to be underlined that the development of GI should be directly linked with the producer’s awareness of the benefits that arise from the GI certification.
C.2.3.4 Identification of key issues and challenges that requires policy interventions at national level

Key issues and challenges linked to potential policy interventions are:

1. BiH legal system shows partial nonconformity with EU Acquis;
2. Cooperatives are not developed at satisfactory level as they are needed for small-scale farms. PO and PG are not established;
3. Facilities that could be in function of processing are facing significant barriers towards their registration;
4. Missing of farmer’s knowledge towards GI procedures and benefits, and deficiency of consumer’s awareness regarding the GI food-products;
5. Absence of direct subsidies related to GI sector.

Initiatives and opportunities for traditional food producers

In order to develop GI sector in BiH following priority actions could be determined:

- Producer’s education on benefits of GI, is important as there is no any GI registered product;
- Producer’s education towards the benefits of group certification, packaging, processing and marketing of GI products;\(^{44}\)
- Organization of well-planned long-term campaign related to consumers’ benefit of using GI products at national level;
- BiH has expressed emigration that forms significant potential for GI products export. So far most of GI products are export illegally (still is active the ban on export of the most of livestock products into the EU). Among the group of plant originated products that are allowed to be exported, it is not so rare that some of them have false presentation as GI products, although they are not registered, when their labelling under the name of traditional well-known products could mislead the customers. Assessment and exploration of export potential surely need certain level of support to traditional dairies and other processing facilities with regionally well-known products in order to obtain EU export number, adequate knowledge transfer, or needed level of investment. Besides, realization of activities directed to removal or avoiding the export bans will improve export possibilities of GI;
- Within the legal framework certain level of flexibility for the GI products towards the registration of processing facilities has to be introduced. Example could be find in EU practice, where legal framework offers flexible registration of processing operations at the farm without requirements for producer to be registered as a legal person;
- Introduction within the legal framework new GI’ products i.e. Mountain product or product from my farm, as there is high quantity of high-quality products from farms located in mountain regions and produced locally for local consumption.

\(^{44}\) Number of producer’s associations is low with limited business activities. Functional associations are keystone for successful GI development, as the producers are lowering the costs of certification, costs of production inputs, or they are gaining better bargaining power with the appearance as the association, generally small producers can package and process GI products only throughout the association, etc.
C.2.4 National inventory of origin-linked products and cost-benefit analysis

According to geo-strategic and cultural specificities and natural potential BiH has on disposal several products that could be an excellent candidates for GI registration. Here will be presented two products that possess high marketing potential as GI products: 1) Livno cheese (Livanjski sir); and 2) Cheese in a sack (Sir iz mijeha).

The Livno cheese has long tradition, as its production dated from XIX century. It is one of the well-known cheeses within the territory of ex-Yugoslavia. Cheese production is territorially limited to town Livno in BiH and its surrounding (Kupres, Glamoč and Tomislavgrad). Production finds foundation in French technology of preparing the Gruyere cheese.

Firstly, it was made from sheep’s milk and nowadays it is mainly prepared from a mixture of sheep’s and cow’s milk (ratio turns to 80:20 in favor to sheep milk). As the largest producers could be considered companies Mljekara Livno and Lura Dairy from Livno, with a yearly production that exceeds 500 metric tons (Slow food foundation for biodiversity, 2019a). Demand for this cheese is very high, so the producers more often cannot meet the consumers’ demand. Cheese uniqueness lies in the combination of factors as are climate conditions, higher quality of the mountain grass, more balanced feed, autochthonous breed of sheep milk, etc.

The most important market for realization of Livno cheese is Croatia, but it is also well recognized in Austria, Germany and Switzerland. Determined standard established for Livno cheese says that it is made from unpasteurized milk, then to have the shape of a cylinder 10 to 12 cm high, while it should weigh between 2 and 3 kg. Color could ranges from white to pale yellow and its maturing lasts from 6 to 8 months.

Table C.2.2. Estimated production of Livno cheese

<table>
<thead>
<tr>
<th>Product type</th>
<th>Livno cheese</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmers</td>
<td>1000</td>
</tr>
<tr>
<td>Volume of production</td>
<td>2.000 t</td>
</tr>
<tr>
<td>Value of production</td>
<td>EUR 7.000.000</td>
</tr>
</tbody>
</table>

Source: Author’ survey

Cheese in a sack is produced in Herzegovina, southern part of BiH. Production recipe requires that the cheese in a sack has to be encased in the large sheepskin sack (this makes the product unique). Finished product has weighted from 13 to 17 kg (Slow food foundation for biodiversity, 2019b).
autochthonous breeds, while the cow’s milk comes from two local breeds of cattle (Buša and Gatačko), which have depopulated trend as they are currently largely replaced by imported, highly productive breeds (Slow food foundation for biodiversity, 2019b).

Production requires milk filtration throughout the cotton cloth, and later immediate processing of milk. Once filled, the sheepskin sack is sealed shut and placed in a cool place for maturation (ripening period ranges from two months up to whole year). Cheese becomes white or pale yellow once aged. It is traditionally served as a first dish, along with the boiled potatoes, or with ham and fried dumplings (Slow food foundation for biodiversity, 2019b).

### Table C.2.3. Estimated production of the cheese in a sack

<table>
<thead>
<tr>
<th>Product type</th>
<th>Cheese in a sack</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmers</td>
<td>800</td>
</tr>
<tr>
<td>Volume of production</td>
<td>700 t</td>
</tr>
<tr>
<td>Value of production</td>
<td>EUR 2.000.000</td>
</tr>
</tbody>
</table>

Source: Author’s survey

C.2.5 Good examples and practices at national level

Its position, climate, agricultural tradition, potential of natural resources and expressed biodiversity, represent an excellent base for increase of competitiveness of national agriculture throughout the production of GI products and traditional specialities. But, facing certain administrative and procedural issues, farmers are out the position to initiate the protection of domestic food-stuff at national, regional, or EU level, even they are currently recognized by wider group of consumers.

It has been already known that ex-Yugoslavian countries are sharing same food heritage. Consequently, although many products are produced in different regions within the same country or in different countries they are usually following very similar production processes and recipes, sometimes bearing the same names. Beside the national GI registration there is strong need for trans-border GI registration. As good example for all ex-Yugoslavian countries could serve the trans-border EU PGI registration for “Istarski pršut/Istrski pršut” commonly made by Croatian and Slovenian producers.

Successful story on trans-border GI’: Slovenia and Croatia have jointly protected “Istarski pršut”/”Istrski pršut” in the EU: on Wednesday, 14 October, the European Commission registered protected designation of origin for the product. This is only the second joint application for protected origin in the EU since Polish-Lithuanian honey, which was registered in 2012.

“An application to protect “Istarski pršut” was submitted by Croatia, which Slovenia opposed, as “Istrski pršut” is also produced in Slovenia. The countries managed to reach an agreement and submitted a joint application to protect “Istarski pršut”/”Istrski pršut” (Government of the Republic of Slovenia, 2019).

C.2.6 Digital approaches in certification and pro-
motion of the schemes of geographical indications and traditional specialties

The Rulebook on quality systems for food products prescribes certain level of transparency as following:

- Article 12., Paragraph 9. - “The notification of the request shall be published in the Official Gazette of BiH and the specification at the Food Safety Agency’s website”;
- Article 16., Paragraph 3. – “The registered designation of origin or geographical indication is published in the Official Gazette of BiH and at the website of the Agency”;
- Article 18., Paragraph 10. – “The amendment of the specification is published in the Official Gazette of BiH and at the website of the Agency”;
- Article 16., Paragraph 2. – “The date of validity of the decision on registration of marks shall be recorded in the appropriate register, and each individual member of the association, which is the manufacturer or processor of a food product with a registered mark, shall be registered in the appropriate register;

So far there is no informational campaign due to the absence of GI registered products. According to the statements from Food Safety Agency informational activities are planned to be launched with the completion of first registrations.

C.2.7 Conclusions and recommendations

C.2.7.1 Conclusions

Bosnian agriculture is characterized by estate small and by economic power weak farms that are not in position to compete regionally by achieved production efficiency. Their competitiveness should be based on gaining of “value added” products such as GI products. In line to available natural resources, disposed contingent of labor force and long-lasting tradition in agriculture, development of Bosnian agriculture and rural development could be successfully based on wide assortment of home-made food products and traditional specialties. So, from GI products are expected to have developmental role within the agricultural sector in BiH.

Beside mentioned possibilities, certain level of administrative uncertainty, so far, prevents the producers to initiate protection of their food products at national or EU level.

Government, relevant institutions from agro sector and farmers are mainly facing the following challenges:

1. Political instability;
2. Slow EU integration process;
3. Nonconformity between BiH legal system and EU Acquis;
4. Underdeveloped cooperatives contrary to expressed need for them from the aspect of small-scale farms. PO and PG are not established;
5. Available processing facilities approached to certain difficulties in registration (relatively high hygiene requirements, availability of necessary equipment’s and buildings, certain number of qualified staff, etc. that make registration costly or even not possible).
6. EU member states usually have specific laws with indicated flexibility of available measures, so certain deregulations according to national and regional regulations are possible. Mentioned flexibility is turned to GI products, especially in case when the processing facilities are located in areas with certain constraints. By this flexibility small farms can reach registration requirements and start with processing of GI products;
7. Evident lack of farmer’s knowledge towards the GI procedures and general benefits;
8. Lack of deeper consumer’s awareness towards the GI foodstuff;

C.2.7.2 Recommendation

There are identified few subjects that are not fully harmonized with the EU Acquis, therefore the following recommendations are provided:

- **Recommendation 1.** - to amend the Rulebook on quality systems for food products (Official Gazette of BiH, no. 90/18) with a provisions on quality system for agricultural products harmonized with EU Acquis;
- **Recommendation 2.** - to amend the Rulebook on quality systems for food products (Official Gazette of BiH, no. 90/18) to take over the provisions of EU Regulation no. 1151/2012 that regulates non-mandatory quality terms, as well as provisions defining mountain products;
- **Recommendation 3.** - to amend the Rulebook on quality systems for food products (Official Gazette of BiH, no. 90/18) with a provision related to Article no. 668 of the EU Regulation no. 1151/2012 stipulating that the name of the protected designation is registered on the original letter, or in case the original letter is not a Latin alphabet, together with the name in the original letter, a transcript is registered in the Latin alphabet;
- **Recommendation 4.** - to include the GI marks: 1) the mark - mountain product; and 2) the mark - from my farm;
- **Recommendation 5.** - to promote GI foodstuff production, processing and marketing throughout the establishment of producer’s associations;
- **Recommendation 6.** - to sign bilateral or/and multilateral agreements governing trans-border GI registration. There are several traditional products which production area is spreading between the two or more countries causing certain difficulties in their registration. Current BiH and EU legislation allow GI protection of trans-border products. They will beneficial to establishment of mutual rules, as how the GI products have to be registered, controlled and promoted.
- **Recommendation 7.** - to launch the well-planned and long-term public campaign in order to raise public awareness on GI products (related to general consumer’s benefits of the use of GI products);
- **Recommendation 8.** - to establish continuous transfer of knowledge and information campaign for the agricultural producers/processors (primarily related to GI foodstuff procedures and benefits);
- **Recommendation 9.** - to subsides certain level of the general GI expenses (certification, product registration, etc.);
- **Recommendation 10.** - to enact the Law on Common Market Organization with provision on Producers Organizations (PO) and Producers Groups (PG);
- **Recommendation 11.** - to provide flexibility throughout the amendments on the Law on food safety related to registration of large processing capacities for traditional animal products.
- **Recommendation 12.** - to enact Rulebook on small quantity foodstuff processors, that will allow small producers to register their processing facilities for traditional animal/plant origin foodstuff as a physical person;
- **Recommendation 13.** - to explore, evaluate and support the expression of significant potential for GI products export (by constant support to producers in order to gain EU export number, through educational and investment programs, timely prevention of export bans, etc.).

List of references

for the application of EU Regulation no. 1151/2012 of the European Parliament and of the Council on quality schemes for agricultural products and foodstuffs.

- Rulebook on trademarks of traditional specialties guaranteed, Official Gazette of BiH, no. 27/10.
Chapter C3 - Food Quality Policy in Kosovo*

Author
Veli Hoti,
Senior Legal Expert
LL.M. in Intellectual Property Law and Knowledge Management
Kosovo* is one of the most rural countries/territories in the South East Europe, with 60% of its people living in rural areas. Even though, many rural residents are engaged in agricultural activity, agriculture constitutes the main source of income for only 8% of the rural households.

The agricultural sector is characterized by small farms, low productivity, and low access to finance. Most of the farms are for subsistence agricultural activities, producing primarily for self-consumption. Even though farming is mostly subsistence, the agricultural sector provided a share of 10.3% in 2015 in Kosovo*’s GDP. Agriculture employs a considerable percentage of people, which is approximately 25-35% but mainly informally. Based on the results of Agriculture Census 2014, there were 130,775 agricultural holdings employing 86,620 people with full-time jobs.

Out of the total number of agricultural holdings, 339 were agricultural legal entities, while 130,436 were agricultural households and individual businesses, using a total of 405,429 hectares of the agricultural land. As previously stated, rural economy is dominated by small farms, where holdings with 2-5 hectares are the most common (23.3%). The average farm size was 3.2 hectares in 2014, while the average herd size in cattle farms was 3.9 animals. Most farmers are engaged in cereal or livestock production activities. In 2014, approximately over 100,000 households were engaged in cereal production.

Investments in the agricultural sector in Kosovo* are directed through the Ministry of Agriculture, Forestry and Rural Development [hereinafter ‘MAFRD’] or donor funds. According to MAFRD, the majority of investments have been allocated in infrastructure, machinery and modern technology. In 2015, the budget of MAFRD obtained approximately 4% of the consolidated budget of Kosovo*, where €23 million were allocated to subsidize certain categories from production of vegetables, livestock and other categories, and €20 million for investment grants, mainly supporting investments in fruits, vegetables, milk, meat, grapes and wine. Similarly, in 2017, MAFRD has a total budget of €48 million, €25 million for subsidies and €23 million for investment grants.

Even though, the budget of MAFRD has been constantly increasing to provide subsidies and investment grants for farmers, according to MAFRD, one of the main difficulties for farmers is access to finance. To date, financing of agriculture sector is mainly done by banks and MFI’s, supported also by MAFRD through grants and subsidies.

By regional standards, Kosovo* is relatively poor with a GDP per capita of around €3200 in 2017.

On horizontal issues, the budget of EUR 46 million allocated to the agricultural sector has remained stable, for both direct payments and investment grants. However, staff shortages and inadequate monitoring, evaluation, accounting and internal auditing at the Agency for Agriculture Development continue to undermine the proper processing of applications and execution of payments. A strategy and a programme for agriculture and rural development (2014-2020) are in place. However, following the 2015 agriculture census and in line with developments in the sector, planned measures in this programme need to be revised and updated to make the best use and achieve maximum impact of funds for agriculture, increase income for farmers and improve the livelihood of the rural population.

On 1 April 2016, the EU-Kosovo* Stabilisation and Association Agreement (SAA) entered into force. This is the first contractual relationship
between the EU and Kosovo*, a comprehensive framework for closer political dialogue and economic relations. Kosovo* has faced serious domestic challenges, which have hampered EU-related reforms in some areas. It should now focus on implementing the SAA, guided by the European Reform Agenda, to further strengthen its rule of law and reform its economy.

Kosovo* signed a Stabilization and Association Agreement (SAA) on 27 October 2015 which came into force on 1 April 2016. The SAA envisages progressive reduction of customs duties on imports of agricultural and food products originating from EU member states with the view to completely abolish customs duties or other taxes having an equivalent effect within 5 years from the date when the SAA agreement entered into force. Such a reduction of customs duties defined in the SAA and regional Free Trade Agreements will lead to further increases in imports of agricultural and food products (imports that already account for more than 70% of the food market). At the same time, the SAA agreement provides a massive opportunity for export of agricultural products from Kosovo* to the EU.

C.3.2 RURAL DEVELOPMENT PROGRAMS AND FOOD POLICY

Agriculture and rural development sector in Kosovo* plays an important role in providing employment opportunities and income generation. Various analyses for agriculture in Kosovo* point out to the need of import substitution and free access to EU market as an important avenue to improve the national and individual income from agriculture in Kosovo*.

Following the Law No. 03/L-098 on Agriculture and Rural Development in Kosovo* ([hereinafter “the law on Agriculture and rural development”]), MAFRD is responsible of rural development programs and food policies. There are several main policy documents of which the work of MAFRD is based. The policy documents are as follows:

6. The Agriculture and Rural Development Program 2014 – 2020;
7. The Yearly National Measures Program – each year;
10. The Strategy on Advisory Services for Agriculture and Rural Development 2012 – 2016;

The above-mentioned strategic documents constitute the detailed mid-term and long-term policy objectives, the main measures, the monitoring tools and the costs of implementation of policies are set. The short-term policies are detailed in the yearly national program for agriculture and rural development and the relevant activities on the annual action plan.

In addition to these documents, a National Agricultural and Rural Development Program 2014 – 2020 has been drafted. However, this strategy has not been approved by the Government or the National Assembly, as a result, the Strategy is not published as an official document. However, the MAFRD has made a common practice to implement the Agricultural and Rural Development Programs throughout the yearly National Measures in various fields of agriculture.

---

51 The Law No. 03/L-098 on Agriculture and Rural Development was approved by Assembly, date 11. 06. 2009 and promulgated by the Decree of the President of the Republic of Kosovo No. DL-015-2009, date 01.07.2009. It was amended and supplemented by the Law no. 04/l-090 on amending and supplementing the Law no. 03/l-098 on agriculture and rural development.
In general, such measures, or programs highlight the substitution of imports and free access to the EU market as important opportunities for the improvement of national and individual farm incomes in Kosovo*. Thus, the potential for development of new production facilities increases the competition, marketing and raises the need for improving quality and labelling and packaging in a wider scale. Following the latest analysis only a very small proportion of farms and processors could compete and capture a larger share of the EU and international market52. However, the problem still lies with the small scale of farms (in form of family business/existential farms), land fragmentation, lack of financial means, lack of knowledge for the use of modern technologies and high unemployment rate.

The overall objectives of the National Agricultural and Rural Development Program are as follows:

⇒ to develop competitive and innovation-based agri-food sector with an increased production and productivity capable of producing high quality products and meeting the EU market standards, contributing to the security and safety of the food supply, pursuing economic, social and environmental goals by fostering employment and developing human and physical capital;

⇒ to protect natural resources and environment in rural areas, addressing the challenges of climate changes by achieving sustainable and efficient land use and forestry management, and by introducing agricultural production methods which preserve the environment;

⇒ to improve the quality of life and diversify job opportunities in rural areas by fostering employment, social inclusion and balanced territorial development of those areas.

This program has the following six priorities:

⇒ Fostering knowledge transfer in innovation in agriculture, forestry and rural areas;

⇒ Enhancing competitiveness in all types of agriculture and enhancing farm viability;

⇒ Promoting food chain organization and risk management in agriculture;

⇒ Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry;

⇒ Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in the agriculture, food and forestry sectors;

⇒ Promoting social inclusion, poverty reduction and economic development in rural areas.

Another strategic document is the Strategy and Action Plan for Biodiversity 2011-2020. This strategy defines the long-term objectives and goals for preserving biological diversity, landscapes and protected natural values. The strategy includes: preservation of landscapes, ecosystems, habitat types, wild and domestic species; protected natural values; monitoring of the state of nature; nature protection in the sectors; promotion and preservation of biological diversity and landscapes; public information, fulfillment of international obligations in the field of nature protection; etc.

The Strategy and Action Plan for Biodiversity 2011-2020 specifies the agricultural sector, management methods for sustainable and environmentally friendly technologies and practices. Creating of biological reserves within farms; developing a network of natural habitats around and between farms, reducing the change of wild natural habitats in agricultural land using sustainable practices in livestock and utilization of pastures. Such a strategy for agro-biodiversity does not have any plans for the protection and conservation of plant and animal genetic resources (agro-biodiversity).

The Policy and Strategy Paper on Forestry Sector Development 2010-2020 identifies intervention areas which are considered to have great impact on forestry development. According to the strategy, these areas are: Forest management and silviculture, Forest planning and information management, Operational planning, Harvesting & transport of wood, Capacity building, Forest environment protection, Wood use - forest industry development, Private sector development, Non-wood products. The main objective is to contrib-
ute to social stability and improved security. The means would be to take advantage of the forests’ capacity to deliver products of importance to reduce poverty and to develop the socio-economy. Forest activities may provide employment and increase the private sector’s opportunities for the provision of services.

The Strategy on Advisory Services for Agriculture and Rural Development 2012-2016 aimed that the network of the national advisory services assists in a fair way and as functionally as possible on the entire territory of Kosovo*, in identifying the requirements for advisory services for agriculture and rural development as well as their choice among the advisers from the advisory services network. The specific objectives of the advisory services for agriculture and rural development were:

⇒ Increasing the number of farmers and other stakeholders getting advice on agriculture and rural development;

⇒ Adaptation of the advisory services according to the needs and demands of the farmers and the other stakeholders;

⇒ Promotion, implementation of national development policies, and international and national programmes to support.

Kosovo* National Intellectual Property Rights Strategy 2010 – 2014 and its Action Plan did include mainly the IPRs general related measures. However, the establishment of the GIs System and the approval of the GI Law was incorporated into the measures and objectives of the strategy. As a result of this strategy the first Kosovo* GI Law was approved and entered into force in 2013. This law, as it will be described later in this document, was replaced by that new GI law that entered into force in 2015.

Despite these strategic documents, according to the EU Progress Report, Kosovo* lacks a clear strategy in that regard.

C.3.3 EVALUATION OF THE OFFICIAL SYSTEM IN RELATION TO THE EU ACQUIS AND IMPLEMENTATION OF THE POLICIES

There are several agricultural products and foodstuffs, wines, and other industrial products and processes in Kosovo* that could be protected at the national level by one of the geographical indications of origin. So far, however, there are no GI registered. Consequently, Kosovo* has not filed or deposited any request for protection of GI (PDO, PGI, TSG) for agriculture products and foodstuff at the EU or any other international level.

Kosovo* is obliged to provide protection for GIs, in accordance with the provision of the Stabilization of Association Agreement between EU and Kosovo*.

Kosovo* should not only focus on bilateral agreements with regional/neighboring countries but also work on the Negotiations with EU. There are a large number of regulations and directives that Kosovo*’s legal framework must comply with. On the other hand, following the latest reports published by the European Commission Kosovo* institutions should work on the IPR legislation in order to further align with the EU Statutory Regulations.

Kosovo*’s progress towards the European path has led to the harmonization of Kosovo* IP legislation with the EU acquis in order to ensure a level of protection and respect for IPR equivalent to that which exists in the EU. This is in accordance with the commitment assumed by Kosovo* under Article 77 and Article 78 of the Stabilization and Association Agreement (SAA).

Due to the fact that Kosovo* is not recognized by all countries it has been unable to join the main

---

international IP organizations, such as the World Intellectual Property Organization (WIPO), or ratify international IP treaties\textsuperscript{54}. However, Kosovo* has continued to strengthen its IP legislation in line with international norms and there are now substantive IP Laws.

\textbf{C.3.3.1 Legal Framework}

In terms of legislation, Kosovo* has approved certain legal framework covering the application, procedure of registration and the protection of GIs.

The main legal basis by which the GIs are affected are being under the responsibility of other stakeholders such as the IP Agency, MAFRD, FVA. The legal basis are as follows:

⇒ The Law No. 03/L-098 on Agriculture and Rural Development;
⇒ The Law No. 05/L-051 on Geographical Indications and Designations of Origin\textsuperscript{55}
⇒ The Law No. 03/L-016 on Food\textsuperscript{56};
⇒ The Law No. 05 / L-117 on Accreditation;

The sub-legal acts already into force are the following:
⇒ The administrative instruction (MTI) no. 11/2016 on registration procedure of geographical indications and designations of origin
⇒ Administrative Instruction No. 09/2018 on determining symbols for geographical indications, designation of origin and guaranteed traditional specialties
⇒ The administrative Instruction (MTI) no. 10/2016 on administrative fees for industrial property facilities;


The Law No. 03/L-098 on Agriculture and Rural Development determines objectives, measures and programs of the agriculture policies and rural development based on Agriculture and Rural Development Plan. This law determines the rules for providing agriculture public services, research and professional training, data base and information in field of agriculture policies and rural development.

As for the European Patent Organization, the first step for Kosovo* towards its EPO membership is to sign an extension agreement. EPO extension Agreements are signed between the EPO and non-member states. Kosovo* cannot join European Intellectual Property Office as it is not an EU member state. However, measures should be taken in order for the Kosovar to be entitled to file before the EUIPO.

\textsuperscript{54} To become a member of the WIPO, a state must deposit an instrument of ratification or accession with the Director General. The WIPO Convention provides that membership is open to any state that is: a member of the Paris Union for the Protection of Industrial Property, or member of the Berne Union for the Protection of Literary and Artistic Works; or a member of the United Nations, or of any of the United Nations’ Specialized Agencies, or of the International Atomic Energy Agency, or that is a party to the Statute of the International Court of Justice; or invited by the WIPO General Assembly to become a member state of the Organization.

\textsuperscript{55} Law is approved by Assembly, date 14.12.2015, and promulgated by the Decree of the President of Kosovo* No. DL-039–2015, Date 29.12.2015

\textsuperscript{56} Law No. 03/L-016 on Food https://gzk.rks-gov.net/ActDetail.aspx?ActID=2626
This Law No. 05 / L-117 on Accreditation defines the principles of accreditation and rules of the accreditation of conformity assessment bodies performing conformity assessment activities in Kosovo*. It sets out the rules that accreditation is done for testing / calibration laboratories and inspection bodies based on testing and/or calibration Laboratories according to standard SK ISO/IEC 17025; and the Inspection Bodies are done according to standard SK ISO / IEC 17020.

Despite the other sub-legal basis at place, there are other sub-legal acts to be approved, thus, to have the entire GIs legal framework completed. The MAFRD is to draft and approve the sub-legal act in relation to the internal and detailed procedures on the certification and the denomination of the territory or the geographical area, whereas, the FVA is to draft and approve the sub-legal act in relation to its obligations on the controlling procedure for the GIs product specifications and the Book of Requirements.

The entire abovementioned legal framework is as a result of Kosovo*’s progress towards the European path, which has led to the harmonization of Kosovo* GIs legislation with the EU acquis in order to ensure a level of protection and respect for IPR equivalent to that which exists in the EU. This is in accordance with the commitment assumed by Kosovo* under Article 77 and Article 78 of the Stabilization and Association Agreement (SAA). According to the EU Progress Report, the legislative framework in Kosovo* is partially aligned with the acquis and further action is needed to approximate legislation with the latest developments in this sector.

Legal Analysis

The Law No. 05/L-051 on Geographical Indications and Designations of Origin provides the registration and the definition of PDO, PGI and TSG. According to the law Geographical indication means the name of a region, a specific place or in special cases the name of a state, which is used to describe a product originating from that region, specific place or state, possesses a quality, reputation or other specific characteristics which come as a result of geographical origin, production and/or processing and/or preparation of which takes place entirely in the defined geographical area. On the other hand, designation of origin - name of a region, a specific place or in special cases the name of a state, which is used to describe a product originating from that region, specific place or state, qualities or characteristics of which are essentially or exclusively as a result of a particular geographical environment with natural and human factors inherited from this environment, and as a result of the production, processing and preparation of the product which is entirely developed in the defined geographical area.

The TSG is regulated by a special Chapter of the GI Law. Article 78 sets out the Criteria for registration right and it constitutes that a name is eligible for registration as a traditional guaranteed specialty where it describes a specific product or a food that results by the method of production, processing or composition that correspond to traditional practice for that product or food; or is produced from raw materials or ingredients that are traditionally used. In addition to that, it regulates that in order for a name to be registered as a TSG, it should, first, be traditionally used by referring to a specific product, or, secondly, identify the traditional character or specific character of product.

As regards to the GI vs TM relations, Article 13 of the GI Law provides that where a GI is registered pursuant to the GI Law, the application for registration of a trademark associated with the same class of product shall be rejected provided that the application for trademark registration is submitted for registration after the date of filing of the application for registration, under this Law. However, a trademark application that was deposited for registration in good faith in Kosovo* before to the date of filing of the application for registration, under this Law, may continue to be used despite registration of the geographical indication, if there are no grounds for its invalidity or

---


revocation under the Law on Trademarks.\textsuperscript{59} The Law on GIs provides protection for GIs outside of Kosovo\textsuperscript{*} as well provided that the application complies with the requirements / conditions specified in the Law and that the GI in question is protected in the country of origin.\textsuperscript{60} Additionally, if the GI is no longer protected or used in the country of origin it can’t be protected in Kosovo\textsuperscript{*} either. So far, Kosovo\textsuperscript{*} is neither a signatory party of any of the international agreements nor it is member of any of the regional or international IPR organizations. It is therefore a necessity for Kosovo\textsuperscript{*} to take part in regional Free Trade Agreements, such as CEFTA and moreover focus on bilateral agreements.

The Law also provides that GIs protection can also be granted on the basis of bilateral or international agreements on mutual protection of GIs signed between Kosovo\textsuperscript{*} and another country. The scope of protection of these GIs will be the same as the protection granted to the GIs under this Law, if and to the extent that the relevant bilateral or international agreement does not provide otherwise.

Following the Law on GIs the IP Agency is responsible for the procedure of registration of designations of origin and geographical indications and other proceedings. Indeed, natural and legal persons, who are resident or have business headquarters in Kosovo\textsuperscript{*} enjoy protection and have the right to deposit an application for a GI. Natural persons or legal entities however who are not residents of the Republic of Kosovo\textsuperscript{*} or have no residence or business headquarters in Kosovo\textsuperscript{*} shall be represented by authorized representatives, except in the case of existence of any international or bilateral agreement governing mutual representation regarding the proceedings before the IPA.\textsuperscript{61}

The IP Agency has already established internal procedures in accordance with GI law. Fees to be paid by the applicants are prescribed by the secondary legislation. The IPAS (Industrial Property Automation System) database is to be used to register the GIs similarly as it does with Trademarks, Patents and Industrial Design.

**Registration Procedure**

The procedure on registration of a designation of origin or a geographical indication begins with the completion of the application for registration to the IPA. The application for registration can have only one designation of origin or one geographical indication associated with only one type of product.

The right to apply for registration of a GI is granted to:

1. any association of producers or processors working with the same product, regardless of its composition or legal form;
2. a single natural or legal person provided that it is presented at the time of completion of the application for registration, that the person in question is the only producer in the defined geographical area willing to file an application and that the defined geographical area possesses characteristics which significantly differ from those of neighboring areas or the characteristics of the product are different from those produced in neighboring areas;
3. an association of producers or processors or a single person who meets the requirements, can apply for registration of a designation of origin or geographical indication for the product which they produce or offer.

Following the criteria set out in Article 23 of the GI law, the GI application for registration must contain the following:

- name and address of any association of producers or processors applying, accompanied by information on the legal status and composition of the group, if the application is completed by an association of producers and processors;
- name and address of the person applying, accompanied by adequate evidence on the legal

\textsuperscript{60} This is in fully accordance with the provisions of Lisbon Agreement.
\textsuperscript{61} So far, there are no such bilateral or international agreements signed. Therefore, foreign natural or legal persons must be represented via authorized representatives in the field of Industrial Property in line with the relevant Administrative Instruction of MTI for the Authorized Representatives.
status, if the application is completed by a single person;

- name of the designation of origin or geographical indication;
- description of the product;
- definition the geographical area;
- product specifications;
- description of the connection between the product and the geographical origin as the case may be; and
- evidence on payments of the specified fees;

In order to be determined by the designation of origin or geographical indication it must include a specific technical data commonly used to describe the type of product, including sensory-organoleptic characteristics whenever appropriate. This description of the product includes, when appropriate, specific rules concerning packaging and labelling.

Pursuant to Article 25 of the GI law, the denomination or the definition of the area for the purposes of the PDO, PGI must be done. Geographical area is defined in a detailed and precise matter that there is no ambiguity and it sets the boards in terms of relation between the quality or characteristics of the product and the geographical environment, or in terms of the relation between a specific quality, reputation or any other characteristic of the product and the geographical origin, or in the meaning of the relation between a specific quality, reputation or any other characteristic of the product and the geographical origin.

Once the abovementioned have been fulfilled by the applicant and after the products specifications have been finalized and submitted, the verification of compliance and the verification of agricultural and foodstuff procedures takes place.

The authorities or authorized bodies for verification of product compliance with the provisions of the specification is carried out before they place the product on the market. The Ministry of Trade shall make public the name and address of the authorities and bodies acting as Certifying Bodies and update that information periodically.

Pursuant to Article 29 of the GI Law, verification of agricultural products and foodstuffs is approved by the Ministry of Agriculture, Forestry and Rural Development. Specific conditions required for certification, the list of approved bodies and other matters of this nature are determined by the Ministry of Agriculture, Forestry and Rural Development.

Expenses for such verification of product compliance with the provisions of the specifications shall be borne by authorized users subject to control.

IPA is in charge to further examine whether the application meets the requirements prescribed for protection of the designation of origin or geographical indications. If IPA after the procedure in accordance with the provisions of the GI Law considers that the applicant meets the requirements prescribed for protection of the designation of origin or geographical indication, shall publish in its official Bulletin the part of the application for registration of the designation of origin or geographical origin.

The examination of agricultural products and foodstuffs is carried out and taken by an expert commission consisting of 2 experts appointed by the Minister of Agriculture, Forestry and Rural Development, 1 by the Food and Veterinary Agency; and 2 by the IP Agency.

Within 3 months from the date of publication of the application, any interested person having a legitimate interest may submit an opposition against the proposed registration of the designation of origin or geographical indication in accordance with the following conditions.

Pursuant to Article 15, protection of the designation of origin or geographical indication registered in accordance with the GI law starts from the date of entry in the Register of designations of origin or geographical indicators. In addition, the right of use of the designation of origin or geo-
A geographical indication lasts for ten (10) years from the date of entry of authorized user in the Register of Authorized Users and may be renewed by the party indefinitely or for a period of ten (10) years in accordance with the provisions of this Law as long as designation of origin or geographical indication is registered.

It is very important to emphasize that in accordance with Article 20 of the Law on GIs, Kosovo* provides protection for trans-border GIs. The GI law constitutes that in the case of a name designating a trans-border geographical area or a traditional name connected to a trans-border geographical area, several groups may lodge a joint application.

Following the GI Law and the Administrative Instruction No. 09/2018 on determining symbols for geographical indications, designation of origin and guaranteed traditional specialties, products shall be marked with Symbols. The symbols per each product are the following:

<table>
<thead>
<tr>
<th>PDO</th>
<th>PGI</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1" alt="PDO Symbol" /></td>
<td><img src="image2" alt="PGI Symbol" /></td>
</tr>
<tr>
<td>TSG</td>
<td></td>
</tr>
</tbody>
</table>

Figure C.3.3.1: Symbols of the products with Geographic Indications and Traditional Specialty

### C.3.3.2 Institutional Setting

The system of GIs in Kosovo* is governed by several institutions set out by the Law on GIs, the Law on Agriculture and Rural Development and other laws. The law on GIs also defines the rules and procedures for the registration of geographical indications and designations of origin deriving by the registration and implementations of these rights.

Following the Kosovo*’s current legal framework, the institutional setting of the GIs Authorities in place are the following:

**Industrial Property Agency – IP Agency**

IP Agency is a central administrative body of the Ministry of Trade and Industry. According to Article 6 of the Law on GIs, the IP Agency is responsible for the procedure of registration of designations of origin and geographical indications and other proceedings under this Law and legislation in force. In addition, the Law on patents62, which is the basic law that is established by the IP Agency, regulates that this is an administrative central body of the Ministry of Trade and Industry which is responsible for legal protection of the innovation, trade mark, industrial design, and designation of origin, geographic indications and topographies of integrated circuits, and other issues arising from international agreements the signatory of which is the Republic of Kosovo*.

Article 5 of the patent law provides that Agency, among others, it shall be responsible for: … developing procedures for issuing designation of origin and of geographic indications. 63

---

62 [Law no. 05/I-039 on amending and supplementing the Law no. 04/I-029 on Patents](https://gzk.rks-gov.net/ActDetail.aspx?ActID=11022)

63 IP Agency an its organizational structure is regulated also by the MTI Regulation (GRK) no. 10/2018 on amending and supplementing the regulation no. 29/2012 on internal organization and systemization of jobs of the ministry of trade and industry [https://gzk.rks-gov.net/ActDetail.aspx?ActID=17679](https://gzk.rks-gov.net/ActDetail.aspx?ActID=17679)
Ministry of Agriculture, Forestry and Rural Development – MAFRD

MAFRD is governed by the Law on Agriculture and Rural Development. It is entitled to develop policies and implement laws for development of agriculture, rural development and setting of standards for maintenance. Facilities development of credit scheme for the support of agriculture, forestry and activities for rural development in private sector.

The organizational structure and roles of each department of MAFRD are set out by the Regulation (GRK) no 37/2013 on internal organization and systematization of jobs in the Ministry of agriculture, forestry and rural development. Other duties and responsibilities of the Ministry of Agriculture, Forestry and Rural Development, are defined by Annex 14 of the Regulation No. 02/2011 for the Scope of Administrative Responsibility of the Office of Prime Minister and Ministries and the respective applicable legislation. However, the Law on GIs constitutes that the MAFRD’s roles in the GI system is through the Expert Commission as two of the MAFRD representatives as part of this Commission in charge of evaluation GI application for agricultural products and foodstuff.

The Food and Veterinary Agency – FVA

The FVA develops and implements the Government’s policy in food safety and quality as well as in animal health and welfare sectors. The FVA carries out inspections in the field of safety, hygiene, traceability and labeling of food and feeding stuffs in the areas of processing, packaging, distribution, wholesale and retail according to the harmonized EU and national legislation. Its roles are set out in the Law No. 03/L-016 on Food.

To ensure food safety and control at all stages of food handling, to safeguard the interests of consumers, to ensure that the food supplied on the market as well as that intended for export complies with safety, labeling and other mandatory requirements established by the legislation. According to the Law on GIs, FVA is in charge of controlling the GI product following the product specifications and the book of requirements.

General Directorate of Accreditation of Kosovo* – DAK

DAK is the only national body for accreditation recognized by law, competent to provide accreditation to the Conformity Assessment bodies which perform activities such as testing, calibration, certification and inspection in the public or private sector, in the voluntary or mandatory area.

General Directorate of Accreditation of Kosovo functions based on Law No. 05 / L-117 on Accreditation. This Law defines the principles of accreditation and rules of the accreditation of conformity assessment bodies performing conformity assessment activities in Kosovo*. In addition, this Law is in compliance with the Regulation (EC) No. 765/2008 of the European Parliament and of the Council of 9 July 2008 on setting out the requirements for accreditation and market surveillance relating to the marketing of products and repealing Regulation (EEC) No. 339/93 insofar as it relates to accreditation.

DAK performs accreditation of for testing / calibration laboratories and inspection bodies based on testing and/or calibration Laboratories according to standard SK ISO/IEC 17025; Inspection Bodies according to standard SK ISO / IEC 17020.

DAK operates based on the Quality Management System according to standard SK ISO / IEC 17011 and it has defined procedures by which accredits CABs that respect the requirements of international standards and guarantee the quality of their services.

Expert Commission

Pursuant to Article 32 of the Law on GIs, in cases of agricultural products and foodstuff the examination and decision on the examination of an ap-

---

64 Regulation (GRK) no 37/2013 on internal organization and systematization of jobs in the ministry of agriculture, forestry and rural development https://gzk.rks-gov.net/ActDetail.aspx?ActID=9007

65 Law No. 05 / L-117 on Accreditation https://gzk.rks.gov.net/ActDetail.aspx?ActID=13239
plication for protection of GI shall be carried out by an Expert Commission. Pursuant to this legal basis, this Expert Commission is consisted of the following representatives and institutions:

1. 2 experts appointed by the Minister of Agriculture, Forestry and Rural Development,
2. 1 by the Food and Veterinary Agency; and
3. 2 by the IP Agency.

The rules of procedure of such an Expert Commission are to be set out.

The Chart below describes shortly the GI Authorities and their roles in line with their roles as either Registration, Certification or Controlling Authority:

Other IPR institutions that somehow assist and play a role in the GI, mostly protection and enforcement role, are the following:

The fact that the roles of the IP Agency and MAFRD are not strictly specified when it comes to the Registration of a GI Application does not cause any overlapping of the competencies and roles of these institutions. The roles are made clear as the Expert Commission is established and sets out the number of members and representatives of such a Commission.

As the Law on GIs does not provide any difference between industrial products and foodstuff and wines, it is therefore considered that the IP Agency is in charge of the Registration of all types of GI applications. This is certainly not in line with the EU acquis and best practices.

The Law on GIs, the Law Agriculture and Rural Development, the Law on Food, the Law on accreditation remain to be further aligned with the EU acquis as to provide the same legal protection as specified in Article 77 of the SAA between Kosovo* and the EU, thus, to ensure that the roles of each authority are set out clearly and in line with the EU best practices. Consequently, the IP Agency would be in charge of the GI registration of industrial products, MAFRD would be in charge of the registration of foodstuff and wines.

In addition, the work, mandate and competencies of the Expert Commission as defined by the Article 32 of the Law on GIs is not yet regulated by any legal act. Therefore, the issue to be decided is, who is responsible to establish such an Expert Commission? Is it MAFRD, Ministry of Trade and Industry (as the IP reports directly to this Minister)? It is certainly not the FVA. One solution is that each institution: MAFRD, FVA and IP Agency, issue independent decisions, pursuant to their competencies, to assign their own representatives. In addition to this, the Ministry of Trade and Industry, either on itself issues a
Regulation on the work, mandate and competencies of the Expert Commission following Article 32 of the GI law, or it drafts the Regulation and asks the Government to approve and sign.

There are certain sub-legal acts and provisions from the basic laws missing in relation to the main duties and responsibilities of the Kosovo*’s GI institutional framework.

The Law on GIs provides that IP Agency is responsible for all the products. In fact, that is not in line with the EU acquis. In line with the EU Acquis, Kosovo* should have made it clear in terms of institutional setting that IP Agency is in charge ONLY for Industrial Products, whereas the MAFRD is to be in charge of the GI Registration procedure for agriculture foodstuff and wines.

FVA in addition, does not have appropriate by-laws that would enable it to conduct the controlling of the GIs for the purposes of controlling the products if they are in line with the Products Specifications as set out by the Law and GIs and in accordance with the Book of Requirements of a certain GI.

The fact that the roles of the IP Agency and MAFRD are not strictly specified when it comes to the Registration of a GI Application does not cause any overlapping of the competencies and roles of these institutions. The roles are made clear as the Expert Commission is established and sets out the number of members and representatives of such a Commission.

The Expert Commission as defined by the Article 32 of the Law on GIs for agricultural products is not yet functional as its work, mandate and competencies of are not yet regulated by any legal act. Therefore, the issue to be decided is, who is responsible to establish such an Expert Commission? Is it MAFRD, Ministry of Trade and Industry (as the IP reports directly to this Minister). It is certainly not the FVA. One solution is that each institution: MAFRD, FVA and IP Agency, issue independent decisions, pursuant to their competencies, to assign their own representatives. In addition to this, the Ministry of Trade and Industry, approves a Regulation on the work, mandate and competencies of the Expert Commission following Article 32 of the GI law.

The new organizational structure could be as follow:
According to the proposed new structure, firstly, there is no need for the Expert Commission as it is currently required. The Registration Authorities are set out to be:

- The Ministry of Agriculture, Forestry and Rural Development and
- The Industrial Property Agency.

Following the abovementioned recommendation,

- The proceedings on the protection of geographical indications and designations of origin for foodstuffs (food) and wine is carried on at the Ministry of Agriculture, Forestry and Rural Development in compliance with the Law on Agriculture and Rural Development and other legal and sub-legal acts of this Ministry; whereas,

- The proceedings on the protection of geographical indications and designations of origin for other products and services (industrial products mainly) is carried out by the Industrial Property Agency in line with the Law on Geographical Indications and Designation of Origin, Law on patents as it set out the competencies of the Agency, and other sub-legal acts approved in the GI field.

Secondly, the General Directorate of Accreditation to accredit private entities and economic operators entitled to provide certification.

Thirdly, the Food and Veterinary Agency to license, and authorize, private entities, economic operators that are able to conduct controlling and inspection checks for the purposes of checking out the implementation of the Product Specifications and the respect of the requirements as set out in the Book of Requirements of each registered GIs.

The registration process could be presented by a chart as follow:

<table>
<thead>
<tr>
<th>Group of Farmers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Filling out the applications</td>
</tr>
<tr>
<td>Each farmer is represented individually as a user</td>
</tr>
<tr>
<td>The group of farmers is represented by the Association or a farmer assigned to represent the group</td>
</tr>
<tr>
<td>Filling of the Application to the IP Agency</td>
</tr>
<tr>
<td>Product Specifications presented and the link to the territory described</td>
</tr>
<tr>
<td>IP Agency delegate the application for further examination to the Expert Commission</td>
</tr>
<tr>
<td>Evaluation of the application by the Expert Commission within 60 days</td>
</tr>
<tr>
<td>DECISION - If no oppositions – the application is published into the official website of the IP Agency</td>
</tr>
<tr>
<td>All producers are registered automatically (new producers need to apply to be recognized as new users into the registry of the IP Agency)</td>
</tr>
</tbody>
</table>
C.3.3.3 Food quality measures in place

There are several quality measures in place as part of the overall objectives of the agricultural and rural development strategy in Kosovo*. Kosovo* has a budget of EUR 46 million allocated to the agricultural sector. This budget is provided in two forms: in a form of direct payments and as investment grants.

The long-term strategic objectives of the above mentioned are to:

- Developing a competitive and innovation-based agri-food sector with increased production and productivity capable of producing high-quality products and meeting the requirements of the EU market, contributing to the security and safety of the food supply, pursuing economic, social/environmental goals by fostering employment, developing human and physical capital;

- Protecting natural resources and the environment in rural areas, addressing the challenges of climate changes by achieving sustainable, efficient land use and forestry management and introducing agricultural production methods which preserve the environment;

- Improving the quality of life and diversify job opportunities in rural areas by fostering employment, social inclusion and balanced territorial development of those areas;

- Priority 1: Enhancing farm viability and the competitiveness of all types of agricultural and primary food processing while progressively aligning with EU standards through:
  - Investment in the physical assets of agricultural holdings
  - Investments in physical assets concerning the processing and marketing of agricultural and fishery products

- Priority 2: Restoring, preserving and enhancing the eco system dependent on agriculture and forestry through:
  - Agri-environmental measures and organic farming

- Priority 3: Promoting social and economic inclusion, poverty reduction and balanced territorial development in rural areas through:
  - Establishment and protection of forests
  - Farm diversification and business development
  - Preparation and implementation of Local Development Strategies-LEADER

- Priority 4: Transfer of innovation and knowledge in agriculture, forestry and rural areas and strengthening public administration capacity in implementing rural development programs through:
  - Improvement in training
  - Advisory service
  - Technical assistance.

The following table shows the indicative timetable for measures and sub-measures implementation to achieve the MAFRD objectives.

Through grants, MAFRD’s main objective is to increase the farm size, reduce the risk of investment of Kosovo* farmers through co-financing (CAPEX), increase the competitiveness with other farmers in region. Besides provision of subsidies and grants MAFRD is interested also to support agricultural insurance, specifically for compensating a part of premium in insurance companies for those farmers that want to insure plant and livestock production. Through the grant program for farmers, MAFRD could allow for one part of grant to be used for covering the cost of the agricultural insurance premium, to protect the public investment. In this regard, MAFRD should take more active role in supporting agricultural insurance, linking subsidies and grant support programs with insurance, at least during the monitoring of the grant (minimum 5 years).

Another MAFRD objective is to increase the number of commercial farmers. These types of
farmers are considered as suitable for agriculture insurance, since premiums might be more affordable for them, compared to subsistence farmers. However, none of this measures are directly dedicated or meant for the purposes of the GI protection as an independent incentive. These are rather general measures to support the agriculture, but not necessarily the protection of any of the currently and future potential GI products.

**Direct Payments (Subsidies)**

The continuation of direct payments to farmers is also planned for the period 2014-2020 with the aim of stabilizing farmers’ income, increasing agricultural production, using better agricultural inputs and bringing unused agricultural land/pastures back into production. The midterm evaluation proposes adjustments for the future design of direct payments e.g. threshold farm sizes or number of animals for setting the eligibility criteria to receive direct payments.

In the area of rural development, measures mostly address the modernization of farms and food processing facilities. However, the level of funding and efficiency of current rural development measures remains weak, regarding investments into farms, primary food processing, job creation in rural areas, building up and empowering local communities as well as land consolidation, access to irrigation and farmer education update. 66

On direct payments, a significant amount of support to agriculture other than investments is made using direct payments. Such support remains mostly coupled to production and linkage to cross-compliance still needs to be implemented.

In the area of food safety, further efforts are needed to complete the legislation governing the area of food and feed safety registration and categorization of food and feed establishments is ongoing. The Agency continues to perform regular checks on import and export of live animals, animal products, plants and plant products. Import permissions for EU registered establishments are no longer required. Work on establishing a plan for drug and residue monitoring is ongoing. The Food and Veterinary Agency has yet to prepare a multi-annual control plan for food and feed safety and increase capacities in this regard.

**C.3.3.4 Identification of key issues and challenges**

Kosovo* has provided legal basis for the use of symbols; however, it does not provide any legal provision on the labelling PDO/PGI foodstuff as well as the method of controlling the labelling of agricultural and food products with geographical indications of origin. Therefore, lacks provisions stipulating how should GI products are marked by the control stamps.

The GI Law provides that producers shall meet the requirements for the specification and possess the certificate of compliance of the product with the product specification issued by one of the authorized certification companies. However, there are no such authorized certification entities accredited to conduct the work. Although DAK, provides accreditation for Testing and/or calibration Laboratories according to standard SK ISO/IEC 17025, and Inspection Bodies according to standard SK ISO / IEC 17020, there are no certification and controlling authorities in reaching out the objective to mark the GI products with control stamps, that would certainly establish a reliable control system and better visibility of such products in the Kosovo* market.

While the Law on GIs recognizes the GI Authorized Users with their rights as provided by the EU acquis, Kosovo* does not provide clear legal basis and procedure in relation to authorized user of the name of the origin, or the authorized user of the geographical indication, to have the exclusive right to designate their GI product with the control stamp.

There are certain sub-legal acts and provisions from the basic laws missing in relation to the main duties and responsibilities of the Kosovo*’s GI institutional framework.

The law on GIs provides that IP Agency is responsible for all the products. In fact, that is not

---

in line with the EU acquis. Pursuant to the EU Acquis, Kosovo* should have made it clear in terms of institutional setting that IP Agency is in charge ONLY for Industrial Products, whereas the MA-FRD to be in charge of the GI Registration procedure for agriculture foodstuff and wines.

FVA in addition, does not have appropriate by-laws that would enable it to conduct the controlling of the GIs for the purposes of controlling the products if they are in line with the Products Specifications as set out by the Law and GIs and in accordance with the Book of Requirements of a certain GI.

The fact that the roles of the IP Agency and MA-FRD are not strictly specified when it comes to the Registration of a GI Application does not cause any overlapping of the competencies and roles of these institutions. The roles are made clear as the Expert Commission is established and sets out the number of members and representatives of such a Commission.

The work, mandate and competencies of the Expert Commission as defined by the Article 32 of the Law on GIs is not yet regulated by any legal act. Therefore, the issue to be decided in such a way that each institution: MAFRD, FVA and IP Agency, issue independent decisions, pursuant to their competencies, to assign their own representatives.

C.3.4 NATIONAL INVENTORY OF ORIGIN-LINKED PRODUCTS AND COST-BENEFIT ANALYSIS

There are several agricultural products that could be protected by GIs, either PDO, PGI or TSG. Following the criteria as set out in the legal framework, which has already been elaborated in other chapters of this documents, the following are the possible products that potentially could be protected as PDO, PGI or TSG.

**Sharri Cheese (Djathi i Sharrit) – possible PDO**

Sharri Cheese is among the best quality cheese in the Kosovo*. Sharri Cheese originates from the south of Kosovo* in the region named “Sharri Region”. The Sharri mountains are one of the highest mountains in Balkans with 15 peaks > 2500m altitude. This region is 1600 square km, and it lies in three countries/territories: Kosovo*, Albania and North Macedonia.

The Sharri Cheese is an emblematic product, known all over Kosovo* and abroad. It has always been traditionally produced in the Sharri mountains. Transhumant grazing system has shaped its specificities: hard brined cheese, made in summer pastures (April – September), suitable for long term conservation that is consumed all over the year.

Sharri Cheese is not yet protected by GI. However, collective actions are taking place. The Association of the Sharri Cheese Producers is already established (Registration No. 5117733-9). It is consisted on 27 members – all of them are producers of Sharri Cheese and come from the Sharri Region. The Association of the Sharri Cheese Producers certainly aims to promote and consolidate the rights of Sharr’s cheese producers and handle the GI registration and application procedure on behalf of the farmers/producers.
Djath Rugove (Djath Rugove) – possible PGI

Rugova is a mountainous area in North-West of Kosovo*, in the Peja municipality region. Rugova is rich in numerous forms such as caves, waterfalls, glacial lakes, high peaks, tunnels, and so on. As the cheese has always had a special place at the table and is produced with traditional methods, inherited from generation to generation and related with certain region. In this context, among other traditional products the Rugova region is well known for the production of white cheese. This cheese is produced from raw cow’s milk and other animals of the region, it is then fermented by means of autochthonous milk microbiota without adding any starter culture.

This cheese is the second well-known cheese in Kosovo* and abroad. Therefore, it has the potential to be protected by GI.

Whereas the Sharri Cheese is considered to be protected as a PDO, as the entire processes are conducted in the Geographical Area of the Sharri Region, Rugova Cheese is considered to be a possible PGI as two or three steps from the manufacturing process are conducted outside the geographical area, closer to the city of Peja.

Peja Beer (Birra Peja)

This brewery provides the highest quality of beers in Kosovo*. Many are deceived by its name “birra Peja” (Peja Beer) and consider it as a GI, as the beer comes from Peja region and is produced in Peja city (region), however, the ingredients of this beer are not taken from Peja region, therefore, it cannot be qualified as a GI. Additionally, PEJA BEER is already a registered Trademark.

“Flija” – possible TSG:

It is most certainly one of the typical Kosovar dishes that every local will recommend. Flija made with “saç” is a specialty from the traditional Albanian cuisine, which is mostly prepared in mountainous areas. Flija could be considered a pie; however, mostly it is plain and is layered like a pack of pancakes (crepes). It is baked with cinders: the batter put on a pie-pan is covered with a “saç”- a metal dome over which hot cinders are placed to bake the dough. The sac (the lid) warmed on cinders, is put on the pie-pan which contains the layered batter of the flija. Flija could be protected under the protection of “traditional specialties”. 
Food Quality Policy:  Schemes of Geographical Indications and Traditional Specialities in South East Europe

Other possible TSGs:

<table>
<thead>
<tr>
<th>Nr.</th>
<th>Name of the food</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fasule e ndrydhur e fërguar në qumësht.</td>
</tr>
<tr>
<td>2</td>
<td>Pite me rathë</td>
</tr>
<tr>
<td>3</td>
<td>Mazë e zier</td>
</tr>
<tr>
<td>4</td>
<td>Leqenik</td>
</tr>
<tr>
<td>5</td>
<td>Lakror i kollamojt (with maize flour)</td>
</tr>
<tr>
<td>6</td>
<td>Pite me kulloshtër</td>
</tr>
<tr>
<td>7</td>
<td>Përpeq</td>
</tr>
<tr>
<td>8</td>
<td>Kungullarë i gryt (with wheat flour)</td>
</tr>
<tr>
<td>9</td>
<td>Kungullorë i kollamojt (with maize flour)</td>
</tr>
<tr>
<td>10</td>
<td>Bukë e kollamojt (with maize flour)</td>
</tr>
<tr>
<td>11</td>
<td>Bukë pogaçë</td>
</tr>
<tr>
<td>12</td>
<td>Suxhruku i Pejës (tradicional salad)</td>
</tr>
<tr>
<td>13</td>
<td>Kaçamaku</td>
</tr>
<tr>
<td>14</td>
<td>Filija</td>
</tr>
<tr>
<td>15</td>
<td>Fasule me mish të terur (dry)</td>
</tr>
<tr>
<td>16</td>
<td>Çervish</td>
</tr>
<tr>
<td>17</td>
<td>Pite me hitha (nettle)</td>
</tr>
<tr>
<td>18</td>
<td>Djathë Drelaj</td>
</tr>
<tr>
<td>19</td>
<td>Speca turshi (canned according to the traditional art)</td>
</tr>
<tr>
<td>20</td>
<td>Speca me kajmak</td>
</tr>
<tr>
<td>21</td>
<td>Kornishona</td>
</tr>
<tr>
<td>22</td>
<td>Pinxhur</td>
</tr>
<tr>
<td>23</td>
<td>Reçel dredhëze</td>
</tr>
<tr>
<td>24</td>
<td>Reçel manafëre</td>
</tr>
<tr>
<td>25</td>
<td>Reçel mjedrê</td>
</tr>
<tr>
<td>26</td>
<td>Reçel Gështenjë</td>
</tr>
<tr>
<td>27</td>
<td>Raki molle</td>
</tr>
<tr>
<td>28</td>
<td>Tepishte me miell të kollamojt (with maize flour)</td>
</tr>
<tr>
<td>29</td>
<td>Mish i thatë</td>
</tr>
<tr>
<td>30</td>
<td>Baklasarèm</td>
</tr>
<tr>
<td>31</td>
<td>Pulë e fërguar me sosë të hudhrës</td>
</tr>
<tr>
<td>32</td>
<td>Gjallë fshti me mish</td>
</tr>
<tr>
<td>33</td>
<td>Kerlanë</td>
</tr>
<tr>
<td>34</td>
<td>Përpeq</td>
</tr>
<tr>
<td>35</td>
<td>Kajmakqina</td>
</tr>
<tr>
<td>36</td>
<td>Mjalte e gështenjë</td>
</tr>
</tbody>
</table>

Kosovo* has the potential to protect several wines as GIs. The legal framework provides protection for wines as well. The registration procedure is similar to the application and registration procedures are described in earlier chapters of this document. The Department for Vineyards and Wine functions under the MAFRD, and it provides support to the wine producers. Additionally, wines producers are supported directly by MAFRD annual measure as a form of subsidy. The wines sector is very well organized. The cadastral system has been set out in line with the EU best practices. As a result, the adequate GPS system and the online database has been installed and function accordingly under the management of the Department for Vineyards and Wine.

On the other hand, wine producers have established its own association names “Onologjia”. The mission of the association is advocacy and lobbying, protection of wine producers’ interests vis-à-vis local and central institutions, participation in working groups and commissions for drafting development policies of viticulture and viticulture sectors, analyzes and conclusions in trends of internal market developments and external, respecting the wine law and the provisions of the law, fighting the informality i.e. the unauthorized production and sale of wines and raisins.

There are certainly other products that could be qualified for GI protection; however, these three are the most familiar ones.

These types GIs are used to enhance the commercial value of natural, traditional and craft products of all kinds if their particular characteristics may be attributed to their geographical origin. A number of products that come from various regions of Kosovo* are the result of traditional knowledge and processes implemented by one or more communities in a given region.

The special characteristics of those products are appreciated by the public and may be symbolized by the indication of source used to identify the products. So, better exploitation and promotion of such GIs by Kosovo* Institutions, throughout media, awareness campaign, even exposure into International Fairs, would make it possible to afford better protection for economic interests of the local communities and to preserve our traditional knowledge.
C.3.5 BEST EXAMPLES AND BEST PRACTICES

Below are the most well-known products that have a great potential in the market.

<table>
<thead>
<tr>
<th>Name</th>
<th>Sharri Cheese – Djathi i Sharrit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Region</td>
<td>Sharri Region</td>
</tr>
<tr>
<td>Existing Association</td>
<td>The Association of the Sharr Cheese Producers</td>
</tr>
<tr>
<td>Logo</td>
<td></td>
</tr>
</tbody>
</table>

The product:

<table>
<thead>
<tr>
<th>Name</th>
<th>Flija</th>
</tr>
</thead>
<tbody>
<tr>
<td>Region</td>
<td>Entire Kosovo*</td>
</tr>
<tr>
<td>Existing Association</td>
<td>No Association established</td>
</tr>
<tr>
<td>Logo</td>
<td>No Logo</td>
</tr>
</tbody>
</table>

The product:

The above presented products were presented as the best possible examples that could be used to be registered as GIs. In addition, these products shall later be used as the best examples for the other upcoming products on challenging the GI system, and certainly, set out the rules and best practices in terms of application, registration, certification and controlling procedures, as well as enforcement and the protection of the GI rights.

The data on the economic benefits are not provided, although some data did exist for the Sharri Cheese, however, these data are not used and presented in this document as the data represent other Cheese producers from other regions of Kosovo* trying to copy the Sharri Cheese.
C.3.6 DIGITAL APPROACHES IN CERTIFICATION AND PROMOTION OF THE SCHEMES OF GEOGRAPHICAL INDICATIONS AND TRADITIONAL SPECIALTIES

There were several awareness campaigns that took place in order to promote the GIs, mainly the Sharri Cheese. These awareness campaigns were organized by several stakeholders. The main one was the Kosovo* Institute of Intellectual Property\(^6^7\) [hereinafter “KsIIP”].

There were several media campaigns where IPA and later KsIIP have promoted the GI System. These were interviews, short stories and documentaries of the benefit of Sharri Cheese.

---

\(^6^7\) Kosovo* Institute of Intellectual Property (KsIIP) is a non-for-profit Association established by the Kosovo* Law on Freedom of Associations. For more information on KsIIP - http://www.ksiip.com/
There was another event on “Days of the Sharri Cheese” that promoted this Cheese. This event was promoted onto the local TV and other radio channels. These have attracted a large number of audience.

Kosovo* hosted the first regional Practitioners’ encounter on Geographical Indications in South East Europe countries/territories in 2016. Participants from invited countries of the South East Europe countries/territories such as: Kosovo*, Albania, North Macedonia, Montenegro and Bosnia and Herzegovina were represented by delegations composed of civil servants, local authorities, producer associations, universities and development brokers. The aim was to cross visions, objectives and practical challenges to build a functional legislative and institutional framework – in line with EU standards – to register and protect product names and support an effective collective action at local level. Practical case studies (at least, one by country) were presented and extensively discussed. This conference was highly followed and promoted by the national media which was later published and circulated in many social networks such as: YouTube, Facebook, and other online platforms of news.

The MAFRD uses its website mostly for sharing news. Although the English version is not updated, the Albanian version on the other hand is the main source of information for farmers and other stakeholders.

68 Kosovo* hosts the first regional Practitioners’ encounter on Geographical Indications in South East Europe countries/territories - http://www.ksiip.com/news-1/
IPA on the other hand has its own website – kipa.rks-gov.net where all the information is uploaded. The applications forms for GIs and the entire legal basis can be found on the website.

However, none of the public institutions use Facebook and other social media for promotion. There are certainly producers’ associations who share some news from public authorities on their website. According to the internet world statistic⁶⁹, Kosovo* has 1,523,373 Internet users in December 2017, 80.4% penetration, per IWS. In total there are 910,000 Facebook users in December 2017, 48.0% penetration rate. Therefore, there is a lot of potential for the use of new digital approaches.

The new digital approaches that could be used by Kosovo* are the following:

- **Facebook pages and Facebook ads** – Facebook ads can help target people from a specific location, or even folks who “like” other pages, among other options such as age and interests.

- **YouTube** – Creating videos and posting them to YouTube can provide an easier access to the content. From there, not only does Google index content, but others, such as farmers, producers, and other associations can embed videos on their blogs and share them via social media.

---

**Email marketing** – once MAFRD and other stakeholders have contacts of the farmers’ associations, the Email marketing is a great tool. Email is a digital marketing strategy that may seem out of fashion, but it continues to be as effective as ever. In order to effectively implement an email marketing strategy, the first step is to create a database with farmers, producers, and association of farmers.

**Social media** – social media helps MAFRD, IPA and other stakeholders communicate closely with the current farmers and its associations as well as with your potential customers and encourage them to promote and buy GI products.

**TV** – TV shows and documentaries certainly shall continue to remain the best tool for promotion having in mind that public authorities can always play promotional videos up to 30 seconds at the national TV. Certainly, other TV interviews, shows, can be used on other TV Channels. Recommendations are also to use other regional TV Channels as these are mostly frequented by farmers and give farmers the opportunity to promote their products locally.

In sum, these all shall contribute to the public awareness in relation to the quality of the GI products, inform producers, clients, and other stakeholders on the GI Symbols, Logos, labelling, certification stamps, and other signs.

### C.3.7 Conclusions and Recommendations

In this flow of the ever-changing globalized environments, it should be Kosovo*’s policy to support the developments and exports of its goods using indigenous knowledge and intellects and to foster the development of GI rights while utilizing the abundant domestic raw material. Being considered as one of the most rural countries/territories in the Southern-Eastern Europe, with 60% of its population living in rural areas, having in mind that agriculture constitutes the main source of income for only 8% of rural households and that many rural residents are engaged in agricultural activity, it can be concluded that Kosovo* has a potential of several products - agricultural food-stuff, wines, industrial products and processes - to be protected by GIs.

Kosovo* should consider natural resource and traditional knowledge to be two of the fundamental elements that is to help to support the development of grassroots economy. GIs, consequently, play an important role as, if properly used, they can become an effective marketing tool of great economic value. The importance of supporting agriculture and rural development is crucial as the agriculture plays a significant role in Kosovo*’s economy by being an important contributor to GDP, having the majority of inhabitants focused on living in rural areas. This will certainly generate income when the relevant producers obtain a better rate of returns. In the meantime, consumers will be better off than previously since they would have more choices of products with high and distinctive quality. And of course, they will not be easily misled as far as the true origins or indications of such products are concerned.

The Kosovo* and EU cooperation has had it positive impact. Kosovo* has established appropriate mechanisms to ensure there are institutions in place as elaborated in the earlier chapters of this document, and the adequate legal basis is at place. In addition, the provisions of the SAA have required from Kosovo* to take the necessary measures and to have its national legal framework.
aligned with the EU acquis, thus, to guarantee that no later than 5 years after entry into force of the SAA Agreement, a similar level, to that existing in the EU, of protection of intellectual, industrial and commercial property rights, is provided, including effective means of enforcing such rights.

Kosovo* has the potential to develop some of its national products to be qualified for geographical indication protection. It should be noted that apart from those mentioned above Kosovo* possesses some other products which could be considered GI products. In this regard, it is also important to note that the degree to which GI protection would be beneficial for Kosovo* depends on how well prepared it is to adapt itself to this new genre of intellectual property. This would require coordination and sustained efforts from both government and the private sector. The first task here is to have an appropriate legal regime and public sphere to the protection of geographical indication and to develop products with higher standards to meet the market demand. In this regard, Kosovo* needs to have a better understanding about the importance of the economic advantages of the GIs protection.

Having said the above, below are the recommendations for Kosovo*, to ensure that an adequate and effective GIs system is in place and farmers and other stakeholders receive appropriate legal protection and support measures by the public institutions:

⇒ Although the institutions and some other relevant stakeholders are already established, it is recommended that the institutional setting is to be re-organized so that Kosovo* provides the full mandate and competencies of each institution, thus, to ensure that:
  ⇢ The proceedings on the protection of geographical indications and designations of origin for foodstuffs (food) and wine are carried at the Ministry of Agriculture, Forestry and Rural Development in compliance with the Law on Agriculture and Rural Development and other legal and sub-legal acts of this Ministry;
  ⇢ The proceedings on the protection of geographical indications and designations of origin for other products and services (industrial products mainly) are carried out by the Industrial Property Agency (MTI) in line with the law on Geographical Indications and Designation of Origin, Law on patents as it set out the competencies of the Agency, and other sub-legal acts approved in the GI field.

  ⇢ Review and drafting of the amendments to the Law No. 05/L-051 on Geographical Indications and Designations of Origin;
  ⇢ Review and drafting of the amendments to the new law on agriculture and rural development;
  ⇢ Draft and approve a new law – the Law on Quality Scheme of agricultural and foodstuff;

⇒ At this stage, as an immediate measure for the upcoming year, until a new Law on Quality Scheme of agricultural and foodstuff, competent authority to support the strengthening and the functioning of the Experts Commission as specified in Article 32 of the Law no. 05/L-051 on geographical indications and designations of origin. Additionally, to provide trainings for the members of the Experts Commission on GI, the staff at the Ministry of Agriculture and at the Food & Veterinary Agency dealing with GIs.

⇒ The relevant sub-lag acts to be drafted and approved. In this regard, the Regulation on the Internal Rules of Procedure of the Experts Commission for Agricultural Products and Foodstuff to drafted and approved, so that this Commission is fully operational,
⇒ The establishment of the GI registry database within MAFRD, similar to the IPAS System (Industrial Property Automation System) used by IPA, to be used for the purposes of the GI registrations within MAFRD – agricultural foodstuff and wines. This database to be easily accessed by the public in terms of having access to the product specification, geographical denomination and the Book of Requirements.

⇒ The Expert Commission and the members of the National State Intellectual Property identify the possible GI products that could be trans-border GIs, thus, to consider bilateral (in the case of Sharri – multilateral) trans-border GI Agreements.

⇒ To introduce policy measures, under MAFRD, to support farmers, producers and other stakeholders, to the further identification of appropriate potential GI products for applying for the GIs.

⇒ to introduce such a labelling system that includes control stamps printed by the relevant authority in Kosovo* with usual system of printed GI’ symbols, in order to lower costs and to improve product visibility and recognition by customers and certainly introduce provisions towards the conditions, manner and procedure related to official control of production and trade of agricultural products and foodstuffs with geographical indications;

⇒ to establish a continuous process of knowledge transfer, by drafting and launching a long-term public campaign or a national GI strategy in order to further strengthen the GIs System in place and increase public awareness towards the consumers’ benefit of using GI products, promote GI foodstuff production, processing and marketing throughout producers’ various institutions and stakeholders.

⇒ Finally, after having the first GIs protected, to explore and evaluate the economic impact of the GI products and the exports of such product, so that in can further enable administrative, educational and investment support to GI producers in order to gain EU export numbers.
List of references


The Law No. 03/L-098 on Agriculture and Rural Development https://gzk.rks-gov.net/ActDetail.aspx?ActID=2642

Law no. 04/l-090 on amending and supplementing the Law No. 03/l-098 on agriculture and rural development https://gzk.rks-gov.net/ActDetail.aspx?ActID=2848


Law No. 03/L-016 on Food https://gzk.rks-gov.net/ActDetail.aspx?ActID=2626

Law No. 05/L -051 on Geographical Indications and Designations of Origin Official Gazette No. 3/2016 Published on 12.01.2016 - https://gzk.rks-gov.net/ActDetail.aspx?ActID=11348


Law no. 05/1-039 on amending and supplementing the Law No. 04/l-029 on Patents https://gzk.rks-gov.net/ActDetail.aspx?ActID=11022

MTI Regulation (GRK) no. 10/2018 on amending and supplementing the regulation no. 29/2012 on internal organization and systemization of jobs of the ministry of trade and industry https://gzk.rks-gov.net/ActDetail.aspx?ActID=17679


Law No. 05 / L-117 on Accreditation https://gzk.rks-gov.net/ActDetail.aspx?ActID=13239


Policy Increased Efficiency and Effectiveness of Kosovo* Agricultural Policy to Benefit the Commercialisation of Small and Family Farmers. 10-11 September 2018, School of Economics, University of Kent, Canterbury, UK


Kosovo* hosts the first regional Practitioners’ encounter on Geographical Indications in South East Europe countries - http://www.ksiip.com/news-1/

Chapter C4 - Food Quality Policy in Montenegro

Author
Vlado Kovacevic
PhD, Institute of Agricultural Economics Belgrade
C.4.1 Introduction

Montenegro, a country of 13,812 km² with slightly more than 600,000 citizens, offers a wide and diverse range of various products. Agriculture is one of the most important sectors in Montenegro, both in economic and social terms. It contributes to about 10% of the national gross domestic product and employs roughly 6% of the active labor force.

Figure C.4.1. Number of farms by the size of agricultural land

Due to the specific geographical position, natural possibilities and rich tradition, Montenegro can successfully compete with a diverse range of home-made food products and traditional specialties. In line to mentioned conditions product with Geographical Indications (GI) are expected to be a driving force for agricultural sector in Montenegro.

Accession negotiations with Montenegro were opened in June 2012. To date 30 negotiating chapters have been opened, of which 3 have been provisionally closed in June 2017 (European Commission, 2018). Harmonization with the common EU quality policy and organic farming is negotiated within the Chapter 11.

According to European Commission Report 2018 for Montenegro: “Montenegro is moderately prepared in the area of agriculture and rural development. Good progress continued, including the entrustment with budget implementation tasks for two measures under the IPARD II Program. In the coming year, Montenegro should in particular: implement measures entrusted under the IPARD II Program and seek entrustment with budget implementation tasks for other measures of the Program; continue to implement the action plan for acquis alignment on agriculture and rural development, in particular by further developing the integrated administrative and control system.”

Progress is made in regards to horizontal issues, direct support measures are fully decoupled from production and payments are linked to the cross-compliance.

Montenegro is advancing in establishing a Land Parcel Identification System as part of the overall Integrated Administration and Control System (IACS).
The development of a Farm Accountancy Data Network (FADN) is underway. The Law on Common Market Organization (CMO) was adopted in 2017. The further harmonization of Montenegro legislation with EU acquis is needed as well as continuation of administrative capacity improvement. Montenegro was entrusted in October 2017 with budget implementation tasks for the IPARD II measures ‘Investments in physical assets of agricultural holdings’ and ‘Investments in physical assets concerning processing and marketing of agricultural and fishery products’. The Financing Agreement entered into force on 6th December 2017. It provides the basis for the implementation of the IPARD II Program with the first call for proposals launched in February 2018.

On quality policy, the Law on quality schemes for agricultural and food products aligned with the EU acquis was adopted in March 2017. While implementing legislation has yet to be adopted, some progress is being made on the development and promotion of quality schemes in Montenegro. On organic farming, Montenegro has taken measures to align with the EU acquis: it has a competent authority for organic production, an accreditation system for the control bodies, and a system of certification of organic production. Organic farming is promoted through area and livestock unit payments (European Commission, 2018).

### C.4.2 Rural development programs and Food policy in country/CAP within the national strategic and program documents

Yugoslavia and its predecessor states have been among the most proactive countries to protect sources and appellations of origin being signatories of:

- the Paris Convention (1883);
- the Madrid Agreement (1891); and

During the Yugoslavian era, the protection of Geographical Indications was perceived exclusively as Intellectual Property tool.

During the 90’s, the new states start to reform their systems. Reform is driven by EU integration, and Geographical Indications become more as a tool for rural development.

Montenegro inherited former Yugoslavia top-down approach, where producers are not in the center of the GI processes, additionally followed by the lack of procedural transparency. Since recent this is changed, and Montenegro brought new regulation, as well as created new modern producer-oriented system.

Main strategic documents related to GI’ are:


The Strategy defines the framework and the path for the development of the agricultural sector and rural areas in the context of the overall priority of Montenegro to pursue the process of integration of EU policies during the period 2015-2020. Although Montenegro may not have the physical and structural capacity to compete in the markets for mainstream agricultural products, it has the potential to develop high quality agricultural and food products based on innovative and traditional production processes.

Goal number two in rural development strategy 2015-2020 is defined by: “Improving food safety and food quality: Increase food safety standards at affordable consumer prices; Increase the quality of products (quality standards, organic products, PDO/PGI)”.

---

70 CMO is providing ground for establishment of Producers Organizations (PO) and Producers Group (PG).
Plan for operating measures are presented in Table 1.

*Table C.4.1. Summary showing main rural development needs and measures operating*

<table>
<thead>
<tr>
<th>Need identified</th>
<th>IPARD II</th>
<th>IPA</th>
<th>Other donor assistance</th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Improving competitiveness</td>
<td>Investments in agricultural holdings</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>2. Improving food safety and food quality</td>
<td>Improving products quality</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>3. Improving sustainable resources</td>
<td>Preservation of indigenous genetic resources in agriculture</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Organic production</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sustainable use of mountain pastures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Improving quality of life and development in rural area</td>
<td>Diversification of economic activities in rural areas</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Renovation and development of villages and the rural infrastructure</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Agro-environmental measures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Implementation of Local Development Strategies - Leader approach</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Improving administrative capacities</td>
<td>Implementation of Local Development Strategies - Leader approach</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Technical assistance measure</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: MARD: Program for the development of agriculture and rural areas in Montenegro under IPARD II 2014-2020.
Strategy is providing good ground for development of GIs in Montenegro.

In contrary to the other WB counties in the Montenegro exists flexibility providing registration of traditional products processing facilities. Montenegro legal framework can be good example for other WB countries/territories where milk and meat GI processing facilities have obstacles in registration.

Additionally, flexibility for small-scale processors is allowing small farmers to register easily processing at the farms. By this flexibility small farms can gain registration and start of processing GI foodstuff products.

Evidence is lack of knowledge among farmers on benefit and principles of GI system. Besides, there is low consumer awareness on GI. Policy support toward increasing farmers knowledge and consumer awareness will be useful.

C.4.3 Evaluation of the official systems in place for the implementation of EU legislation concerning PDOs, PGIs and TSGs for agricultural products and foodstuffs

In Montenegro, as in the rest of Balkan countries/territories, farm based traditional production is still very active due to a very high percentage of rural households. Most of farming households still produce their own food, milk processing into cheese, butter, skimmed milk and other dairy products, processing meat of different animals in hams, salami and other specialties as well as fruit and vegetables in pickles and sweet preserves for the wintertime (FAO-EBRD, 2017).

Due to the specific geographical position, natural possibilities and rich tradition, Montenegro can successfully compete with a diverse range of homemade food products and traditional specialties.

Small scale farms and mountain area conditioned that most of Montenegrin agriculture cannot compete with economy of scale but with high quality traditional products.

C.4.3.1. Legal Settings

Montenegro has fully harmonized legislation with the EU regulations regarding the quality schemes. The legal framework related to GI covers:

- Rulebook on the manner of registering the mark of origin and the geographical indication of agricultural and food products.
- Rulebook on labels guaranteed traditional specialties of agricultural and food products.

Schemes of quality of agricultural and food products are:

- PDO – protected designation of origin;
- PGI – protected geographical indication;
- TGS - indication of traditional specialties guaranteed;
- Higher quality mark;
- Mark mountain product;
- The mark from my farm.
C.4.3.2. Institutional Settings

MARD is institution in charge of GI’ product registration at national level and manages procedures for registration at EU level.

Registration procedure is as follow:

- In accordance with the legal regulations of Montenegro, the protection of geographical indications for food products, grape and wine products and strong alcoholic beverages is under the responsibility of the Ministry of Agriculture and Rural Development.
- The application for registration of a geographical indication can be submitted by associations of natural and legal persons, business associations and consumer associations, in the protection of the name of the origin or geographical indication within their activities.
- Product specification is need to be submitted to the Ministry;
- Commission formed by the Ministry is deciding on application;
- The geographical indication is received by issuing a registration decision with the competent authority, which is entered in the Register of Names of Origin, or the Register of Geographical Indications, with prescribed bibliographic data maintained by the competent authority.

Controlling procedure

Since quality schemes are essentially a differentiation scheme and that quality schemes make sense, an efficient way of control must be established. The control primarily relates to two levels, in the production process, the conformity of the production process of a product with the appropriate specification is carried out, and these tasks are primarily entrusted to the certification houses, which have the appropriate accreditation and which are authorized in many countries by the competent institutions. The second part of the control concerns the marketing of GI’ products, with a special focus on protecting against the misuse of protected product names and these jobs are entrusted primarily to the competent of Governmental’ inspection authorities.

Evaluation of the conformity of agricultural or food products with the Product specification is done after the Decision on the entry into the register of the designation of origin, geographical indications, the name guaranteed traditional specialties. The conformity assessment with the product specification is performed by the MONTEORGANIC control body, which is authorized by the MARD.

MONTEORGANIC is accredited according to the standard MEST EN ISO / IEC 17065 by the Accreditation Body of Montenegro.

The procedure for assessing the conformity of agricultural and/or food products with the Product specification started by submitting the request to the control body - MONTEORGANIC. If the conformity assessment procedure determines that the agricultural and/or food products comply with the specification, MONTEORGANIC issues a document on the conformity of agricultural and/ or food products that it delivers to the applicant and the Ministry. If MONTEORGANIC finds significant non-compliance with the specification of agricultural and/or food products, it is obliged to inform the MARD.

The costs of assessment of complying with the specification are paid by the applicant. The assessment of the conformity of agricultural and/or food products with the specification is done on the basis of the control plan of the control body.

Inspection of supervision over the implementation of GIs is performed by the MARD. Inspection is performed through the agricultural, food and market inspector. In addition to the authority of inspectors determined by the law regulating inspection, the agricultural inspector has the authority to: monitor the keeping of registers and records in accordance with this Law; verifies the fulfilment of the conditions for carrying out activities for assessing the conformity of agricultural and food products with the product specification; takes samples of agricultural and food products to determine the fulfilment of conditions in the product specification; propose to the MARD the erasure of producers and processors of agricultural and food products from the relevant records if
Food Quality Policy: Schemes of Geographical Indications and Traditional Specialities in South East Europe

it determines that their products do not meet the requirements of the Product specification.

The MARD has made a major step towards the harmonization of the legal framework regulating the field of quality schemes with the relevant EU acquis. It is important now that this system is promoted to map the potential products that could be subject to protection, whether it is a PDO or a PGI, and that thereafter, meetings of representatives of the line institutions with producers in those mapped areas are organized in order to get closer explain the benefits of protection of geographical origin. When it comes to the protection of the first products, the system of control and protection of these manufacturers must also be developed in parallel, because if the control system is not thereafter, the system of protection becomes obscured.

C.4.3.3. Food quality measures in place

In Montenegro there are two support measures: National and IPARD 2.

National budgetary support

The implementation of the agricultural policy is planned through the annual agro-budget, which is proposed by the Ministry of Agriculture and Rural Development (MARD), along with a number of other documents, regulations and enactments that are necessary for its operation. The agro-budget contains a number of measures and incentive schemes that are aligned with the priorities of the agricultural policy, as outlined in the strategy for 2015-2020 and the action plan for its implementation (MARD 2015a, 2015b).

Analyzing the total planned agricultural support, a positive trend is observed over the study period 2010-2015. A more substantial increase in the planned agricultural support was observed in 2011 and 2015. The total agricultural support increased from EUR 14.6 million in 2010 to EUR 20 million in 2015 (i.e. by 37 %). The support is generally evenly distributed between market and direct producer support, rural development measures and general service support (Figure 2).

Figure C.4.2. Budgetary support for agriculture in Montenegro (planned funds), 2010-2015

IPARD 2 support

IPARD 2 has important role for development of GI’ in Montenegro. IPARD II public assistance for the period 2014-2020 is EUR 51,084,314, of which EU is contributing with EUR 39,000,000. In Table C.4.2 is presented IPARD II budget.

**Table C.4.2. Indicative budget breakdown by measures, 2014-2020**

<table>
<thead>
<tr>
<th>Measure</th>
<th>Total public aid</th>
<th>Private contribution</th>
<th>Total expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments in physical assets of agricultural holdings</td>
<td>15,840,000</td>
<td>10,559,999</td>
<td>26,399,999</td>
</tr>
<tr>
<td>Investments in physical assets concerning processing and marketing of agricultural and fishery products</td>
<td>23,693,334</td>
<td>23,693,334</td>
<td>47,386,668</td>
</tr>
<tr>
<td>Agri-environment-climate and organic farming measure</td>
<td>4,117,647</td>
<td>-</td>
<td>4,117,647</td>
</tr>
<tr>
<td>Implementation of local development strategies-LEADER approach</td>
<td>766,667</td>
<td>-</td>
<td>766,667</td>
</tr>
<tr>
<td>Investments in rural infrastructure</td>
<td>2,133,333</td>
<td>-</td>
<td>2,133,333</td>
</tr>
<tr>
<td>Farm diversification and business development</td>
<td>2,933,333</td>
<td>1,579,486</td>
<td>4,512,819</td>
</tr>
<tr>
<td>Technical assistance</td>
<td>1,600,000</td>
<td>-</td>
<td>1,600,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>51,084,314</strong></td>
<td><strong>35,832,819</strong></td>
<td><strong>86,917,133</strong></td>
</tr>
</tbody>
</table>


Measures related to quality schemes

Agricultural support measures are prescribed on the basis of the Law on Agriculture and Rural Development (“Official Gazette of Montenegro”, No. 56/09, 34/14, 1/15 and 30/17) and the Regulation on conditions, manner and dynamics of implementation of agricultural policy measures. In the 2019, the following measures are foreseen:

- For producers group, their education, and prepare and define the necessary documentation for the registration of products with a geographical origin. Support is granted to groups of producers or processors who have acquired knowledge in terms of introducing and following the quality scheme through educational activities and who have submitted a request for registration to the MARD, with the documentation envisaged, as well as for improving the knowledge for assessing the quality of the product.
- Support for organic certified products aimed for the market and for products certified as a designation of origin, geographical indication, guaranteed traditional specialty, higher quality.
- The Regulation on the conditions, method and dynamics of implementation of agricultural policy measures - agro-budget for 2019, provides the support for the promotion of authentic, specific and traditional agricultural and food products (packaging design, promotional short films, promotional notebooks, participation in regional and international fairs, exhibitions, etc.). In the agro-budget for 2019, the
study tour for producers are under the preparation, covering countries/territories of the region, as well as the certain EU member states. The beneficiaries of these support measures may be legal and natural persons, entrepreneurs, associations registered for carrying out agricultural activities, business owners.

These support measures have a primary goal of improving product quality; maintaining the specificity and diversity of Montenegrin production and cuisine; contribution to the sustainable development of the area; increasing the market value of products; increased consumer confidence; maintenance of tradition in agricultural practice; strengthening the competitiveness of agricultural and food products; establishing and strengthening the link between tourism and agriculture; as well as ensuring a stable supply of safe and quality food.

Measures taken for provision the development of designations of origin and geographical indications at national level

One of the aims is the protection against any misuse, imitation or fraud related to products bearing one of the geographical indications. Of course, in addition to the measures taken by the producers themselves, as already mentioned in the Law on Agricultural Quality and Food Products Schemes, an inspection supervision is also set up, where it is clear who has the authority to supervise and with the clear powers that administrative measures have to take: to prohibit the use of a registered designation of origin, geographical indication or title guaranteed by traditional specialties not recorded in the register; to prohibit the use of labels to producers of agricultural and food products not registered in the relevant user registration records; to prohibit the placing on the market of agricultural and food products with a registered mark, or a name that does not meet the requirements of the product specification; as well as to prohibit the placing on the market of agricultural and food products with a registered mark when it finds that they are not declared in accordance with the regulation.

C.4.3.4. Identification of key issues and challenges for which policy interventions are needed at national level.

As in Montenegro prevails has small size farms usually limited by hilly and mountainous terrain, high quality foodstuff products represent the keystone for agricultural sector to be competitive.

Despite significant potential for GI products this sector is not yet developed, so producers are not using GI as a toll for gaining competitive advantage.

Key challenge for producers is to gain knowledge and experience in GI procedures and work in associations. National market is characterized by small size and lack of customer awareness on GI foodstuff. Planned and long-term campaign at national market in order to increase customer awareness is important.

Montenegro has well-known traditional products in former Yugoslavian countries and significant emigration in EU and worldwide. This is potential for GI' products export. So far most of traditional products have been exporting illegally as there is a ban on most of livestock products export in EU. In order to explore rich export potential, it will be needed to support traditional dairies with well-known products to gain EU export number throughout education and investment support. All activities related to removal of export bans on meet (i.e. swine plague) will improve possibilities for GI’ export.

Montenegro has not registered any GI’ products at the EU level. Support in registration at national and EU level will be useful for well-known traditional products.

There is significant number of the products that Montenegro share with neighboring countries/territories. Project FAO-EBRD, 2017. Identified numerous trans-border traditional foodstuff (border area of Serbia-Montenegro), such as “Stelja”.

71 In associations small scale producers can increase competitions by lowering the costs, processing in cooperatives facilities, easier access to knowledge, technology and improving marketing, etc.
(dried sheep meat) and “Goveđa pršuta” (dried beef meat), but also “Sudžuk” (sausage) and certain dairy products, etc.

Trans-border registration is allowed by Montenegrin law regulation and EU law regulation, but there is no procedure between neighboring countries/territories, which will ease trans-border GI’ products registration.

C.4.4 National Inventory of origin-linked products and cost-benefit analysis

In Montenegrin agriculture, important steps have been taken towards the establishment of a quality policy system, but more intensive steps are needed to boost competitiveness. So far, five products have been protected with geographical indications: “Njeguski pršut”, “Pljevaljski sir”, “Crnogorski goveđi pršut”, “Crnogorska stelja” and “Crnogorski pršut”. The “Durmitorski skorup” and “Kolašinski lisnati sir” are within the registration procedure.

However, there are still no certified manufacturers for any product that is protected. In line to this it is necessary to work with manufacturers in order to motivate them to enter the process of certification, because in this way it could be achieved all the advantages of the schemes quality.

“Crnogorski pršut” (Montenegrin prosciutto) is produced at least for a one year. Its production is taking place in the central part of Montenegro, within the territory of several municipalities. Region of its production is defined by the borders of Old Montenegro, the territory of the former four “nahijas”, which now, administratively includes parts of the municipalities: Cetinje, Niksic, Dаниlovgrad, Podgorica and Bar (Crnogorski Pršut, Product specification).

“Njeguški pršut” (Njeguški ham) is a dried product from a pig meat that considers whole pig leg without a foot, with bone, skin and subcutaneous fat, but without pelvic bones. It’s dried, salted by sea salt, smoked by slow combustion of dry beech wood (Fagus sp.) and subjected to a process of drying and ripening for at least nine (9) months. Production takes place in a limited geographical area - the area of Njeguši. Njeguški ham is produced exclusively from fresh pork meat obtained from pigs that are descendants of commercial fleshy breeds, crossed breeds or lines, and their meshes in any combination.

The production of Njeguški prosciutto is limited exclusively in Njeguši area, area that consists of villages: Dugi do, Erakovići, Raičevići, Kopito, Vrba, Mali and Velji Zalazi, Žanjev do, Mirac and Majstorij, as well as the hamlets: Bukovica, Podi, Velji kraj, Čavori and Krstac. Administratively, mentioned area belongs to the municipality of Cetinje, geographically located in the area of the Lovćen Mountain. It covers about 28 km², where all settlements are located at an altitude of 600 to 1200 meters (Njeguski pršut, Product specification).

“Crnogorska Stelja” (Montenegrin Stelja) is a product of boneless smoked and dried sheep meat. This is a dry product, salted and smoked on beech wood (Fagus sp.) or European hornbeam (Carpinus betulus). Production takes place in the northern part of Montenegro. Most of the feeding sheep have to originate within the boundaries of the protected area. Sheep can be kept for at least 150 days.

As its production is limited to the northern parts of coutry, the production area covers the entire or part of the territory of following 13 municipalities: Plužine, Šavnik, Žabljačka, Pljevlja, Bijelo Polje, Mojkovac, Kolašin, Berane, Andrijevica, Petnjica, Rožaje, Gusinje and Plav. The production area is characterized by a mountain climate, with the influence of the continental climate, as the settlements altitude ranges from 550 to 2000 meters (Crnogorska stelja, Product specification).
“Crnogorska goveđa pršuta” or “Montenegrin beef prosciutto” is a product of smoked beef meat of extra, first and second category, salted and smoked on beech (*Fagus sp.*) or European hornbeam (*Carpinus betulus*) wood. Production takes place in the northern part of Montenegro. For its production extracted heads older than 2.5 years are used.

As a raw material for the production of Montenegrin beef prosciutto, the muscles from the finest parts of the beef hull are used: beefsteak, aitch-bone, loin, back and shoulder. During the salting, besides the salt, as additives it can be also used the garlic and pepper (no other ingredients are allowed). Pieces of fresh meat used in production must not be subjected to any other conservation methods besides the cooling. The production of Montenegrin beef ham is limited to the northern part of Montenegro. The production area covers the entire or part of the territory of 13 municipalities from the north of Montenegro: Plužine, Šavnik, Žabljak, Pljevlja, Bijelo Polje, Mojkovac, Kolašin, Berane, Andrijevica, Petnjica, Rožaje, Plav and Gusinje. This area is characterized by a mountain climate, with the influence of the continental climate, where the altitude ranges from 550 to 2000 meters (Crnogorska goveđa pršuta, Product specification).

“Pljevaljski sir” (Pljevalja cheese) is produced from whole-milk cow milk. The process of ripening lasts for at least 15 days. The production of Pljevalja cheese takes place in the northern part of Montenegro, on the territory of the Municipality of Pljevlja.

As a raw material for the production of Pljevalja cheese, only raw cow milk from healthy and registered heads is used. In addition to making Pljevalja cheese, only animal rennet and salt are allowed, without the use of any other supplements. The milk used for production must not be the subjected to any other preservation methods other than cooling. In case milk processing is not carried out within an hour after the last milk drawing, it is necessary to ensure milk cooling at a temperature below 8°C, with the obligation to process the milk no later than 24 hours after its milking. The production of Pljevalja cheese is limited to the northern part of Montenegro, as the municipality of Pljevlja occupies the extreme northwestern part of Montenegro and borders with Serbia and Bosnia and Herzegovina. It extends between Tara and Lim, in the upper course of the Ćehotina River, covering the area of 1346 km², or around 10% of the total territory of country (Pljevaljski sir, Product specification).

**Product with potential to be registered under the schemes of geographical indications**

Due to the specific geographical position, natural possibilities and rich tradition, Montenegro can successfully compete with a diverse range of home-made food products and traditional specialities. FAO-EBRD project “Upgrade of Meat Quality Standards in Montenegro and Exchange of Lessons Learned in the South East Europe countries/territories - Inventory of traditional products from Montenegro”, among a list of more than 100 traditional food products initially identified in Montenegro, 22 products was selected as products with the high potential to be registered under the schemes of geographical indications. Marked products with the highest potential for GI are: a) Njeguška sausage (Njeguška kobasica); and Dried beef meat (Goveđa pršuta).

1) **Njeguška sausage** (Njeguška kobasica) – Its production dates back to the XV century and takes place in Njeguš area and Central Montenegro (dominantly at the altitude from 800 to 1200 m), area characterized by intense air flow. For smoking process the beech wood (*Fagus sp.*) is used. Besides, air temperature ranges from -10 to 20°C. These are all factors that highly influence the special quality of Njeguška sausage (FAO-EBRD, 2017).
Table C.4.2. Estimated production capacities of Njeguška sausage

<table>
<thead>
<tr>
<th>Product type</th>
<th>Dried processed meat</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmers</td>
<td>70</td>
</tr>
<tr>
<td>Volume of production</td>
<td>1.000 t</td>
</tr>
<tr>
<td>Value of production</td>
<td>EUR 7.000.000 ≤</td>
</tr>
</tbody>
</table>

Source: FAO-EBRD, 2017

Production process - Pork meat and fat tissue are mixed in the ratio of 2:1. Gained meat mass contains 2% of additives (salt, black pepper and garlic with red pepper). The meat and fat tissue are cut into small pieces of 1x1 cm, or grinded. The mixture is filled into the pork guts. Smoking is made with the beech woods for 2-3 hours. The product is then matured in a cool and dark place for 25 days (FAO-EBRD, 2017).

Table C.4.3. Estimated production information on Dried beef meat

<table>
<thead>
<tr>
<th>Product type</th>
<th>Dried meat</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmers</td>
<td>500</td>
</tr>
<tr>
<td>Volume of production</td>
<td>2.000 t</td>
</tr>
<tr>
<td>Value of production</td>
<td>EUR 24.000.000</td>
</tr>
</tbody>
</table>


The beefs are feed primarily with grass (grazing) of the good nutritional composition that involves high content of medicinal and aromatic plants. Montenegrin dried beef could be considered as the result of the transfer of knowledge and skills through the generations (people from this area have perfected the practical knowledge and skills). The current husbandry techniques include semi-extensive farming of cattle and utilization of primarily natural pastures that greatly impacts the meat quality used in production of Montenegrin dried beef (FAO-EBRD, 2017).

2) Dried beef meat (Goveda pršuta) – It has a moderately intense aroma of beech or hornbeam wood. It is produced in the North Montenegro, so production area is characterized by a continental climate, with harsh winters and warm summers (dry and cold winters allow drying of beef meat, as well as obtaining the desired quality of final food product).

Muscles parts of beef carcass are used (heads aged between 3 and 7 years), such are: legs (without shank), back (from the caudal edge of the fourth thoracic vertebra to the hip-tuber coxae), steak and shoulder. Traditionally, production takes place during the winter-time (from November to February). Semi-industrial production is extended to a longer period thanks to the cold storage facilities owned by the largest processors. The shaped meat cuts are salted throughout the manual rubbing with the sea salt (about 4-6% of the final product) for 5-10 days. The smoking is performed by the use of beech and hornbeam wood and lasts for 3-4 weeks. The period of maturation lasts approximately 2 months (FAO-EBRD, 2017).

C.4.5 Good examples and practices on national level

Traditional specialties from Montenegro are well known nationally and regionally, however, there are still no certified producers for any product that is protected. In line to that it is necessary to work with producers in order to motivate them to enter the process of certification, as in this way they can feel the complete advantages of the scheme’s quality.

As the Montenegro has the significant number of potentially trans-border products, introduction of system for registration and managing the trans-border EU registered GI products could have the special importance. Good example could be the trans-border registration of “Istarski pršut or Istrski pršut”, so successful story on trans-border GI sounds as: Slovenia and Croatia have jointly protected “Istarski pršut” in the EU. On 14th Oc-
Food Quality Policy:

Schemes of Geographical Indications and Traditional Specialities in South East Europe

tober, the European Commission registered protected designation of origin for the mentioned product. This represents only the second joint application for protected origin in the EU, since Polish - Lithuanian honey was previously registered in 2012.

“*Istarski pršut* or *Istrski pršut*” differs from other dried hams, as it is produced from ham (hind leg of pork), with the pelvic bone but without rind or subcutaneous fat. The fresh hams are first dry-brined with sea salt and certain spices (pepper, garlic, laurel and rosemary), then air-dried, but not smoked. In total, the ripening process takes at least 12 months. Producers must follow the same recipe and technical procedures, regardless the fact that production takes place in Slovenia or Croatia. Besides, the raw material must originate from Slovenian or Croatian Istria, or the wider area of Croatia, while production may take place only within the territory of the Istria. The end product is labelled as “*Istrski pršut*” by Slovenian producers or “*Istarski pršut*” by Croatians, while a single logotype is used.

An application to protect “*Istarski pršut*” was submitted by Croatia, which Slovenia opposed, as “*Istrski pršut*” is also produced in Slovenia. The countries managed to reach an agreement and submitted a joint application to protect mentioned food product (Government of the Republic of Slovenia, 2019).

C.4.6 Digital approaches in certification and promotion of the schemes of geographical indications and traditional specialties

Registered GI products list, together with product specification and logo, as well as several, constantly updated set of information (relevant legislation, authorized persons, guidelines, etc.) related the GI at national and regional level are available and easily accessible at the MARD web page (www.minpolj.gov.me/Rubrike/Politika_kvaliteta/) within the segment of quality policy (Picture 4).

**Picture 4. MARD web page with GI food-staff**

Measures related to promotion of quality schemes are in place in 2019. The Regulation on the conditions, method and dynamics of implementation of agricultural policy measures - agro-budget for 2019, provides for the promotion of authentic, specific and traditional agricultural and food products (packaging design, promotional short films, promotional notebooks, participation in regional and international fairs, exhibitions, etc.).

In 2019 was planned the study tour of producers registered in some of the quality schemes in surrounding countries or EU member states.

C.4.7 Conclusions and recommendations

C.4.7.1. Conclusions

Due to the specific geographical position, natural possibilities and rich tradition, Montenegro can successfully compete with a diverse range of home-made food products and traditional specialties. Due to mentioned conditions, products with geographical indications are expected to be a part of the driving force for agricultural sector in Montenegro.

Montenegro is advanced in EU negotiations. Accession negotiations were started in June 2012. To date 30 negotiating chapters have been opened, of which 3 have been provisionally closed in June 2017.

Montenegro has good strategic framework for GI development set up in Strategy for the Development of Agriculture and Rural Areas for the period 2015 - 2020. One of strategic goals is recognized as: “Improving food safety and food quality: Increase food safety standards at affordable consumer prices and increase the quality of products (quality standards, organic products, PDO/PGI)”.

Wide range of GI products mark is defined: PDO; PGI; TSG; Mountain product; From my farm product; Higher quality product; etc., what could be good example for other WB countries/territories allowing farmers to explore all added value tools.

So far there are 5 products with GI registration (“Njeguski pršut”, “Pljevaljski sir”, “Crnogorski govedi pršut”, “Crnogorska stelja” and “Crnogorski pršut”).

Contrary to majority of WB counties, in Montenegro exists certain level of flexibility regarding to registration of traditional products processing facilities, so its legal framework can represents good model for the rest of WB countries/territories where milk and meat GI processing facilities are facing obstacles during the registration pro-
Food Quality Policy: Schemes of Geographical Indications and Traditional Specialities in South East Europe

C.4.7.2. Recommendations

- **Recommendation 1** – more intensive promotion of GI foodstuff production, processing and marketing throughout the association;

- **Recommendation 2** – signing of agrobilateral or/and multilateral agreements governing trans-border GI registration. There are numerous traditional food products with production area spreading between two or more countries that are facing certain difficulties in registration. According to the current Montenegrin and European laws, these trans-border products are eligible products for GI protection. Mutual benefits could be established of common rule how the GI product will be registered, controlled and promoted;

- **Recommendation 3** – launching of officially supported campaign that will raise public awareness toward the GI products;

- **Recommendation 4** – establishing of continuous education and information campaign oriented to agricultural producers/processors;

- **Recommendation 5** – subsidizing the GI expenses (certification, product registration, etc.);

- **Recommendation 6** – continue with practice from 2019 in supporting the promotion of GI sector;

- **Recommendation 7** – deeper exploration of significant potential for GI products export. Supporting traditional dairies with well-known products to gain EU export number throughout education and investment support. To implement activities related to removal of export bans on meet (i.e. swine plague) will improve possibilities for GI’ export.

cess. Additionally, flexibility allows small-scale processors (small farmers which dominates in national farm structure) to easily register processing and start the production of GI foodstuff products at their farms.

Montenegro has fully harmonized the legislation regarding the quality schemes with the EU regulations. In Montenegro are active two support measures: National measures and IPARD 2 Program, so there are direct measures supporting the GI in 2019, determined throughout the promotion and investment support.

What is evident, it’s a lack of knowledge among farmers according the benefits and principles of GI system. Besides, there is low level of consumer awareness related to GI. Due to this, policy support toward increasing farmers knowledge and consumer awareness will be highly useful.

National market is so small, additionally limited by lack of customers’ focus to GI foodstuff. Well planned and long-term campaign at national level that will increase customer awareness toward the GI is important.

Montenegro has well-known and wide recognizable traditional products in former Yugoslavian countries, as well as significant emigration in EU and worldwide. This is potential for GI products export. Unfortunately, so far most of traditional products are export illegally, as there is active a ban on most of livestock products export in EU. In order to explore rich export potential and opportunities, it will be needed to support traditional dairies with well-known products to gain EU export number throughout additional education and investment support. Besides, activities turned to removal of export bans on meet (caused by e.g. swine plague) will improve possibilities for GI export.

Currently, Montenegro has not registered any GI product at EU level. Both, internal and external support in registration at national and EU level will be useful for well-known traditional products. Both, Montenegrin and EU legislation allows trans-border registration, but there is no procedure between neighboring countries that will enable and facilitate trans-border GI products registration and additional production opportunity for wider group of small farmers.
List of references

- **Crnogorska goveđa pršuta**, Product specification, available at: http://www.minpolj.gov.me/Rubrike/Politika_kvaliteta/;
- Law on Agriculture and Rural Development, Official Gazette of Montenegro, no. 56/09, 34/14, 1/15 and 30/17, available at: https://me.propisi.net/zakon-o-poljoprivredi-i-ruralnom-razvoju/;
- Rulebook on labels guaranteed traditional specialties of agricultural and food products, available at: http://www.minpolj.gov.me/Rubrike/Politika_kvaliteta/149928/Pravilnici.html;
Chapter C5 - Food Quality Policy in North Macedonia

Author
Sonja Srbinovska,
PhD, Faculty of Agricultural Sciences and Food, Ss. Cyril and Methodius University Skopje
C.5.1 INTRODUCTION

North Macedonia’s accession to the European Union (EU) has been on the current agenda for future enlargement of the EU since 2005, when it became candidate for accession, but it has not yet entered into accession negotiations. Its membership application was submitted in 2004, and accession to the EU has been defined as the highest strategic priority for the country’s government.

According to the EC progress report for North Macedonia, considerable work has been done to address the Urgent Reform Priorities since summer 2017, through a genuine desire to reform, followed by the preparation of overdue strategies and legislation, and consultation of all stakeholders, including the opposition, in an inclusive and transparent manner. A number of strategies and laws were adopted, notably in the area of the rule of law. However, structural challenges remain notably in the area of the judiciary but also in the agriculture. In light of the progress achieved, the Commission recommends that the Council decides on opening the accession negotiations with the Republic of North Macedonia, maintaining and deepening the current reform momentum on the urgent reform priorities, decisive for the country’s further progress.

North Macedonia is currently receiving EUR 1.3 billion of development aid until 2020 from the Instrument for Pre-Accession Assistance, a funding mechanism for EU candidate countries.

The previous IPA Regulation covering the period 2007-2013 (“IPA I”) was replaced in March 2014 by a new regulation (“IPA II”) covering the period 2014-2020. The overall budget allocation for IPA II for N. Macedonia is EUR 664 million. The new regulation streamlined the rules governing access to IPA funds for candidate countries and potential candidates.

C.5.2 COUNTRY PROFILE - AGRICULTURE

Total area of the country: 25 713 km²

About 39% of the total area, or 1.01 million hectares, is agricultural land, split almost evenly between cultivated land and permanent pastures.

Population: 2 022 547

Average population density - 79 persons per km². Officially, almost one fifth of the working force is employed in agriculture and half the population lives in rural areas.

Agriculture GDP share is around 7.9%.

The share of the food processing industry including beverages and tobacco in GDP ranges between 3% - 4%. Thus agri-food sector is still being one of the bigger contributors to the national economy accounting for up to 12% in the GDP.

The structure of the agricultural sector is characterized by small-sized family farms, owned or leased, and highly fragmented into small parcels. The majority of pastures is still owned by the state and managed by the Public Enterprise of Pastures.

The average size of arable land parcels is 0.26 hectares and 58.2% of total utilized agriculture holdings is less than 1 ha of land.

The small size of the livestock agricultural holdings, the inadequate animal housing still poses risks to low productivity of the sector and low quality of the products:

- Average dairy cows per agriculture holdings is 3 - 5 animals,
- Average number of sheep per farm ranges between 20 and 200 animals, kept mainly for lamb meat production and milk production (rarely for wool).
- Significant share of the agricultural holdings breed pigs, but the majority of them has 1 to 2 sows or up to 5 fattening pigs.
- About 65% of the total number of laying hens is reared extensively
Organic production: Organic farming is an area for development. Over the past years the amount of arable land certified for organic production and the number of companies involved grew. In 2017, there were 654 registered entities in the system of organic agricultural production in the country. They produce meat, dairy, honey, cereals, industrial oil crops, wine, fruits, and vegetables.

The country is net exporter of tobacco (dry oriental), wine, vegetables and lamb carcasses, and net importer of fish and fishery products as well as chilled and frozen meat.

The country is largely hilly and mountainous (80%); the combination of Continental and Sub-Mediterranean climate, characterized by long, warm summers and short, not too severe winters, and fertile soil provide generally excellent conditions for the production of a range of food products.

The strategic documents outline a number of constraints faced by rural communities, including limited investment in agricultural infrastructure, aging of the rural population, and difficult access to markets, lack of opportunities for income diversification, limited knowledge of sustainable practices, land degradation, and exposure to climate change.

C.5.3 RURAL DEVELOPMENT

The National Agriculture and Rural Development Strategy for the period 2014-2020 is a major long-term strategic document in the field of agriculture and rural development based on setting and implementing the goals, policies and measures for development of agriculture and the rural areas of the N. Macedonia.

With the adoption of the main systemic Law on Agriculture and Rural Development in 2010\textsuperscript{72}, and amendments the overall set of laws in the area of food security, and the adjustment of other legal acts, Macedonian agricultural policy acquired significant elements from the relevant Common Agricultural Policy of the European Union.

Hence, bearing in mind the strategic objectives\textsuperscript{73} of the Law on Agriculture and Rural Development, the primary strategic priority of the national agricultural policy for the period 2014-2020 remains to be: “Increasing the competence of the Macedonian agricultural production and food industry, development of rural areas and sustainable management of natural resources”.

The strategy is focused on the modernization of the sector and improvement of the living conditions and work in rural areas. The main aim is to substantially increase the funds for co-financing of the private sector investments in agriculture and processing facilities, especially those that are investing in rural infrastructure. Aside from the agricultural activities, non-agricultural activities, which can supplement the income from agricultural activity or represent a primary occupation for the rural population, are increasingly becoming important for the sustainability of economic activities in the rural areas. In this direction the activities of the rural population aimed at diversification of their economic activities is planned to be supported.

Strategy, in addition to the general objective for increased competitiveness of the agricultural sector, development of rural areas and sustainable use of the natural resources, outlines specific goals for the achievement of its general objective. Specific goal 2, refers to the “Regulating the markets of agricultural products, improve, promote and protect the quality change on agriculture” and defines several key goals among which “wider implementation of food policy” promoting knowledge and advancement of human potential in rural areas; restructuring and development of physical potential and promotion of innovative


\textsuperscript{73} Strategic objectives of the National Agricultural Policy of the RNM as a systemic Law on Agriculture and Rural Development:
- providing a stable production quality and cheaper food security for the population in sufficient quantities;
- increasing the competitiveness of agriculture;
- providing solid income from the agricultural holdings;
- sustainable development of rural areas; and
- optimal use of natural resources while respecting the principles of nature and environmental protection.
practices and improvement of the quality of agricultural products through support of economic association of agricultural holdings for joint carrying out of agricultural activity; promotion and marketing of traditional products.

Agriculture development is one of the government’s postulates for achieving sustainable growth in the country, with comprehensive support for the agricultural policy instruments in line with the strategy. The priority of the Government is to increase agricultural areas, the yield and quality of agricultural products, which should enable higher incomes of agricultural holdings and produce products with higher added value.

The realization of the vision and the stated strategic goals for the development of the sector is realized through the measures and instruments: the five-year NPARD (2013-2017) and now NPARD (2018-2022) provided through the state budget, and the additional support by IPARD II. (The Instrument for Pre-Accession Assistance in Rural Development – IPARD I and II).

In NPARD 2018 -2022, the state support for operators in introduction of higher standards and quality of agricultural products continues, as well as support for national promotion of quality Macedonian agricultural products (primarily wine, vegetables and fruits). Each year, the MAFW publishes two national annual programs (NRDP), for financial assistance in agriculture (direct payment) and for financial assistance in rural development.

The main instruments of the national agricultural policy for achieving the strategic and specific goals of the NSARD 2014-2020, which are the basis for determining the measures and activities for implementing the food policy measures, are given as a specific objective improvement of markets, organization of the food chain and improvement of the quality of agricultural products. State support for operators for introduction of higher standards and quality of agricultural products continues, as well as support for national promotion of quality Macedonian agricultural food products. In the direction of restructuring and modernization of the sector, further investments are planned in improving the technical and technological equipment of the agricultural food sector by co-financing half of the investment costs through the national and IPARD rural development funds.

There are two national systems to support food policy measures:

- The Programme for Financial Support of Agriculture - Direct Payments
- The Programme for Financial Support of Rural Development

Incomes of the rural population from agriculture, as a primary economic activity in the rural areas, are supporting through direct payments, based on achieved level per unit area/head/product, and are conditioned by fulfillment of the prescribed minimum requirements for good agricultural practice and environmental protection. In order to provide additional income for the agricultural farms, in addition to agriculture, other non-agricultural activities are also supported with direct payment.

Table 1. Total Programmed National Funds for the period 2011 - 2019 (million EUR)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct payment</td>
<td>101,36</td>
<td>112,72</td>
<td>111,96</td>
<td>101,79</td>
<td>101,79</td>
<td>102,76</td>
<td>99,48</td>
<td>100,98</td>
<td>99,82</td>
</tr>
<tr>
<td>RD supports</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>34,67</td>
<td>35,16</td>
<td></td>
</tr>
</tbody>
</table>

Source: MAFWE, AFSARD 2019

*The exchange rate of 61.5 MKD per 1 EUR

In the period from 2013 until 2016, a total of 2.72 billion MKD or EUR 442 million from the national budget were paid for the financial support policies in agriculture and rural development (state, Novem-
ber 2017). Proportionally the majority of support funds to agriculture and rural development, i.e. an average of 85%, are allocated to direct payments policies in support of farmers’ income, while the rest for rural development measures through which the investments are co-financed to increase the production and modernization of agricultural holdings and processing facilities, investments in rural infrastructure and infrastructure related to agricultural production. Summary of approved budget in national programs and the realized funds by programs for the period 2010-2017 is given in Annex 1.

According to the official reports on the realized financial support for agriculture, rural development, fisheries and aquaculture in the period 2013-2016, the utilization of the national funds for rural development is very small and varies from 7.6% to 24% of the planned budget. If the goal of the national strategy for participation of 35% of rural development measures is to be achieved in the total amount of support payments by 2020, then the planning of the dynamics of the investments realization should be improved in the forthcoming programming period.

Main beneficiaries of the National RDP are: farmers, processors, rural municipalities and different businesses in the rural areas. (Beneficiaries have to be recorded in the Single Farm Register, or registered as Food operators and have to settle all financial obligations according to the national regulations and must not have outstanding liabilities against MAFWE).

In 2010, the Macedonian Bank for Development Promotion has started administrating an Agricultural Credit Discount Fund (ACDF) - credit line intended for crediting of primary agricultural producers, agro-processing SMEs and agro-export SMEs. Also, the program for financial support in agriculture and rural development, a measure “interest rate subsidy” is foreseen, which started to be implemented in 2016. Yet access to credit remains a significant problem for small and medium-sized agricultural producers and rural entrepreneurs, which limits their investment and reduces demand for grant support.

MAFWE should follow the developments of the credit market, and, where feasible, should propose and implement measures to reduce barriers to credit access. One of the proposals in NPARD 2018-2020 for improving the absorption capacity of the available grant support schemes for investment was to establish a state guarantee instrument for the agriculture and rural businesses and micro-crediting schemes.

**IPARD**

As of 2014, the new IPARD II 2014-2020 programme continues to maintain close links to the EU rural development policy by financing selected types of actions largely coinciding with the main strategic objectives according to NARDS 2014-2020, namely for enhancing farm viability and competitiveness of all types of agriculture and food-processing, agro-environmental objectives for restoring, preserving and enhancing ecosystems dependent on agriculture and forestry, improving socio-economic development in rural areas and human potential. The maximum EU contribution programmed for the period 2014-2020 is 80,000,000 EUR.

**Planned Budget of EU Contribution by measure 2014-2020, under the IPARD II programme in EUR**

---

77 Source: Agency for Financial Support of Agriculture and Rural Development (intersection November 2017), processing: MAFWE December 2018
The first EU pre-accession programme for agriculture and rural development (IPARD I) has been concluded only with 17% of the available funds paid during the period 2007-2013.

The entrustment of budget implementation tasks for the IPARD II programme was granted and adopted by the Commission on 13.02.2015. So far, three public calls for applications have been announced.

According to the Agency’s reports, some progress has been made with regards to the utilization of IPARD II funds. From the announced three calls for a period of two years, EUR 22.4 million have been used, representing 28% of the total available funds. (EUR 80 million). Farmers’ interest in using the IPARD Funds is increasing, resulting in a growing number of applications and the total amount currently claimed is around EUR 55 million, but these applications have yet to be reviewed and approved.

In Agreement with the European Commission for implementation of the IPARD II is clearly defined the monitoring and evaluation process according approved indicators for each measures. The Managing Authority has the obligation to present the results of the functioning of the monitoring system to the IPARD II Monitoring Committee. MA also organizes info days and workshops for greater awareness of farmers and producers for better utilization of IPARD funds. However, the ability to absorb funding under IPARD II still remains challenged by incomplete applications and lengthy contracting process.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments in physical assets concerning processing and marketing of agricultural products</td>
<td>2.250.000</td>
<td>2.250.000</td>
<td>1.850.000</td>
<td>1.980.000</td>
<td>3.200.000</td>
<td>5.180.000</td>
<td>5.250.000</td>
</tr>
<tr>
<td>Investments in rural public infrastructure</td>
<td>0</td>
<td>0</td>
<td>400.000</td>
<td>900.000</td>
<td>2.000.000</td>
<td>2.800.000</td>
<td>3.000.000</td>
</tr>
<tr>
<td>Farm diversification and business development</td>
<td>400.000</td>
<td>400.000</td>
<td>500.000</td>
<td>600.000</td>
<td>800.000</td>
<td>840.000</td>
<td>1.200.000</td>
</tr>
<tr>
<td>Technical assistance</td>
<td>200.000</td>
<td>200.000</td>
<td>200.000</td>
<td>240.000</td>
<td>400.000</td>
<td>560.000</td>
<td>600.000</td>
</tr>
</tbody>
</table>
C.5.4 Evaluation of the official systems in place for the implementation of EU legislation concerning PDOs, PGIs and TSGs for agricultural products and foodstuffs

C.5.4.1 Legal Settings

The legal framework for PDO, PGI and TSG is set by the main law: Law on the Quality of Agricultural Products (LQAP), followed by additional regulations: Law of Agriculture and Rural Development, Food safety Law and Law on the State Agricultural Inspectorate.

Specifically related to the food protection is the Law on the Quality of Agricultural Products (140/2010, 53/2011, 55/2012, 106/2013, 116/2015, 149/2015; 193/2015), especially Chapter III where are prescribes the requirements for implementation of the EU schemes of geographical indications and traditional specialties.

Chapter III from the LQAP lays down rules for establishing quality schemes for agricultural products and foodstuffs in the country, as well as the requirements and procedure for application for registration of designation of origin, geographical indication or indication of a guaranteed traditional specialty at the European Union level. In Article 158 are also define rules for International registration on the basis of bilateral agreements on mutual protection or international agreements.

In the period 2011-2013, eleven by-laws were published, where the laying down procedures for the implementation the provisions from the Law on quality of agricultural products, in particular the procedures for protection PDO, PGI and TSG and application. (listed in literature)\textsuperscript{80}.

According the LQAP, in the country has developed three quality labels:
- ЗОП - “Заштитена ознака за потекло”
- ЗГО - “Заштитена географска ознака”
- ТСК - „Традиционално специфичен карактер“

Protected designation of origin - PDO
Protected geographical indication - PGI
Traditional speciality guaranteed - TSG

In general, provisions for implementing quality labels PDO, PGI and TSG are harmonized with EU regulation 1151/2012 and implementing regulation 668/2014\textsuperscript{81}. There are identified some provisions that are not fully harmonized with EU acquis like:

- Optional quality terms, (non-mandatory quality terms for mountain products and products from outermost regions) are not harmonized with EU regulation), as well as
- some specific provisions for product specification,
• the detailed rules on the origin and quality of feed for products of animal origin, and

• Some specific measures which allow traceability the product, raw materials, feed and other items coming from the defined geographical area.

• Specific obligations regarding official controls, control plans, monitoring, reports, establishing official communication network between main responsible institution (MAFWE) with FVA and SAI.

C.5.4.2 Institutional Setting

The Ministry of Agriculture, Forestry and Water Economy is the competent institution for the implementation of the protection of the GIs and TSG of the agri-food products, in accordance with Chapter III of the Law on the Quality of Agricultural Products.

This institution has a complex structure with 19 departments and 62 units, whereby directly associated to protection, marketing and promotion is Department for Marketing and Quality of agricultural products (DPMQAP); but D. for Rural Development and D. for Agricultural Policy Analysis are also involved in food policy. There are other affiliated institutions related to the food policy measures as: the Food and Veterinary Agency and State Inspectorate for Agriculture.

DPMQAP is the competent for implementing food policy and the procedure for registration of the protected designations of quality. Department is also working on preparing and adaptation of the rules, planning annual measures, keeping record and Registers, mapping new traditional products and promotion and other activities about registration for GIs or TSG.

The procedure for registering a protected designation begins with the submission of a request for protection by an interested group of operators dealing with the production, processing or trade of the same agricultural product or foodstuff whose name is claimed to be protected.

Requirement for application Farmers or producers in order to apply for the protection of their product, the Food Establishments must be registered or approved (for processing food of animal origin) by the competent authority (Food and Veterinary Agency). This means that the requirements for GAP and GFP, followed by GMP and HACCP in accordance with the Food Safety Law should first be applied.

After the administrative examination of the request and accompanying documentation, the Minister establishes an expert commission for conducting a procedure for registering the protected labels for agricultural and food products. The commission shall consist of seven members, three permanent members of the Ministry, three members of experts from the respective area and one member representative of the applicants.

Once the Commission has checked all documentation and determine that there is a basis and justification of the request, it shall submit a proposal to the Minister of Agriculture, Forestry and Water Economy for protection of the proposed name.

The elaboration, i.e. the specification of the product, is published on the MAFWE website in case a legal or natural person has an objection to the protection. If there is no objection within 6 months, the Minister shall issue a decision for registration of the name. Also, it must be officially published in Off. Gazette and Ministry’s website and shall be entered in the Register of products with protected designations (PDO, PGI or TSG).

The registered name can be used by any entity that produces and / or processes an agricultural or food product in accordance with the elaborate or specification, after passing the procedure for verification of compliance with the elaborate and / or the specification. Each entity shall be individually entered in the Register of Users of PDO, PGI or TSG.

The verification of compliance with the elaborate or specification is carried out by authorized verification bodies, and is carried out on the basis of a control plan approved by the Minister. In the absence of authorized verification bodies, the role is taken by the State Agriculture Inspectorate (SAI) or Food and Veterinary Agency (FVA).
The official controls for primary products of plant origin are carried out by the State Agriculture Inspectorate, while for the products of animal origin and food by the Food and Veterinary Agency.

### REGISTRATION PROCEDURE

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Association or group of farmers decide to protect product (legal entity)</td>
</tr>
<tr>
<td>2.</td>
<td>Elaborate or specification of the product</td>
</tr>
<tr>
<td>3.</td>
<td>Single document (for PDO and PGI)</td>
</tr>
<tr>
<td>4.</td>
<td>Fill the Application form</td>
</tr>
<tr>
<td>5.</td>
<td>Request with the required documentation submit to MAFWE (name and address of the association, identification number, representative of the group etc.)</td>
</tr>
<tr>
<td>6.</td>
<td>MAFWE-nominate a Commission for control of the delivered documentation (experts from the field +administration)</td>
</tr>
<tr>
<td>7.</td>
<td>If is positive opinion/ publish on the web side of MAFWE/ 6 months</td>
</tr>
<tr>
<td>8.</td>
<td>If there is no objection</td>
</tr>
<tr>
<td>9.</td>
<td>Product is imported in the Register of PDO, PGI or TSG</td>
</tr>
<tr>
<td>10.</td>
<td>All producers should be registered individually</td>
</tr>
<tr>
<td>11.</td>
<td>Producers are officially imported into the Register of Producers</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
<tr>
<td>12.</td>
<td>Regular control of the product and manufacturing process by competent bodies</td>
</tr>
<tr>
<td></td>
<td>Announcement when Producers started with production of the protected product (determination of the conformity of production, processing and the product with the specification)</td>
</tr>
</tbody>
</table>

**Implementation of the quality schemes**

In the MAFWE, in accordance with the Law on the Quality of Agricultural Products, “OHRID CRESHA” was entered in the Register of Products with PGI label and requests for GIs, and for TSG have been submitted so far:

- **VALANDOVO WHITE WINTER GRAPES**
  The request and the elaborate were reviewed by the Expert Commission.
  The notes are submitted to the applicant. After incorporating them and implementing the control by the verification bodies, the commission may formally approve the request for protection.

- **BISTRA SHEEP KASHKAVAL**
  An elaborate was prepared by an expert from the Faculty of Agricultural Sciences and Food. The producers of this product are in the phase of formal association in order to apply for registration of a protected designation of origin.

- **BISTRA WHITE SHEEP CHEESE**
  An elaborate was prepared by an expert from the Faculty of Agricultural Sciences and Food. The producers of this product are in the phase of formal association in order to be able to apply for a protected designation of origin.
  The studies for Bistra sheep cheese and Bistra sheep white cheese were revised by the experts from the Twinning project “Organic farming and quality assurance of agricultural products”.

---
Although the Law was released in 2010, implementation of quality schemes is slow. In addition, due to misunderstandings within PG, but also because of the inability of some of their facilities to be approved by FVA, the protection of the labels was still not effectuated.

The first official registration applications of **Ohrid Cherry** with protected geographical indications (PGIs) or protected designations of origin (PDOs) were submitted on 25.5.2016 by the agricultural cooperative “Ohridska Ceresna 2015”, (accompanied by other required documents, Single document and an Elaborate of the product). After the Expert Commission found that the documents and the procedure for registering the protected geographical indication Ohridska Cresha were completely fulfilled, the producers’ application was published on the MAFWE website, within a period of 3 months. The final decision on registration of a geographical indication of Ohrid Cherry was adopted on 24.3.2017. The approval decision was published in the O.G. 49/2017 and name of the product “Ohridska cresha” entered in the Register of products with PGI label.

Enrollment in the Register of Users of labels has not been done yet as no one up until now has submitted a request for registration in the register. The main problems are mutual mistrust among producers and poor information about the rights, obligations and advantages of using the label (until now three times they changed the associations’ representative). The responsible Department from MAFWE is in constant contact with producers and makes efforts to fully complete the protection.

The information about this protected product was released in just a few days after the approval, but now almost no information is available. Also, no data on the product can be found on the MAFWE website, which is a legal provision. The Ministry web-page contains laws and by-laws according to PDO, PGI and TSG, as well as the contacts of approved certification bodies, but there is no information about the new registered product “Ohrid Cherry” or other activities within the quality schemes.


In the MAFWE official site - there are no information about PGI “Ohridska cresha”. On the site one can find the data for the authorized verification bodies (which do not function because they are not accredited), and then the law and the by-laws for the quality schemes.

Source:

**Trade marks**

It is important to note that the protection with the geographical indications of the products can be performed in accordance with the Low on industrial properties (LIP) (OG 21/2009 and 24/11) and BoR Protection of products with PDO and PGI labels (OG 102/2009). Under this Law over 20
Food products were protected. Unfortunately, these protected products are not recognized by consumers and most of them are not on the market. The main disadvantages in this protection procedure are the following:

- Control is carried out only at registration, no further controls are made, leading to the appearance of counterfeit food and loss of confidence among consumers;
- The protected designation is assigned to one identity, and there are no registered users of the name. Also, most of the registered producers no longer produce protected products. All this leads to the loss of some names of products that are traditionally recognizable on the NMK market.

**List of protected geographic names (food) according the BoR Protection of products with PDO and PGI labels--LIP**

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;КОЧАНСКИ ОРИЗ&quot; (rice)</td>
<td>&quot;ИСАРСКО&quot; сирење (cheese)</td>
</tr>
<tr>
<td>&quot;ТЕТОВСКИ ГРАВ&quot; (bean)</td>
<td>&quot;ОХРИДСКИ ЧАЈ&quot; (tea)</td>
</tr>
<tr>
<td>&quot;МАЛЕНЕШЕВСКО&quot; сирење (cheese)</td>
<td>&quot;МАКАДОНСКИ АЈВАР&quot;</td>
</tr>
<tr>
<td>&quot;БЕЛ АЛТАН&quot; сирење (cheese)</td>
<td>&quot;ОВЧЕПОЛСКИ МЕД&quot; (honey)</td>
</tr>
<tr>
<td>&quot;СТАРО БАЧИЛО&quot; сирење (cheese)</td>
<td>&quot;КРИВОПАЛАНЕЧКИ МЕД&quot; (honey)</td>
</tr>
<tr>
<td>&quot;ОД ДИМКОВО ТРЛО&quot; сирење (cheese)</td>
<td>&quot;BADARIJAN&quot; изворска минерална вода (mineral water)</td>
</tr>
</tbody>
</table>

**C.5.4.3. Food quality measures/in place**

Considering the general objective for increased competitiveness of the agricultural sector, development of rural areas and sustainable use of the natural resources, in addition, the strategy outlines 6 specific goals for the achievement of its general objective. Development of food policy is set in Specific objective 2, refers to the: Regulation of the market, organization of the food-processing chain and improvement of the agricultural product quality and defines several key goals among which “Introduction of higher quality standards and quality protection schemes in agricultural products”.

The Strategy envisaged in-field scanning and systematic monitoring conditions and traditional food production manner, as well as data documentation with a view of creating indigenous products registry, then promotion especially referring to products that have a quality mark/label in order to underline their origin, geographic region, traditional specialty.

Support for the implementation of quality schemes is foreseen in the National Program for the period 2018-2022 (Measure 133 - Promotion of the quality of agricultural products) where in order to encourage farmers to participate in quality schemes, it is planned to compensate for costs and obligations arising from participation in the schemes and additional direct payments for introduced food safety standards with up to 20%, only for the farmers who already implemented quality schemes.

In the Annual Program for rural development (2019), in the part for technical assistance for marketing of agricultural products in Point 1.3, paragraph 3, it is planned to give assistance for the introduction of quality schemes. For this measure it is planned to spend up to 1,500,000 MKD (approximately EUR 24,000). The technical assistance is intended to cover the costs of introducing protected designations of quality for agricul-
tural and processed products, and the maximum amount is 300.000 MKD (approximately EUR 4,900) or 80% of the total costs for elaborate, registration, certification, etc. Beneficiaries are: public research institutions, educational institutions, consultant companies agricultural/food cooperatives or associations and local government units.

National programme for Financial Support of Rural Development (2019) contains additional measure for financial and technical support: for marketing of agricultural products, participation in fairs, other food exhibition events; consultancies services, for young farmers, gender farmers; improving rural life. These measures can also be used by traditional producers. Also some measure connected to food policy like investments in physical assets of agricultural holdings; support for the setting up of producer groups; investments in physical assets concerning processing and marketing of agricultural products can be supported by IPARD II programme.

C.5.4.4 ANALYSIS OF THE EXISTING GAPS, NEEDS AND CONSTRAINTS

C.5.4.4.1 RURAL DEVELOPMENT POLICY GAPS/NEEDS

Despite the fact that N. Macedonia is making substantial progress on the long-term strategic documents for Agricultural and Rural development policy, the country is facing with difficulties in the implementation of the current rural development measures, due to the complex procedures for implementation and insufficient administrative structure.

The country is moderately prepared in the area of agriculture and rural development although some progress was made to implement the Instrument or Pre-accession Assistance for Rural Development (IPARD)\textsuperscript{83}

According to the Commission staff, there was no progress in establishing efficient Integrated Administration and Control System (IACS) and current structures and resources at the MAFWE, and the AFSARD remained insufficient to operate and maintain a robust control system. Therefore, the country needs to clarify the role of the institutions for operation and maintenance of the IACS. Further in alignment with EU policies it should improve the quality and efficiency of APIS and FADN.

The biggest problem for accessing the IPARD instruments are the inadequate administrative and institutional capacities at national and local level and the weak capacity of potential beneficiaries resulting in applicants’ problems to collect and submit the required documents and the low degree of quality of the submitted projects. Additional problems for farmers in rural areas, such as legalization of enterprises, lack of detailed urban plans, uncertain ownership, should also be priorities for central and local authorities to address in order to make these small farmers visible on the market. Without proper official documents they can not apply for any measure of the rural development programs.

C.5.4.4.2 INSTITUTIONAL SETTINGS GAPS/NEEDS

In the country there is a competent authority, and a Department within the MAFWE responsible for protection and registration of PDO, PGI and TSG at national level. Additional efforts should be made in straitening the administration capacity and resources to carry out a lot of functions\textsuperscript{84}, which are crucial for successful quality schemes implementation.

In order to implement a functional control system and successful development of quality schemes in the country, it is necessary to establish appropriate control bodies, as already prescribed in EU Reg. 1151/2012 where is clearly emphasized “The added value of the geographical indications

\textsuperscript{83} COMMISSION STAFF WORKING DOCUMENT 2018

\textsuperscript{84} With reference to protected designations of origin and protected geographical indications, the NCA should scrutinise the application by appropriate means in order to check that it is justified and meets the conditions of the respective scheme; should ensure adequate publication of the producers application, transparent objection procedure, publish the product specification on which its favourable decision is based and provide electronic access to the product specification etc.
Food Quality Policy: Schemes of Geographical Indications and Traditional Specialities in South East Europe

and traditional specialities guaranteed is based on consumer trust. It is only credible if accompanied by effective verification and controls. Those quality schemes should be subject to a monitoring system of official controls, in line with the principles set out in Regulation (EC) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules, including a system of checks at all stages of production, processing and distribution. In order to help Member States to better apply provisions of Regulation (EC) No 882/2004 for the controls of geographical indications and traditional specialities guaranteed, references to the most relevant articles should be mentioned in this Regulation. Competent authorities may delegate, specific tasks related to official controls of the quality schemes to one or more control bodies and such control bodies shall be accredited in accordance with European Standard EN 45011 or ISO/IEC Guide 65.

Two control bodies, even 6-7 years ago, received authorization from the Minister for verification and control of the production specification. They are not accredited, because of the costly accreditation process on one hand, but also because of the lack of interest from producers to protect products on the other. According to the LAPQ, official controls of GIs and TSG are delegated to the appropriate competent official bodies (SAI and AHV). Additional capacity building, training and experiences of these bodies are necessary for the consistently and proper implementation of the official controls and monitoring procedures on the implementation of the quality schemes among the producers. Bearing in mind that there are no accredited verification bodies in the country, additional efforts should be made and perhaps initially subsidized or anticipated a national measure for certain state technical assistance in order to establish at least one to two bodies that will actively get involved in the product control system that needs to register with GIs. In that context, already accredited certification bodies for organic production, can be supported to get accreditation for certification of quality schemes.

C.5.4.4.3 LEGAL FRAMEWORK GAPS/NEEDS

In general, the legislation in the sector is aligned with the EU acquis. The law should be fully harmonized with Reg. 1151/2012 in particular: to add the specific requirements for production specification which are not covered, then to supplement the specific requirements for the origin of the feed, as well as the additional traceability measures.

Regulations should be supplemented with:

The requirements for the production specification (traceability) - proof of origin concerning the product, raw materials, feed and other items, according to the product specification.

Operators shall be able to identify:

(a) the supplier, quantity and origin of all batches of raw material and/or products received;
(b) the recipient, quantity and destination of products supplied;
(c) the correlation between each batch of inputs referred to in point (a) and each batch of outputs referred to in point (b).

- ‘distinct products’ compliance with the requirements for registration should be demonstrated for each distinct product covered by an application
- linguistic characters
- optional quality labels

Overlapping competencies /trade mark

The distinction between the competence of MAFWE and State Office of Industrial Property has been made in Article 157 of the Law on agricultural products, which emphasizes the following:

(1) Where the application for registration of the PDO or PGI is filed, the application for registration of the trademark will be rejected

(2) The State Office of Industrial Property, ex officio from the Ministry, should provide information that the agricultural or food product for which a trademark application has been filed has not been previously submitted, i.e. it has not been
registered as a designation of origin, geographical indication or TSG.

(3) The trademark registered on the territory of the North Macedonia in accordance with the special regulations, before the date of filing of the application for registration of a designation of origin or geographical indication, may continue to be used.

But, in the meantime, certain inconsistencies and problems have been identified, especially misunderstandings regarding the competencies of MAFWE and the State Office of Industrial Property:

Problems arose when certain groups of local producers were interested in registering specific traditional products such as Kocani rice, Tetovo beans, Malesevo cheese, etc. Namely, these, as well as many other traditional products, are protected by a geographical indication in accordance with the Intellectual Property Law, where the sign is assigned to only one identity, and the other manufacturers should pay a fee for using the sign, which is contrary to the Law on agricultural product quality. On the other hand, protected products with the PDO and PGI designations registered by SOIP do not meet the requirements to be protected in accordance with the rules of this regulation. Official regular controls of protected products according the product specification in the intellectual property law is not established at all (there is only one control at registration), which led consumers to lose confidence in such labels.

To overcome these deficiencies, additional efforts are needed from both ministries (MAFWE and ME – SOIP) using EU experiences to properly regulate this issue, without making confusion among producers and consumers.

C.5.4.4.4 MEASURES GAPS/NEEDS

In national rural development programs, insufficient attention is paid to traditional foods and their protection, as well as, measures to improve production conditions for targeted producers.

Based on the planned measures in NPRD to support the development of rural areas, especially in food policy, the following can be observed:

- the utilization of the funds for rural development is much lower than the planned ones
- the planned funds for introducing quality schemes for agricultural products in the annual NRD programs from 2014 until now are not used
- the planned funds for the period of 2015 and 2017 to promote traditional products and increase the interest of producers and consumers are not used at all.

The planned measure in the five-year national program (NPRD 2018-2022) for direct payment to support farmers in the introduction of food safety requirements (up to 20%) can only be used by those who have already implemented quality labels (PDO, PGI and TSG). Namely, farmers can not apply for protection if they have not introduced food safety standards. Therefore, the conditions for using this measure should undergo changes and give the opportunity to be used by those farmers who in the future intend to protect traditional products.

Since there are no genuine protected products in the country so far and the intended funds have not been used, the policy should focus on raising awareness among farmers and consumers. To this end, a strong campaign targeting manufacturers and consumers should be organized to emphasize the importance of protected traditional products. In addition, the central, but even more the local government, should work on promoting local food and specific tradition in the region using local media, organizing traditional food exhibition days or targeting manifestations for the promotion and sale of specific traditional products, connecting the tourist agencies and local market chains with the producers.
C.5.4.4.5 IMPLEMENTATION OF FOOD QUALITY SCHEMES GAPS/NEEDS

A significant problem for the small producers is the introduction of food safety requirements, including a condition for being registered or approved as a food establishment. Farmers have not introduced these food safety requirements due to a number of problems (lack of knowledge, inadequate facilities and equipment, lack of funds or conditions for raising loans to improve production, inability to use rural development measures, misunderstanding with local communities, etc.) Most of them are registered as farmers (Single Farm Register), but not as food producers, so they can not submit a request for protection of products in general. Farmers, therefore, mainly use direct support funds, rather than those for rural development.

In EU countries this significant problem for small producers is overcome through the introduction of derogations and flexibility in the application of food safety standards. Namely, in the (Regulation (EC) No 852/2004 and Regulation (EC) No 853/2004 is clearly define: “The HACCP requirements should take account of the principles contained in the Codex Alimentarius. They should provide sufficient flexibility to be applicable in all situations, including in small businesses. ... the requirement of retaining documents needs to be flexible in order to avoid undue burdens for very small businesses. Art 13 §3: Member States may, ... adopt, ... national measures adapting the requirements .... The national measures ... shall have the aim of enabling the continued use of traditional methods, at any of the stages of production, processing or distribution of food.”

In that direction, taking into account the requirements of small food operators and EC recommendations, the FSA developed a rulebook on the small-scale production and marketing of animal origin food. BoR for flexibility and derogations in traditional production was adopted in July 2019. In addition, at the request of small producers, MAFWE approved funds for preparation of Guidelines for small-scale food operators and for official inspectors in order to ensure more effective application of the foreseen derogations and flexibility in the rulebook.

Small-scale producers in rural areas face a number of additional problems:

- Inadequate facilities and equipment for safety food production;
- Lack of funds or conditions for raising loans to improve production;
- Inability to use rural development measures, (problem with providing legal documents: from the Ministry of Environment, Ministry of Economy, MAFWE, local municipalities, Cadasters, etc.);
- Insufficient information about legal requirements for small-scale food facilities;
- Poorly developed rural infrastructure (local roads, water supply, waste management, electricity etc.);
- Lack of knowledge/ information
  - Limited know-how in improving food quality, safety and productivity;
  - Poor information about procedures for protection;
  - Limited information about advantages and benefits of implantation of the quality schemes.
- Lack of interest in joint cooperation, difficulties to establish collaborative work, insufficient mutual trust;
- Insufficient cooperation and understanding with CA, local governments.

Lack of access to facilities or capital can often hold back the implementation of the food quality schemes, therefore, targeted national measures and funds must be provided to improve the facilities and equipment for food producers in a traditional manner (set targeted national measures). Additional state support is needed in promotion of traditional production (brochures, pamphlets, articles in public media) with involvement of
consultancy services (lectures, trainings, etc.) in order to make the producers interested.

First it should help farmers to identify traditional products, protect them according to the food quality schemes, and introduce innovations in primary production or processing that can improve nutritional values while maintaining or enhancing their sensory qualities, and then to work on the promotion.

Farmers are poorly informed and have difficulties with the complex documentation they need to submit in order to apply for IPARD. The indicator for this conclusion is according to the official reports on the realized financial support for agriculture, rural development, in the period 2013-2016, where can be seen that the utilization of the funds for rural development is very small and varies from 7.6 to 24% of the planned budget. While no funds were used for the protection of products under the quality schemes or for their promotion.

C.5.4.4.6 IDENTIFICATION OF KEY ISSUES AND CHALLENGES FOR WHICH POLICY INTERVENTIONS ARE NEEDED AT NATIONAL LEVEL

A central goal of the food policy is to increase the competitiveness of the traditional food sector through support in the improvement of food safety and quality characteristics that can be translated into greater consumer demand. Therefore, government priority should be to strengthen the rural development policy and make it sustainable for small farmers. Appropriate development of food policy will help the rural areas to meet the wide range of economic, environmental and social challenges.

Therefore, the role of governmental institutions in the development of traditional production is very important, because it should undertake a lot of activities: improving the conditions for traditional food production (providing adequate infrastructure, arranging in the rural areas, financial and institutional support for the restoration of the facilities, etc.).

Improving the quality of the NRDPs is one of the key objectives of the food policy, which should be supported with effective programme implementation defining targeted measures that would encourage farmers to introduce appropriate standards or legal requirements. In particular, NRDP measures on advisory services, knowledge transfer, investments, innovation, diversification, promotion and their strategic combination can empower farmers, as well as measures supporting farming practices contributing to traditional products and sustainable management of natural resources.

In order to support investment activities in agriculture and rural areas and solve problems with lack of funds to start or finalize the investment (the most frequent reason) the NPRD measures for rural crediting, developing credit fund and strengthening the knowledge transfer to farmers, should also be improved.

Local development policies should be implemented with more coordination between the relevant institutions and with a bottom-up decision-making process. In addition, better connection and coordination of diverse rural actors, both in vertical terms (government bodies at different levels - national, regional and local) and in horizontal terms (producers, professional associations, farmers, etc.) are needed. In this context relevant institutions including Management Authority should be more transparent and organize regular events bringing together all the actors involved in the RDP implementation (Regular dialogue between private and public sectors). The aim is to achieve a common understanding of the legal framework and implementation processes through generating and sharing knowledge; facilitating networking and experience exchange and good practice; and supporting cooperation and capacity building.

In order to overcome the problem with insufficient data, an integrated relevant database should be created which will provide accurate information in time, applicable for measures development, for all interested governmental and non-governmental institutions and for potential candidates intending to protect traditional products.
**C.5.4.4.7 KEY ISSUES AND CHALLENGES FOR THE PRODUCERS**

A significant challenge for traditional food production is to improve its competitiveness by identifying innovations that guarantee the safety of the products, while at the same time meeting general consumer demands and specific consumer expectations and attitudes towards traditional food. These products are required to be safe from a microbiological point of view, not extensively processed, with low content of preservatives, and properly labeled with the logo in order to guarantee the quality of the product to consumers and protection against any falsification.

The main challenges of introducing innovations in the production of traditional foods for the producers are:

- Increasing competitiveness;
- Maintaining the safety and quality of food;
- Respecting the requirements and expectations of consumers.

Family farms in the country face many difficulties – lack of land, lack of capital, not organized and weak marginal bargaining position in the food chain, low incomes, poor infrastructure and other factors. For these and other reasons, there is a widespread need among farmers to diversify their products, and where possible to add value to them in order to get a fair income and gain competitiveness through cooperation. Additionally, the conditions of tough criteria on the market in terms of safety, quality and confidence of consumers of agricultural food products imposes the need for standardization, registration and protection of certain agricultural food products. Producers should know about the benefits of “protected labels” and to recognize the common goals of the association. This system encourages producers to join and jointly market, and after the process of protection at the national level, there is the possibility of protecting such products at EU level.

Also, strong support in innovation and transfer of technologies in the production of traditional foods is needed. It is necessary to establish close cooperation with the scientific institutions that will help them in assessing the potential risk, but also in introducing innovations or expert opinion regarding highlighting the benefits of consuming a specific traditional product. This will contribute to the modernization of all aspects of its production, including logistics and distribution, which will support their safety and high quality products.

The other important aspect in the transfer of knowledge lies with the industry itself. Due to the changing lifestyle in the EU, but also in our country, there is a danger of losing local knowledge and skills. Systematic research and the registration of traditional foods can help it to sustain and develop into a strong industry with a major emphasis on the development of tourism seen from multiple aspects.

**C.5.5 NATIONAL INVENTORY OF ORIGIN-LINKED PRODUCTS**

The Republic of North Macedonia is rich in a variety of traditional agricultural products and food, due to its geographical location, with various climate influences, and various types of soil, crossed playful relief water resources, as well as traditional occupations and the economy of the population, in the context of the historical, cultural and religious influences.

Starting from these experiences and guided by their philosophy and vision, Slow Food has been working in the country more than 10 years in order to protect and promote the authentic Macedonian food products. So far, 36 products from the MKD have been placed in the Ark of flavors, and 5 Presidiums, producer associations, which produce authentic products representing our country at many international food fairs have been established.

Slow food is actively involved in mapping and nominating traditional products in the On-line Catalog The Ark of Taste https://www.fonda-
zioneslowfood.com/en/what-we-do/the-ark-of-taste/, where the criteria for proposition and acceptance of products are very similar to the criteria that the products have to meet to obtain a protected quality label.

“Slow Food Bitola” in partnership with “Slow Food Osogovo” and “Presidium Bukovo” prepared National “Initial List of Traditional Products”, were 51 products are described according to the basic criteria for protected labels and 102 other products are only listed. (Project “Creating an initial list of traditional products for sustainable rural areas - SILOS” finance by the European Union and the National Rural Parliament, as a voice of the rural population).

The publication is initial step in the process of protecting traditional products with “quality labels” and a tool for lobbying in front of the institutions. The publication was officially submitted to the Ministry in February 2019 and it can help create food policies especially when creating measures for introducing quality schemes in the country. The publication is a good basis for familiarizing traditional products in the country and it should be promoted and distributed to all involved in the process (administration - central, local, consulting services, farmers, educational organizations, agricultural associations, media, etc.)

Source: Publication Initial List of Traditional Products in Republic of N. Macedonia https://www.youtube.com/watch?v=uE4sH-HaftI&feature=youtu.be
C.5.6 GOOD EXAMPLES AND PRACTICES

**Product name:**
BISTRA KASHKAVAL (Бистра кашкавал)

**Category:**
cheese

**Production area:**
Mount Bistra

**Estimated number of producers:**
2

**Estimated quantity produced:**
8,620 kg

**Estimated economic value of the production:**
€155,160

Traditional Bistra kashkaval is made from raw sheep milk in a special traditional way with specific ripening in ambient conditions resulting to a product with an exceptional taste.

**History and conditions of traditional production of kashkaval cheese**

Mount Bistra is located in the western part of North Macedonia and belongs to a group of mountains in the Sharplaninska area, home to some of the highest peaks in the Balkan Peninsula. In this region, shepherding and cheese making are still based on ancient traditions that date back to the Mijaks, a nomadic tribe that settled in the area in the 5th and 6th centuries.

Traditional production of Bistra kashkaval is a result of artisan production through generations. According to the historical data, in the Galichnik village at the end of 18th century between 100,000-120,000 sheep were breed. In that period, Galichki kashkaval was produced and sold on various bigger abroad markets. It is reported in the Yugoslavian newspaper “Politika” from 1931, that 80 tons of kashkaval cheese was exported in New York. Currently only two mandras, in v.Galichnik and v. Lazaropole, still process the milk collected by the many shepherds grazing their herds in the mountain pastures.

The mountain Bistra belongs to the group of mountains that constitute the most interesting mountain-pasture area of the Balkan Peninsula, with the most beautiful hilly pastures. Lowland meadows and hilly pastures are used in spring and early summer, after which sheep are moved to high pastures where grazing continues. This semi-nomadic livestock breeding system is dynamic, changeable and dependent on the climatic characteristics of the vegetation areas. The semi-nomadic sheep-breeding and the production of cheese from raw milk in mountain areas still represent important economic activities, which are directly linked to the cultural identity of this area.

Sensory characteristics by which this milk differs from others are based on the specific climate characteristics, uncontaminated limestone land with high quality forage and different medical and aromatic plants, spring waters with excellent quality which are the key factors for the specificity of cheese on Bistra Mountain.

**Cheese making process**

Milk for the production of Bistra cheese is obtained mainly from a local breed of sheep called Sharplanin, and raw milk should come from a defined area and only during a grazing period (June, July and August).

Bulk raw sheep milk is first filtered, heated at 33-37°C and renneted with powdered rennet. Coagulation takes place in 45 minutes. Curd is cut and stirred around 30 min with special wooden tool called “krstach” and then it remained about 10 minutes. The whey is drained after the curd is placed in cheesecloth. The fresh curd in cheesecloth is placed on the table and chopped by hands till small grains are formed. This process is very quick (5 min) in order the curd not to get cooled. Then the curd is wrapped in the cheesecloth and pressed using weights, 1 kg rising to 15 kg per kg
of curd over 3-6 hours. After pressing, the curd is cut in blocks (5-8 kg), covered with cheesecloth and polyethylene cloth and the process of curd ripening called cheddaring starts. The duration of cheddaring is around 18 hours. Cheddared curd (mkd. baskija) has small holes, elastic consistency, light yellow color and pleasant odor with optimum pH value, usually between 5.2-5.4 or 62-66 °SH. According to the cheese maker decision, production continues if a small piece of cheese soaked in hot water stretched well. Than the curd (baskija) is sliced into very thick sticky pieces (20 × 5-10 × 0.5-1 cm) placed in wooden basket and texturized by immersing the basket in the hot brine (5% NaCl, 73-75°C) for about 5 min. The plasticized curd is kneaded and stretched by hands in the basket and then the cheese dough is placed on the table and it is kneaded carefully around 10-15 minutes until the uniform elastic mass is obtained and air bubbles are eliminated. During the kneading of the dough (around 5-10 minutes) dry salt is applied. During the molding the dough is carefully closed like mushroom and the small piece of cheese called “navel” (mkd. papok) is pulled out in order the dough to completely fill the mould. The cheese is pricked with long needles to remove the air and several times turned over for the period of 24 hours. The salting process with dry salt is conducted during 20-30 days. Before each salting, the cheese is cleaned with wet cloth. The cheese is ripening 3 months on 15-18°C and 75-80% RH. During ripening the cheese is cleaned at the surface with dry cloth. The cheeses are put one over another to maximum four wheels and the wheels are rotated periodically. Galichki kashkaval acquires the shape of a flattened cylinder with weight of 3-3.5, 5-6 or 8-9 kg. The cheese is usually packaged in vacuum polymer foil after the ripening period.

Product name: Wild fig slatko (Слатко од диви смокви)
Category: processed fruit
Production area: southeastern regions of MKD
Estimated number of producers: 32
Estimated quantity produced: 6,200 jars of 370 grams each
Estimated economic value of the production: €25,000
The southeast of the country, from the Macedonian side of Lake Dojran to beyond the River Vardar on the Greek border, is home to many fig trees. A particularly large number of wild trees, whose green, pear-like fruit hardly ever reaches full maturity, grow on state land in the municipalities of Bogdanci, Gevgelja, Dojran and Valandovo. This glut prompted the local people to find a way of making the unripe wild figs edible and palatable, resulting in a recipe for a preserve called “slatko” (“sweet” in Macedonian). The local women carefully preserve the details of the recipe and its long and laborious process. Traditionally, the men pick the fruit as soon as they start to ripen. To make the preserve, the figs are first boiled nine times to eliminate their milky sap. Only then do the fruits start to release their sugars and can be drained. Separately, a syrup of water and sugar is prepared, to which the figs are then added. The resulting “slatko” is boiled for another hour, before lemon is added to preserve the figs’ color. When the fruit has cooled and absorbed the syrup, the preserve is poured into glass jars.

Wild fig “slatko” has an herbal, spicy aroma, with slight caramelized notes. It is sweet on the palate, with a lightly astringent finish. Since 2010, 32 women have joined the “Ekorosales association” specifically to promote and improve wild fig slatko production, and thanks to the support of the Slow Food Foundation for Biodiversity, which established a Slow Food Presidium for this product, the community today relies on a detailed production protocol that combines the traditional recipe with standardized quality and hygiene. The quality of the product has already captured public interest, and the product regularly sells out when showcased at international events and fairs.

Peppers play a central role in Balkan gastronomy, and are particularly important to Macedonian cuisine. They are one of most cultivated and consumed vegetables in the region and are enjoyed with most meals. In September the markets display dozens of varieties, of every color and form imaginable, each of which has a distinct use: the long flat peppers are used to make ajvar (the pepper cream found across the Balkans), the round peppers are better suited to preserving, certain varieties are used fresh in dishes such as stuffed peppers and others are used to make paprika.

Bukovo, a small village situated a few kilometers from Bitola in the southern part of North Macedonia has been famous through history for producing the best peppers, typically ground into a spice and added to soups and grilled meats. The region is so famous for its peppers that now in the country the term “bukovec” is used to refer to any spice made from dried and crushed pep-
pers. Cultivated from self-produced seeds (from the variety commonly known as ancient seeds), the Bukovo pepper has an elongated shape, a fine but meaty flesh and thick skin. After harvesting, the peppers are tied in long wreaths and left to dry first in the sun and then, when autumn arrives, in ovens (at a low temperature for a few hours). When the peppers are ready, they are ground in traditional wooden mortars called “kutle” into a coarse powder, which is then sieved. This work is typically carried out on winter days, during a break from working in the fields. Intense ruby red in color, ground Bukovo pepper is sweet, aromatic and slightly spicy, with a long, pleasant finish.

So far, this geographical indication has not been protected, and suffers from unfair competition from other cheaper peppers, cultivated on the plains, which are sold on the market under the same name. This pepper could represent a remarkable tool for rural and agricultural development in an area suffering from severe depopulation due to constant and increasing rural-to-urban migration.

C.5.7 DIGITAL APPROACHES IN PROMOTION OF PDO, PGI AND TSG

Protecting and promoting products from rural areas provides incentives for further supply of such products. The promotion of products having certain characteristics can be of considerable benefit to the rural economy, particularly in less favored or remote areas, by improving the incomes of farmers and by retaining the rural population in these areas. Our food policy should follow European Commission in defining the strategic priorities for promoting traditional products. Promotional campaign help small producers break into markets, and to raise awareness among consumers, of their efforts made to provide quality products. Funding for the promotion also can covers digital promotion approaches (Video, Facebook, Web).

Marketing has long been a feature of our daily landscape. But the explosion of digital culture in recent years has dramatically changed the playing field and the rules. Today, powerful and intense promotions are completely, seamlessly integrated into young people’s social relationships and minute-by-minute interactions using conversations on Facebook and Twitter, or other social sides. The traditional marketing paradigm is spinning into an unprecedented new world, therefore traditional products should expand their promotion toolbox of sophisticated online and social marketing techniques. More specifically, support for digital promotion activities about GIs products should be implemented.

A good initiative for digital promotion was conducted in 2016, when Slow Food Macedonia in cooperation with ARTE TV from Berlin, produced a documentary film „At the dinner – Mace-
The content and purpose of the film was to show the everyday local habits of people in rural areas and the traditional foods that are prepared daily. The film also includes the longer process of making ajvar and Bukovo pepper, together with the coexistence and help of friends and relatives, as well as the organization of the event “Taste of Bukovo” by association of producers “Bukovska piper” (Bukovo pepper) as an activity of the local community.

The movie can be seen here https://www.youtube.com/watch?v=yxpSqDppK6c /in German and https://www.youtube.com/watch?v=UecMsZnc-TEg&feature=youtu.be /in English

The film lasts 26 minutes and was first shown in April 2017 in France, Austria and Germany. The response was great. At the national level, it was shared on social networks. While at the European level, the first signs were by email that arrived at the address of Slow Food and people were asking where they could buy the spice or the seeds of local seeds. In the summer of 2017, tourists began to come with camping trailers or with another accommodation and they were looking for people from the documentary with the desire to get to know and buy from Bukovka Pepper. The same, was repeated in 2018.

Unfortunately, this promotion was not fully utilized mainly due to:

- The foreign tourists could not be offered camping or other accommodation in the village
- It is impossible to sell a part of the product abroad because this traditional craft production is not registered.

In any case, the film is a great sublimate on how traditional food is related to modern day-to-day life, as well as the work of small, valuable producers. Among the biggest obstacles to the development of tourism in rural areas is the insufficient development of tourist attractions and facilities, as well as difficult access to tourist amenities.

Advertising and promotion of traditional foods is still very weak, and additional efforts are needed, and through state measures to increase the interest of farmers and consumers. Consideration should be given to the state or local support of consulting bodies that would deal with specific advertising of certain protected products, which in the future can be developed in certification bodies.

Other interesting web sites, present in a social network (Facebook, Instagram)

Source https://zelenaberza.com.mk/
https://www.facebook.com/groups/1882207901999682/
C.5.8 CONCLUSIONS AND RECOMMENDATIONS

C.5.8.1 CONCLUSIONS

Rural areas in North Macedonia, have significant challenges, with essential raw materials, and a lot of traditional specific products. Wonderful landscape which is valuable for rest and recreation and rural tourism development. For this reason, the country should have a platform for economic diversification in rural communities and protect traditional food products.

The importance of traditional foods for each country is great, because local food production affects regional culture, preserving biodiversity and contributes to social and economic stability. Traditional food is a cultural heritage, and for many rural areas, its production and sales can be an important economic driver. But traditional foods are threatened, as lifestyles are changed there is a danger of losing local knowledge and skills. Systematic investigation supported by food policy measures can help it, to sustain and develop into a strong industry with a major emphasis on the tourism development. Therefore, the country must have an active rural food policy because it will help to achieve valuable goals for rural areas and for people who live and work there, which is one of the objectives in the NSARD (2014-2020).

In general, NSARD 2014-2020 is in line with EU recommendation, but for the purposes of achieving the strategic goals, in the upcoming period the food policy should be fully oriented towards consumer needs and market signals. Strategy fore- saw to enhance the functionality of the system for protection of agricultural and food products with geographical indication and designation for traditional specialty guaranteed, and proper promotion of the quality protection among the potential users. Despite the planned goals in the strategy, the strengthening of farmers who produce specific traditional products that have the potential to be protected, were not realized.

The legislation on quality policy is aligned with the Acquis but progress has been limited on developing and promoting of quality schemes. Capacity to implement and control the quality schemes needs to be strengthened.

The implementation and impact of the rural development and food policy should be monitored and evaluated in detail. In that direction, the effectiveness and appropriately coordinated response of the state institutions to the creation of the appropriate agricultural policy, as well as the approximation of the legal regulations and reforms in the public institutions, is important. In this process, it is extremely important to mobilize all other actors that directly or indirectly influence the agricultural and rural sectors.

Particular emphasis should be put on investments to improve rural infrastructure (local roads, waste management, water supply, communications etc.). In this direction starting, expanding or modernizing the economic activities of rural tourism development of traditional crafts and other activities should be supported, along with development of services and recreational activities, renewable energy, traditional food processing and marketing of traditional agricultural products.

According the Commission staff, some progress has been noted in the area of quality policy, as one product (‘Ohrid cherry’) has been registered as geographical indication, but producers are still not registered in the Register of Users. There are some initiatives for protection of other products but unfortunately for various reasons registration of these products has not been started yet.

The Ministry of Agriculture, Forestry and Water Economy is the CA for the implementation of the GIs and TSG, in accordance with the Law on the Quality of Agricultural Products. (140/2010, 53/2011, 55/2012, 106/2013, 116/2015, 149/2015; 193/2015).

The law, generally is in line with EU acquis, but should be further aligned with Regulation 1151/2012 with regards to certain additional requirements for feed traceability and product specification. Establishing efficient administration
(increase number of qualified human resources dealing with implementation quality schemes and sufficient source) with proper functional control system is crucial for successful quality schemes implementation.

It has been determined that there is a certain overlap in relation to the protection of food with a geographical indication in accordance with the LQAP and trademark (LIP). Therefore, additional coordination and harmonization between the competencies of these two ministries is needed.

The food measure is part of the National Programme for rural development and IPARD funding schemes. There was progress in developing the necessary regulation, but there is a need for a greater pro-activeness by the MAFWE in making the food policy measure operational.

In the National RDPs, the support for the implementation of quality schemes is foreseen where in order to encourage farmers to participate in quality schemes, it is planned to compensate for costs and obligations arising from participation in the schemes (around EUR 4900) and additional direct payments for introduction food safety standards with up to 20% for the farmers who already implemented quality schemes.

The planned funds in the annual NPARD for support in the implementation of quality schemes and their promotion, from 2013 until now, have not been used.

Successful implementation of the food policy requires coordinated management, administrative, organizational work together with an adequate number of qualified staff and appropriately analyzed and targeted financial support. A strategic combination of food measures with other measures such as advisory services, knowledge transfer, investment, innovation, diversification, can encourage farmers to invest and improve quality and productivity.

The implementation of national legislation, especially for small producers in rural areas, is still low. Most of the traditional manufacturers have not introduced food safety requirements and their food businesses have not been officially registered by the FVA, so they can not apply for the protection of traditional products, or for IPARD measures. The new adopted Rulebook on flexibility and derogations for small traditional manufacturers increases the possibility for producers to engage in quality schemes.

Protection and promotion of traditional rural products is still low and therefore European policy should be followed in defining strategic priorities for promoting traditional products. The launch of strong promotional campaigns will help small producers enter markets and raise consumer awareness of their efforts to provide quality products. Funding for the promotion can also cover digital promotion approaches (web and social sides).

C.5.8.2 RECOMMENDATIONS

In order to develop a long-term sustainable food policy and ensure successful implementation of quality schemes comprehensive work, efforts and will is necessary to overcome existing gaps.

- **Recommendation** - To improve the effectiveness of state institutions involved in implementation of the food quality schemes. In this process, it is extremely important to improve the administration in number, knowledge, skills and additionally provide the appropriate structure and resources so that they can carry out a series of activities and responsibilities crucial for successful quality schemes implementation. Better coordination and cooperation of the relevant institutions involved in this system is needed (MAFWE/SAI/FVA), as well as mutual cooperation and complementarity between the local and central government, producers and other stakeholders.

- **Recommendation** - Gaps in the Food Quality Law should be amended, particularly for optional quality terms; specific provisions for product specification; rules for origin and quality of feed; specific measures on traceability the product, raw materials, feed and other items coming from the defined geographical area; specific obligations regarding official controls, control plans, monitoring, report; and official communication and transparency.
• **Recommendation** - To establish an adequate certification system harmonized with the law on quality schemes and clear rules and competencies for official controls. Public authorities should consider ways for certification by building variety of possible verification systems: self-certification or support to already accredited certification bodies for organic production to get accreditation also for certification of quality schemes. Additional capacity building, training and experiences of the control bodies is necessary for the consistently and proper implementation of the official controls and monitoring procedures on the implementation of the quality schemes among the producers.

• **Recommendation** - To improve the RDPs in order to strengthen the implementation of food policy through well-analyzed and adopted measures. A detailed analysis of the effects, impacts and benefits of RDPs should be made in order to address some of the shortcomings and problems in the implementation of the measure, and then to correct them accordingly.

• **Recommendation** - To continue the support for covering costs and obligations arising from participation in the schemes, but also to introduce additional direct support for potential traditional producers in introduction of food safety systems (facilities, equipment, etc.)

• **Recommendation** – To increase awareness of joint work among farmers and ensure continued support on Producers organizations (PO), or other kind of association and encourage market-oriented farmers association in establishing agricultural cooperatives. Producers Organization (PO) is a key element in application and implementation of food quality schemes (PDO, PGI, TSG). Therefore, the role of producers and the creation of groups / organizations should be recognized and emphasized. Additionally, traditional products are closely connected with rural tourism, and there is an opportunity to create interbranch organization with local tourist agencies.

• **Recommendation** - To introduce the so-called combined measures - strategic combination of food measures with other measures such as advisory services, knowledge transfer, investment, innovation, diversification, where farmers can be encouraged to invest and improve quality and productivity, and then to introduce quality schemes.

• **Recommendation** - To strengthen the investment abilities of small holder farmers to undertake reconstruction, modernisation and new investment and better provision of finances for capital investments. Support should be provided for investments in the facilities that process traditional products in the high mountain and abandoned areas to meet the necessary requirements for product safety (without this food facility registration in FVA, farmers can not apply for protection)

• **Recommendation** - To increase state support in the promotion and marketing of traditional foods:
  o strong promotional campaign for traditional foods for raising awareness among producers, consumers and communities
  o Advertising and promoting targeted traditional products, highlighting efforts made to provide quality products in order to help small-scale producers enter the markets.
  o State or local support for consulting bodies should be introduced, that will deal with specific advertising of certain protected products, which in the future can be developed into the certification control bodies.

• **Recommendation** - To improve the skills and qualifications of traditional food producers as to enable them to implement food safety standards and adapt the production towards the market demands. Knowledge transfer and advisory services targeted to specific group or association producing traditional product in implementing food safety standards and quality schemes. There is a need for continued and improved involvement of the agriculture extension services to assist farmers in administrative, technical and marketing fields.

• **Recommendation** - In order to inform producers and simplify implementation of quality schemes, an Official Guide on procedures for registration of PDO, PGI and TSG at national and EU level should be published.
List of references

- COMMISSION IMPLEMENTING DECISION of 13.2.2015 adopting the Programme for Agriculture and Rural Development of the former Yugoslav Republic of Macedonia under the Instrument for Pre-accession Assistance (IPA II) for the years 2014-2020
- COMMISSION STAFF WORKING DOCUMENT The former Yugoslav Republic of Macedonia 2018 Report Accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 2018 Communication on EU Enlargement Policy, Strasbourg, 17.4.2018 SWD(2018) 154
- Law on the State Agricultural Inspectorate O.G. 20/2009
- Low on industrial properties (OG 21/2009 и 24/11) ; BoR Protection of products with PDO and PGI labels (OG 102/ 2009).
- National Farmer Federation www.nff.org.mk
- Rulebook on determination of agricultural and food products that can be protected at the national and international level PDO, PGI and TSG 89/2012
- Rulebook on symbols and indications O.G. 100/2012
- Rulebook on the form and content of the application for registration of a designation of origin or geographical indication O.G. 77/2012
- Rulebook on the form and content of the elaborate, which is contained in the application for registration of a designation of origin or geographical indication - O.G. 100/2012
- Rulebook on the form and content of the product specification for obtaining a designation for TSG -O.G. 99/2011
- Rulebook on the form and content of the single document from the application for registration of a designation of origin or geographical indication - O.G. 99/2011
- Rulebooks for the costs of the registration procedure, application forms, forms and content of approvals and objections, Products Register and Producers Register - O.G. 123/2012
### Annex 1 - SUMMARY OF APPROVED BUDGET IN PROGRAMS AND FUNDS PAID BY PROGRAM FOR THE PERIOD 2010-2017

<table>
<thead>
<tr>
<th>Program 2010</th>
<th>2010</th>
<th>2010</th>
<th>% of realization of the program</th>
<th>Share of total paid</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>approved budget in the Program * (million MKD)</td>
<td>paid amount per program (million MKD)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program for Financial Support in Agriculture</td>
<td>5,309.70</td>
<td>4,315.11</td>
<td>81.27%</td>
<td>91%</td>
</tr>
<tr>
<td>Program for Financial Support of Rural Development</td>
<td>579.00</td>
<td>430.57</td>
<td>74.36%</td>
<td>9%</td>
</tr>
<tr>
<td><strong>total</strong></td>
<td><strong>5,888.70</strong></td>
<td><strong>4,745.68</strong></td>
<td></td>
<td><strong>100%</strong></td>
</tr>
<tr>
<td>Program 2011</td>
<td>2011</td>
<td>2011</td>
<td>% of realization of the program</td>
<td>Share of total paid</td>
</tr>
<tr>
<td>Program for Financial Support in Agriculture</td>
<td>6,233.50</td>
<td>3,875.47</td>
<td>62.17%</td>
<td>99.9%</td>
</tr>
<tr>
<td>Program for Financial Support of Rural Development</td>
<td>344.60</td>
<td>5.26</td>
<td>1.53%</td>
<td>0.1%</td>
</tr>
<tr>
<td><strong>total</strong></td>
<td><strong>6,578.10</strong></td>
<td><strong>3,880.73</strong></td>
<td></td>
<td><strong>100.0%</strong></td>
</tr>
<tr>
<td>Program 2012</td>
<td>2012</td>
<td>2012</td>
<td>% of realization of the program</td>
<td>Share of total paid</td>
</tr>
<tr>
<td>Program for Financial Support in Agriculture</td>
<td>6,932.00</td>
<td>5,296.40</td>
<td>76.41%</td>
<td>95.8%</td>
</tr>
<tr>
<td>Program for Financial Support of Rural Development</td>
<td>599.94</td>
<td>230.24</td>
<td>38.38%</td>
<td>4.2%</td>
</tr>
<tr>
<td><strong>total</strong></td>
<td><strong>7,531.94</strong></td>
<td><strong>5,526.64</strong></td>
<td></td>
<td><strong>100.0%</strong></td>
</tr>
<tr>
<td>Program 2013</td>
<td>2013</td>
<td>2013</td>
<td>% of realization of the program</td>
<td>Share of total paid</td>
</tr>
<tr>
<td>Program for Financial Support in Agriculture</td>
<td>6,885.00</td>
<td>5,624.02</td>
<td>81.69%</td>
<td>97.5%</td>
</tr>
<tr>
<td>Program for Financial Support of Rural Development</td>
<td>1,160.00</td>
<td>146.24</td>
<td>12.61%</td>
<td>2.5%</td>
</tr>
<tr>
<td><strong>total</strong></td>
<td><strong>8,045.00</strong></td>
<td><strong>5,770.27</strong></td>
<td></td>
<td><strong>100.0%</strong></td>
</tr>
<tr>
<td>Program 2014</td>
<td>2014</td>
<td>2014</td>
<td>% of realization of the program</td>
<td>Share of total paid</td>
</tr>
<tr>
<td>Program for Financial Support in Agriculture</td>
<td>6,499.40</td>
<td>6,426.61</td>
<td>98.88%</td>
<td>86.4%</td>
</tr>
<tr>
<td>Program for Financial Support of Rural Development</td>
<td>1,799.70</td>
<td>1,012.24</td>
<td>56.25%</td>
<td>13.6%</td>
</tr>
<tr>
<td><strong>total</strong></td>
<td><strong>8,299.10</strong></td>
<td><strong>7,438.85</strong></td>
<td></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>
### Food Quality Policy:

**Schemes of Geographical Indications and Traditional Specialities in South East Europe**

<table>
<thead>
<tr>
<th>Program 2015</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>approved budget in the Program * (million MKD)</td>
<td>paid amount per program (million MKD)</td>
</tr>
<tr>
<td>Program for Financial Support in Agriculture</td>
<td>6,486.66</td>
<td>6,308.90</td>
</tr>
<tr>
<td>Program for Financial Support of Rural Development</td>
<td>1,818.44</td>
<td>1,145.21</td>
</tr>
<tr>
<td><strong>total</strong></td>
<td><strong>8,305.10</strong></td>
<td><strong>7,454.11</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Program 2016</th>
<th>2016</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>approved budget in the Program * (million MKD)</td>
<td>paid amount per program (million MKD)</td>
</tr>
<tr>
<td>Program for Financial Support in Agriculture</td>
<td>5,613.02</td>
<td>5,491.25</td>
</tr>
<tr>
<td>Program for Financial Support of Rural Development</td>
<td>1,883.90</td>
<td>1,657.52</td>
</tr>
<tr>
<td><strong>total</strong></td>
<td><strong>7,496.92</strong></td>
<td><strong>7,148.77</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Program 2017</th>
<th>2017</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>approved budget in the Program * (million MKD)</td>
<td>paid amount per program (million MKD)</td>
</tr>
<tr>
<td>Program for Financial Support in Agriculture</td>
<td>6,394.00</td>
<td>6,328.93</td>
</tr>
<tr>
<td>Program for Financial Support of Rural Development</td>
<td>1,707.24</td>
<td>1,322.00</td>
</tr>
<tr>
<td><strong>total</strong></td>
<td><strong>8,101.24</strong></td>
<td><strong>7,650.93</strong></td>
</tr>
</tbody>
</table>

* Amount of approved budget in the program

**Note:** The indicated amount paid per program is a figure for the amount paid in the given budget year (period from January 1 to December 31 of the current year)
Annex 2 - IPARD II programme

Financial plan per measure 2014 – 2020, in EUR

<table>
<thead>
<tr>
<th>MEASURES</th>
<th>Total public aid</th>
<th>EU Contribution</th>
<th>EU contribution rate</th>
<th>National contribution</th>
<th>National contribution rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments in physical assets of agricultural holdings</td>
<td>28.426.666,67</td>
<td>21.320.000,00</td>
<td>75%</td>
<td>7.106.666,67</td>
<td>25%</td>
</tr>
<tr>
<td>Support for the setting up of producer groups</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Investments in physical assets concerning processing and marketing of agricultural and fishery products</td>
<td>28.720.000,00</td>
<td>21.540.000,00</td>
<td>75%</td>
<td>7.180.000,00</td>
<td>25%</td>
</tr>
<tr>
<td>Agri-environment-climate and organic farming measure</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Implementation of local development strategies - leader approach</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Investments in rural public infrastructure</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Farm diversification and business development</td>
<td>20.866.666,67</td>
<td>15.650.000,00</td>
<td>75%</td>
<td>5.216.666,67</td>
<td>25%</td>
</tr>
<tr>
<td>Improvement of training</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Technical assistance</td>
<td>1.752.941,18</td>
<td>1.490.000,00</td>
<td>85%</td>
<td>262.941,18</td>
<td>15%</td>
</tr>
<tr>
<td>Advisory services</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Establishment and protection of forests</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL</td>
<td>79.766.274,51</td>
<td>60.000.000,00</td>
<td>-</td>
<td>19.766.274,51</td>
<td>-</td>
</tr>
</tbody>
</table>

Annex 3 - Table Complementary sources for addressing the identified needs in agriculture and rural development

<table>
<thead>
<tr>
<th>Need</th>
<th>IPARD Measure</th>
<th>IPA (Yes/No)</th>
<th>Other donor assistance, IFI’s (Yes/No)</th>
<th>National (Yes/No)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.Agriculture, forestry and food industry</td>
<td></td>
<td></td>
<td></td>
<td>YES</td>
</tr>
<tr>
<td>Need 1.1: To improve farm labour productivity and efficiency of the agriculture production, as well as the post-harvesting and marketing of agriculture products, aiming at increased competitiveness via investments</td>
<td>Measure “Investment in physical assets of agricultural holdings” Measure “Improvement of training” Measure “Advisory services”</td>
<td>YES (land consolidation, irrigation rehabilitation)</td>
<td>YES (land consolidation, irrigation rehabilitation)</td>
<td>YES (Grant support scheme for young farmers entering agriculture activity, favourable lending scheme to provide pre-financing of investments)</td>
</tr>
<tr>
<td>Need 1.2: To improve the utilization of processing capacities in terms of efficiency and production technology improvements as well as marketing activities at the same time promoting innovations, and aiming at full alignment to the EU food safety standards.</td>
<td>Measure “Investments in physical assets concerning processing and marketing of agriculture and fishery products Measure “Improvement of training”</td>
<td>NO</td>
<td>NO</td>
<td>YES (Favourable lending scheme to provide pre-financing of investments)</td>
</tr>
</tbody>
</table>
### 1.3: To support the creation of the economic cooperation between agriculture producers and promote marketing linkages; shortening the market chain with promotion of contract farming and solid direct relations with processors, traders and exporters

<table>
<thead>
<tr>
<th>Measure</th>
<th>YES</th>
<th>YES</th>
<th>YES</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Support for the setting-up of producer groups”</td>
<td>(Technical Assistance on capacity building, studies and analysis)</td>
<td>(UNDP, FAO etc.)</td>
<td>(Support policy for establishment and functioning of agriculture cooperatives)</td>
</tr>
</tbody>
</table>

### 1.4: To establish strong linkages between education and research and extension for effective knowledge transfer; to improve co-ordination and integration of advisory services and strengthen their human capacity;

<table>
<thead>
<tr>
<th>Measure</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Improvement of training”</td>
<td>(Institution and capacity building, infrastructure, equipment, etc.)</td>
<td></td>
</tr>
</tbody>
</table>

### 1.5: To improve the skills and qualifications of agriculture producers and workers and their farm management capabilities as to enable them to adapt the agriculture production toward market demands and climate changes;

<table>
<thead>
<tr>
<th>Measure</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Investment in physical assets of agricultural holdings”</td>
<td>(Institution and capacity building, infrastructure, equipment, etc. for establishment of vocational training in agriculture, forestry, rural etc.)</td>
<td></td>
</tr>
</tbody>
</table>

### 1.6: To introduce sustainable and economically viable forest management practices for protection and utilization of forests and biomass thereof

<table>
<thead>
<tr>
<th>Measure</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Establishment and protection of forests”</td>
<td>(potential donor, IFI’s support)</td>
<td></td>
</tr>
</tbody>
</table>

### 1.7: To strengthen the investment abilities of small holder farmers to undertake reconstruction, modernisation and new investment and better provision of finances for capital investments

<table>
<thead>
<tr>
<th>Measure</th>
<th>YES</th>
<th>YES</th>
<th>YES</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Improvement of training”</td>
<td>(Technical Assistance on establishment of rural credit facility)</td>
<td>(Potential donor, IFI’s support for provision of loans, refinancing schemes, guarantors, etc.)</td>
<td>(Support policy for provision of favourable loans for agriculture investments and operating capital)</td>
</tr>
</tbody>
</table>

## 2. Environment

### 2.1: To involve agriculture producers to introduce and practise water and soil protection management practices and organic farming aiming to halt the decline in biodiversity, address the negative impacts of land abandonment and decreased activities in HNV areas.

<table>
<thead>
<tr>
<th>Measure</th>
<th>YES</th>
<th>YES</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Investment in physical assets of agricultural holdings”</td>
<td>(Technical Assistance on organic production standards, capacity building of associations for agri-environment and HNVF etc.)</td>
<td>(UNDP, USAID, GEF etc.)</td>
</tr>
</tbody>
</table>

**Food Quality Policy:** Schemes of Geographical Indications and Traditional Specialities in South East Europe
<table>
<thead>
<tr>
<th>Need 2.2:</th>
<th>To strengthen the advisory service to support farmers and forest owners/managers in implementing agri-environmental practises and forest management and ensure provision of training to farmers and forest owners/managers on agri-environmental practises.</th>
<th>YES</th>
<th>NO (Technical Assistance for capacity building and strengthening of advisory services)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Measure</strong></td>
<td>“Improvement of training”</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td><strong>Measure</strong></td>
<td>“Advisory services”</td>
<td>YES</td>
<td>NO</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Need 2.3:</th>
<th>To increase the use of energy crops and to promote use of renewable energy at farm level and at processing level as well as to increase the overall energy use from renewable resources at national level;</th>
<th>NO</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Measure</strong></td>
<td>“Investment in physical assets of agricultural holdings”</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td><strong>Measure</strong></td>
<td>“Investments in physical assets concerning processing and marketing of agriculture and fishery products”</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td><strong>Measure</strong></td>
<td>“Improvement and development of rural infrastructure”</td>
<td>YES</td>
<td>NO</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Need 2.4:</th>
<th>To improve the communal waste management and access to communal services of the rural population</th>
<th>NO</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Measure</strong></td>
<td>“Farm diversification and business development”</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td><strong>Measure</strong></td>
<td>“Improvement and development of rural infrastructure”</td>
<td>YES</td>
<td>NO</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Need 2.5:</th>
<th>To improve forest management practises to prevent forest fire risks and degradation of forests and utilisation of forest biomass as renewable</th>
<th>NO</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Measure</strong></td>
<td>“Establishment and protection of forests”</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td><strong>Measure</strong></td>
<td>“Farm diversification and business development”</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td><strong>Measure</strong></td>
<td>“Improvement and development of rural infrastructure”</td>
<td>YES</td>
<td>NO</td>
</tr>
</tbody>
</table>

### 3. Rural Economy and Quality of Life

<table>
<thead>
<tr>
<th>Need 3.1:</th>
<th>To support development of existing and new rural businesses for economic development and employment; to develop rural tourism potential</th>
<th>NO</th>
<th>NO</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Measure</strong></td>
<td>“Farm diversification and business development”</td>
<td>YES</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td><strong>Measure</strong></td>
<td>“Advisory services”</td>
<td>YES</td>
<td>NO</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Need 3.2:</th>
<th>To develop physical infrastructure, upgrade village spaces and increased provision of services and rural accommodation, for tourism and business development in rural areas and improved living conditions in rural areas</th>
<th>NO</th>
<th>NO</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Measure</strong></td>
<td>“Farm diversification and business development”</td>
<td>YES</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td><strong>Measure</strong></td>
<td>“Improvement and development of rural infrastructure”</td>
<td>YES</td>
<td>NO</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Need 3.3:</th>
<th>To train municipal authorities in local development planning and project implementation to actively implement rural public infrastructure projects</th>
<th>NO</th>
<th>NO</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Measure</strong></td>
<td>“Improvement and development of rural infrastructure”</td>
<td>YES</td>
<td>NO</td>
<td></td>
</tr>
</tbody>
</table>

| Need 3.4: | To mobilise local organisations which represent the needs and interests of rural dwellers and rural businesses to actively participate in local development planning | YES | NO | YES | YES |
| --- | --- | --- | --- | --- |
| **Measure** | “Implementation of Local Development Strategies - Leader Approach” | YES | NO | YES | YES |

<table>
<thead>
<tr>
<th>Measure</th>
<th>Support policy for establishment and functioning of advisory services and training providers</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measure</td>
<td>Support policy for establishment and functioning of advisory services and training providers</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>Measure</td>
<td>Direct support – area payments for energy crops</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>Measure</td>
<td>National Programme for afforestation, public campaign Tree-day – Plant your Future</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>Measure</td>
<td>IPA Environment sector for settlements &gt; 10 000 inhabitants</td>
<td>YES (WB)</td>
<td>NO</td>
</tr>
<tr>
<td>Measure</td>
<td>Technical Assistance for capacity building of IPARD Agency for accreditation of rural infrastructure, etc.</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>Measure</td>
<td>Technical Assistance for setting up National Rural Development Network, LEADER preparations</td>
<td>YES (UNDP, USAID, etc.)</td>
<td>YES</td>
</tr>
<tr>
<td>Measure</td>
<td>Support NRDN actions related to other national policies and measures</td>
<td>YES</td>
<td>NO</td>
</tr>
</tbody>
</table>
Chapter C6 - Food Quality Policy in Serbia

Author
Vlado Kovacevic
PhD, Institute of Agricultural Economics Belgrade
C.6.1 Introduction

Agriculture represents one of most important sectors in the Serbian economy. Total employment in agriculture, forestry and fisheries for working-age population is 18.3%, or for the population over 15 years around 21%. Employment of working-age population in agriculture within the rural areas in 2012 was 37.5%, what is much higher than in the most of EU countries. According to the structure of labor force, the highest share among persons employed in rural areas falls on skilled workers in agriculture and fishing (34.8%), followed by crafts workers (13.8%), service providers and traders (11.7%), while other professions recorded significantly lower share. According to national accounts statistics, the share of agriculture, forestry and fishing in the total GDP in 2012 was 7.5% (or 9.7% of total GVA). Particular problem in the Serbian economy, especially agriculture, as in most of the Southern European countries/territories is the limited access to finance (MAFWM, 2014).

Serbian agriculture is one of the few sectors of the economy that are achieving the surplus in foreign trade. In 2017 the value of total foreign trade was about 4.8 billion EUR, while the export value had amounted around 2.9 billion EUR (MAFWM, 2018).

Serbia’s farm structure is complex, consisting of small subsistence agricultural holdings, small semi-subsistence farms, large family farms, as well as large enterprises with a mixed ownership structure. According to the 2012 Agriculture Census (SORS, 2013), the total number of farms in Serbia is 631,552, while the area of utilized agricultural land (UAA) is 3,437,000 ha. The highest share in the total number of agricultural holdings (48.1%) have the small farms (up to 2 ha of land, which are using only 8% of the arable land). The holdings of less than 5 ha have share of 77.4% of the total number of farms and they occupy about 25% of total UAA. In contrast, the largest farms, that have over 50 ha, account only up to 1% of the total number of farms, cultivating the one third of total UAA.

The average plot of utilized agricultural area per farm is 5.4 ha, which is about one third of the EU-27 average (14.5 ha). The UAA covers about 43% of the total surface of Serbia, and in its structure, fields and gardens constitute up to 73%, meadows and pastures 21% and permanent crops around 6% (MAFWM, 2014).

Good geo-strategic position within the wider region, available natural resources, environmental cleanliness, specific and rich agro-biodiversity, long-lasting tradition in agriculture, could be an excellent potential for development of diverse GI products, that have to be dragon head for development of agricultural sector and rural areas in Serbia.

Since the opening of Serbia’s accession negotiations in January 2014, 12 out of 35 chapters have been opened, while two were provisionally closed. The overall pace of negotiations will continue to depend on Serbia’s progress in reforms and in particular on a more intense pace of reforms on rule of law and in the normalization of its relations with Kosovo*. The European Council granted Serbia the status of candidate country during the 2012. The Stabilization and Association Agreement (SAA) between the Serbia and the EU entered into the force in September 2013. Serbia continued to implement the SAA, although a number of new compliance issues have emerged over the last year (EU Commission, 2018).

Serbia finished some level of preparation in agriculture and rural development. Good progress was made by achieving entrustment with budget implementation tasks for all measures included in the IPARD II Program and amending the Law on agriculture and rural development. In upcoming period, Serbia should in particular: implement the measures entrusted under the IPARD II program and seek entrustment with budget implementation tasks for other measures of the program; finalize and proceed with implementation of the action plan for Acquis alignment in agriculture and rural development.

As regards horizontal issues, the action plan for Acquis alignment in agriculture and rural development still needs to be adopted. The National Program for Agriculture for the period 2018-2020
was adopted in 2017, while the Program for rural development still needs to be adopted. A fully functional IPARD Agency was established. The amendment to the Law on agriculture and rural development established the legal basis for IPARD and also for the future Integrated Administration and Control System (IACS), which is yet to be developed. Further alignment with EU policies requires decoupling of payments from production and linkage of area-based payments to cross-compliance standards. The Farm Accountability Data Network (FADN) is established, formal institutional responsibilities designated, and aligning legislation has been adopted. Serbia has a farm advisory system in place. In the area of the common market organization (CMO), a number of implementing legal acts aiming at further alignment in the wine sector were adopted. Serbia should take steps towards aligning with the other elements of the CMO, including sector specific schemes, marketing standards, support for public and private storage, marketing and producer organizations, market intervention, etc.

Within the rural development, Serbia has taken a significant step forward in being entrusted by the European Commission with budget implementation tasks under the IPARD II Program. Serbia should focus on spending EU funds while, at the same time, prepare remaining IPARD measures for implementation in 2018. Progress is slow in the area of quality policy. Legislation in the area of agricultural products and foodstuffs needs to be aligned to facilitate policy development in this field. Legislation pertaining to quality wine products also needs to be fully aligned with the Acquis. Regarding the organic farming, Serbia has established a competent authority for organic production, a system of accreditation of control bodies and a system of certification of organic production. Further alignment with the Acquis on organic production is however needed, and national action plan for the development of the organic sector has yet to be adopted.

C.6.2 Rural development programs and food policy in COUNTRY/CAP within the national strategic and program documents

The National Agriculture and Rural Development Strategy for the period 2014-2024 was adopted on 31st July 2014 and published in the Official Gazette of RS, no. 85/14. This document defines the vision, strategic goals and directions of agriculture and rural development of Serbia in the ten-year period including the GI. The second document important for development of GIs in Serbia is the Action plan for the harmonization, adoption and implementation of the EU Acquis in the field of agriculture and rural development, what is the task for Negotiating group 11 focused to agriculture and rural development.

In Strategy, within the Priority field no. 14 is defined the importance of food safety and quality standards. The framework for development of foodstuff quality standards are only descriptive, lacking to provide any practical direction neither for EU harmonization, nor for flexible approach in registration of “traditional” meat and dairy products. Strategy does not provide strategic direction for subsidy policy related to quality standards.

Action plan is defining plan for harmonization in foodstuff quality standards with EU.

In Table 1 is presented Action plan related to EU Acquis harmonization.
Table 1. EU accession plan on Quality policies within the Chapter 11

<table>
<thead>
<tr>
<th>Activities</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>QUALITY POLICY – OF THE AGRICULTURAL AND FOOD PRODUCTS</td>
<td>I II III IV</td>
<td>I II III IV</td>
<td>I II III IV</td>
<td>I II III IV</td>
<td>I II III IV</td>
</tr>
<tr>
<td><strong>Establishment of the legal framework</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Law on Quality Schemes for the Agricultural and Food Products</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rulebook on conditions, manners and procedures of authorization of the body for assessment of compliance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rulebook on conditions, manners and procedures of authorized control of the production and trading of products with the labels of geographic origin</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rulebook on shape and content of the geographic origin label, and on manners, conditions and procedures of labelling products with the labels of geographic origin</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Strengthening of the administrative capacities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reorganisation of the administrative structure - Organisational unit for quality, food labelling and support to the manufacturing industry (Adoption of the Act on internal organisation and structure of jobs)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training of employees of the MAEP for adoption, implementation and control of application of the above regulations and employment of one person (Adoption of the Act on internal organisation and structure of jobs)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establishment of the commission for assessment of the specification of products in the registration procedure at the national level</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training of advisory services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Informative campaigns</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Informative campaign for the producers and consumers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Implementation of the legal framework</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Law on Quality Schemes for the Agricultural and Food Products</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rulebook on conditions, manners and procedures of authorization of the body for assessment of compliance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rulebook on conditions, manners and procedures of authorized control of the production and trading of agricultural and food products with the labels of geographic origin</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rulebook on shape and content of the geographic origin label, and on manners, conditions and procedures of labelling agricultural and food products with the labels of geographic origin</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Action plan for EU Accession, MAFWM.

In order to achieve full compliance of the national legal framework in the field of geographical indications of origin (Quality Schemes) for agricultural products and foodstuffs with the EU Acquis, a new Law on Quality Schemes for Agricultural Products and Foodstuffs will be adopted (in second quarter (Q2) of 2017). Through this Law, the above-mentioned nonconformities will be eliminated and other quality schemes which are currently lacking will be regulated, such as “traditional specialties guaranteed” and “mountain products”, as well as national quality schemes. Pursuant to the above stated Law, the following rules will be adopted:

- Rulebook on the conditions, manners and procedures of authorization of the body for compliance assessment (in Q3 of 2017);
Schemes of Geographical Indications and Traditional Specialities in South East Europe

Food Quality Policy:

- Rulebook on the conditions, manners and procedures of authorized control of the production and trading of agricultural and food products with the labels of geographical indications of origin (in Q4 of 2017);
- Rulebook on the form and content of the geographical indication mark, and on the manners, conditions and procedures of labelling agricultural and food products with the geographical indication mark (in Q1 of 2018).

The body responsible for the adoption and implementation of the above stated regulations is the MAFWM. Upon the adoption of the new law, the jurisdiction relating to the system of protection of geographical indications for agricultural products and foodstuffs will be transferred from the Intellectual Property Office to the MAFWM. Official control of the production and trade of agricultural products and foodstuffs with geographical indications of origin will be carried out by the Agricultural Inspection of the MAFWM.

Serbia is lag behind the Action plan presented in the previous Table.

It could be concluded that with Action plan implementation, Serbia will fully harmonize foodstuff quality standards with EU Acquis.

Gaps and challenges according the food policy and rural development

Serbian is lacking clear Strategy related to GI as the current Strategy is not providing adequate foundation for GI development.

Action plan is defining plan for harmonization in foodstuff quality standards with EU that precise and define steps to quality standards harmonization with EU Acquis. As the Strategy is not adequate and Action plan is only concerning EU harmonization, there is evident gap in strategic documents including:

- There is no strategic approach related to flexibility in registration of processing facilities in meat and dairy processing. As consequence, major issue for processors of traditional livestock products is to achieve operational license;
- There is lack in strategic foundation related to support policy towards the GI;
- There is evident need for long term GI products promotional strategy.

Certain needs according to food policy and rural development are recognized as:

- To develop strategic and operational plan related to flexibility in registration of processing facilities in meat and dairy processing, as well as support policy related to GI and long-term GI products promotional strategy;
- Establishment of evaluation commission for the product’s specifications within the registration process at the national level, as well as the elaboration of required procedures;
- Capacity building of advisory services in order to assist producers who will be part of the system of protection of geographical indications;
- Educational and informative campaigns for producers and consumers on the importance and benefits of the GI implementation.

C.6.3 Evaluation of the official systems in place for the implementation of EU legislation concerning PDOs, PGIs and TSGs for agricultural products and foodstuffs

Background of GI in the South East Europe Countries/territories

Among the most proactive countries towards the protection of sources and appellations of origin during the history were Yugoslavia and its predecessor States. They have been signatories of several international agreements, such as: Paris Convention (1883); Madrid Agreement (1891); Lisbon Agreement (1958); etc.

Within the existence of the Yugoslavia, protection of GI was exclusively perceived as Intellectual property tool. During the 90’s of the previous
century, newly established states started to reform their systems. Reforms were driven by EU integration. According to that, geographical indications become more a tool for rural development. However, still used top-down approach moved producers out of the center of process, together with lack of good process transparency.

According to the Lisbon Agreement, the Republic of Serbia is obliged to protect the names of protected products which are placed on the national market.

In accordance with the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration, honey made in Homolje and homemade red pepper chutney from the Leskovac have been registered.

In line to SAA, Serbia is obliged to ensure the protection of geographical indications of agricultural products and foodstuffs which are registered at the EU level.

Up today, there are 45 agricultural products and foodstuffs in Serbia which are protected at the national level with one of the geographical indications of origin.

Thus far, the Republic of Serbia has not made any request for the protection of the PDO/PGI/TSG for agricultural products and foodstuffs at the EU level.

**Picture C.6.1. PDO/PGI labels at national level**

Serbia has unique solutions for labelling PDO/PGI products, recognized in small self-adhesive labels printed in National Bank of Serbia (Picture 1). Registered PDO/PGI users are purchasing self-adhesive labels and label products. Self-adhesive labels that are printed in NBS have counterfeit protections.

**C.6.3.1 Legal Settings**

The legislative framework in the field of protection of geographical indications for agricultural products and foodstuffs comprises the following documents:

- Law on Indications of Geographical Origin (Official Gazette of RS, no. 18/2010). The LIGO has a broader scope of application compared to EU Regulation no. 1151/2012. It regulates the system for registration of geographical indications of origin, in addition to agricultural and food products, for all natural and industrial products, homemade products and services in accordance with the provisions of the Lisbon Agreement;

- Law on Food Safety (Official Gazette of RS, no. 41/2009);

- Rules on the conditions, manner and procedure for quality control and the special characteristics of agricultural and food products with indications of geographical origin (Official Gazette of RS, no. 73/2010);

- Rules on the content of the application for registration of indications of geographical origin, and the content of the application for
recognition of the status of authorized user of indications of geographical origin (Official Gazette of RS, no. 93/2010);

- Rules on the form and content of indications of geographical origin, as well as the method of controlling the labelling of agricultural and food products with indications of geographical origin (Official Gazette of RS, no. 92/12 and 19/13);

- Stabilization and Association Agreement (SAA) between the European Communities and their Member States, and the Republic of Serbia;

- Law on Ratification of the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (Official Gazette of FRY - MU, no. 6/98);

- Law on Ratification of the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods (Official Gazette of FRY - MU, no. 1/99).

**Analysis of the existing gaps in legislation**

The national legislative framework for implementing the system of protection of geographical indications of origin of agricultural products and foodstuffs is not fully in compliance with the EU Acquis. The most significant non-conformities are as follows:

1) The procedure for registration of geographical indications of origin is initiated by an application for recognition of denominations of origin or geographical indication, which can be submitted by associations of producers, as well as chambers of commerce, local self-governments and state bodies;

2) The protection of geographical indications of origin is defined by the so-called two-level model, i.e. firstly the product is registered either as a protected PDO or PGI, after which producers submit their applications for obtaining the status of “authorized user” for that product. This system provides an opportunity for someone to submit an application and register the product, without actually being the producer.

3) The format and content of the application form, and mandatory elements of the product specification are not fully in compliance with the EU Acquis;

4) There is no specific summary document that contains the main data from the specification in a manner defined by the EU Acquis;

5) There are no provisions in regards to the conditions, manner and procedure related to official control of production and trade of agricultural products and foodstuffs with geographical indications;

6) There is no possibility of filing objections during the procedure of product registration;

7) Converting an application for the status recognition of authorized user of an appellation of origin into an application for the status recognition of authorized user of a geographical indication and vice versa is not in line with the EU Acquis.

8) There is lack of legal basis for development of other quality schemes, such as TSG, Mountain products, etc.

**C.6.3.2 Institutional Settings**

The registration system of PDO and PGI is governed by the LIGO. As was previously said it has broader scope of application compared to EU Regulation no. 1151/2012.

In accordance with the Rules on the conditions, manner and procedure for quality control and the special characteristics of agricultural and food products with geographical indications so far 4 certification houses have been authorized by the MAFWM for GI’ compliance assessment, which are accredited according to the requirements of the standard SRPS EN 17065 by the Accreditation Body of Serbia. MAFWM has signed contracts for services with each certification companies, specifying in details the mutual rights and obligations. The authorized certification companies exercise compliance control of the production process with the specification, based on the control plan elaborated in line with the product specification previously approved by the MAFWM.
The Intellectual Property Office (IPO) and the MAFWM are jointly responsible for the implementation of the above stated law. IPO carries out the procedure for registration of indications of geographical origin for agricultural products and foodstuffs at the national level, upon previously obtaining relevant opinion from the MAFWM. IPO is also responsible for communication with the European Commission during the procedure for registration of PDO and PGI at the EU level. Moreover, the IPO keeps the Register of PDO and PGI at the national level. The MAFWM is responsible for the implementation of control and certification of the systems of PDO and PGI.

At Scheme 1 has been presented the procedure for PDO/PGI registration at national level.

Serbia has unique solution for labelling PDO/PGI foodstuff, pursuant to the Rules on the form and content of geographical indications of origin, as well as on the method of controlling the labelling of agricultural and food products with geographical indications of origin. It is stipulated that PDO and PGI products are marked with control stamps. Manufacturers of products that are in the process of control and certification have the exclusive right to mark their product with geographical indication with control stamps “controlled designation of origin” or “controlled geographical indication”. Manufacturers are obliged to meet the requirements defined in the specification and possess the certificate of compliance of the product with the product specification issued by one of the authorized certification companies. The objective of marking the PDO/PGI products with control stamps is to establish a reliable control system and greater visibility in the market.

In order for the agricultural and food products with geographical indications to be recognizable on the market, the MAFWM has adopted a rule defining the labelling of these products, on the basis of which each product bearing the geographical indication will be marked with control stamp.
Each control stamp has a serial number, based on which a reliable traceability system has been established. The authorized user of the name of the origin, or the authorized user of the geographical indication, has the exclusive right to designate his product with geographical origin with the control stamp issued by NBS, based on the Request for issuing control stamps, which can be downloaded from the site of MAFWM.

Procedure for issuing control stamps: The Authorized GI user is sending the written request to the NBS for the purchase of control stamps. Upon receipt of the order form, the responsible person at the NBS issue a pro forma/invoice with instructions for payment of the claimed control stamps and delivers it to the authorized user. After that, the authorized user fills out the Request for issuing control stamps and submits it to the MAFWM for approval. Upon request, a copy of the ID card, or the power of attorney for submitting and downloading a request, shall be submitted. After checking the data entered in the request, the MAFWM shall verify it. A certified request from the MAFWM, an authorized user, shall submit to the NBS, for the purpose of collecting control stamps. The request also provides proof of the payment of the cost of making stamps.

The control of agricultural and food products with designations of geographical indications is done by assessing the conformity of quality and specific properties of products, the manner of production and origin of the raw material, with the data contained in the product specification. These tasks are entrusted to the certification bodies, which are accredited by the Accreditation Body of Serbia and authorized by the MAFWM. In Serbia, currently there are four certification bodies authorized to carry out these tasks. Certification bodies shall carry out the quality control and specific product quality control with the product specification based on the Control Plan, which should be approved by the MAFWM.

Above all, control of the marketing of GI products, from the aspect of protection against the misuse of protected product names, i.e. intellectual property rights, is entrusted to the competent inspection bodies.

C.6.3.3 Food quality measures in place

The legislative framework of agricultural policy and rural development policy in Serbia is based on two basic legal acts:

- The Law on Agriculture and Rural Development (Official Gazette of RS, no. 41/2009, 10/2013 - other law and 101/2016); and

While the Law on Agriculture and Rural Development establishes the basic mechanisms for the creation and implementation of agricultural and rural development policy and defines the main strategic documents for the development of agriculture in the medium and long term period, the Law on Incentives in Agriculture and Rural Development more closely defines the incentives.

The share of agrarian budget within the total budget is varying between the 4% and 6% (Figure 1).

During 2017, the following types of incentives have been implemented: 1) direct payments; 2) incentives to rural development measures; 3) credit support in agriculture; and 4) special incentives.
Most of the first pillar funds are allocated to direct producers. During the last decade, agricultural policy in Serbia had frequent changes in policy frameworks, implementation mechanisms and budgetary transfers to agriculture. Despite unstable and often inconsistent policy measures and unpredictable shifts in implementation mechanisms, progress has been achieved in recent years in setting up institutional structures and adjusting the agricultural policy concept to align it with the CAP. The most powerful impetus to the acceleration of institutional and policy reforms was the opening of negotiations on Serbia’s accession to the EU at the end of 2013.

Considerable changes in direct support have been recorded in Serbia, where the number of payment schemes, payment rates and specific eligibility criteria for payments has changed frequently since 2010. Agricultural producers, as incentive users, have incentives at both the national, provincial and local levels. Support at lower levels of governance (provincial and local) is based on specific programs of support measures for the implementation of agricultural and rural development policies for the territory of the autonomous province or local self-government unit.

The future development of agriculture in Serbia is defined by the Strategy of Agriculture and Rural Development for 2014-2024, that represents the umbrella document. However, the multi-annual program and financial envelopes for different policy measures were not adopted. In the absence of mid-term programming, agricultural policy is implemented by applying the Law on Incentives for Agriculture and Rural Development and the Law on Budget, on the basis of annual regulations and rulebooks. In addition, the policymaking process lacks the use of a standardized monitoring and evaluation system to assess the implementation and impacts of policy measures and to evaluate the degree of coherence between the policy objectives and their effects.

**Measures directly related to PDO/PGI**

In line to the fact that due to small average household, Serbian agriculture can’t be competitive in economics of scale, competitiveness can be achieved with providing of “added value products” such as foodstuff with geographical indication. MAFWM introduced several support to this sector. Through the Laws on Subsidies in Agriculture and Rural Development, the MAFWM funds the producers of agricultural and food products with PDO/PGI.

In addition to the general support measures related to basic incentives, credit support, support for investments in the physical assets of agricultural holdings for the purchase of new machinery and equipment for the improvement of primary production, as well as support for investment in processing and marketing in the milk and meat sectors, etc. PDO/PGI producers have additional incentives to refund the costs of control and certification of products with geographical indications and, to refund the part of purchase costs for control stamps. For these measures, the return on assets amounts to 50%, or 65% (for areas with difficult working conditions), of the value of the realized investment. Maximum amount of incentives that a user can realize for the introduction of standards and certification of products with a geographical origin in one calendar year is 500,000 RSD.

**IPARD II measures**

Under the EU IPARD II are available 11 measures turned to different intervention tools and diverse target groups. Six measures have been selected to be included in the IPARD II Program for the period 2014-2020.

IPARD II measure has direct effect on PDO/PGI in Measure 3 where applicant with PDO/PGI certification has advantage in scoring system. Other than above direct benefit all other benefits from IPARD II measure are indirect, i.e. effect on easier investment, IPARD II enforcement for achieving EU standards in agricultural production, etc.

The first public call for Measure 1 (purchase of new equipment and machinery) was announced at the end of December 2017.
Table 2. Financial plan per measure in EUR, 2014-2020.

<table>
<thead>
<tr>
<th>Measures</th>
<th>Total public aid (EUR)</th>
<th>EU contribution (EUR)</th>
<th>EU contribution rate (%)</th>
<th>National contribution (EUR)</th>
<th>National Contribution rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments in physical assets of agricultural holdings</td>
<td>101,386,667</td>
<td>76,040,000</td>
<td>75</td>
<td>25,346,667</td>
<td>25</td>
</tr>
<tr>
<td>Investments in physical assets concerning processing and marketing of agricultural and fishery products</td>
<td>82,946,667</td>
<td>62,210,000</td>
<td>75</td>
<td>20,736,667</td>
<td>25</td>
</tr>
<tr>
<td>Agri-environment-climate and organic farming measure</td>
<td>10,294,118</td>
<td>8,750,000</td>
<td>85</td>
<td>1,544,118</td>
<td>15</td>
</tr>
<tr>
<td>Implementation of local development strategies – leader approach</td>
<td>5,833,333</td>
<td>5,250,000</td>
<td>90</td>
<td>583,333</td>
<td>10</td>
</tr>
<tr>
<td>Farm diversification and business development</td>
<td>23,333,333</td>
<td>17,500,000</td>
<td>75</td>
<td>5,833,333</td>
<td>25</td>
</tr>
<tr>
<td>Technical assistance</td>
<td>6,176,471</td>
<td>5,250,000</td>
<td>85</td>
<td>926,471</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>229,970,588</strong></td>
<td><strong>175,000,000</strong></td>
<td></td>
<td><strong>54,970,588</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: MAFWM, 2014

Most important IPARD II measures for GI sector are:

**MEASURE 1:** Investments in physical assets of agricultural holdings will increase productivity and competitiveness by technological improvement. In same time, farms will, as a prerequisite, comply with a set of national standards and will ultimately comply with EU standards of environmental protection and animal welfare.

**MEASURE 3:** Investments in physical assets concerning processing and marketing of agricultural and fishery products. Investments in the modernization of processing facilities in milk and dairy, meat, fruits, and vegetables sectors, will increase productivity, competitiveness and overall performance of this sector, and contribute to reaching the required EU standards. Furthermore, these investments will facilitate better positioning of products on the market and increase the export of products. If applicant is certified for production of PDO and PGI products, he will have advantage in 20 additional points for IPARD II selection process.

**MEASURE 7:** Farm diversification and business development is investment support to the development of tourist facilities and services to the agricultural producers and other economic operators in the rural areas, and thus the expansion of economic activities in the country in the field of rural tourism. As the products with geographical indication are often offered throughout the rural tourism facilities it is expect that this measure will have indirect impact on GI development (MAFWM, 2014).

Currently there are no products with EU geographical indications in Serbia. Development of GI in Serbia is supported by different projects of FAO, SDC and EU TWINING project currently in place. Under the TWINING project three products will be guided to EU GI registration.
C.6.3.4 Identification of key issues and challenges for which policy interventions are needed at national level

Serbian GI sector is emerging and improvement in few fields can be helpful. At this place it will be highlighted priority issues for GI foodstuff.

First main issue related to additional development of GI foodstuff in Serbia is related to Serbian legal system nonconformity with EU Acquis. Producers organization should get on the importance in GI registration, as code of practices should be publicly accessible, and objection procedure should be introduced.

Secondly, Serbian processing facilities are facing significant barriers related to their registration. Widespread practice among EU member states is that they often have a specific laws indicating the flexibility measures. For example, flexibility could be turned to traditional products (PDO/PGI) produced at farms located in areas subject to geographical constraints and limited by their size. According to flexibility small farms can gain registration and start with processing of GI products. However, it is possible to have certain deregulations according to the national and regional regulations.

MAFWM has tried to support small farmers with registration of processing activities with Rulebook on small quantities of primary products used for consumer supply, through the area for performing these activities (Official Gazette RS, 111/2017).

This legal act is providing certain level of flexibility for foodstuff processing at small farms by providing flexibility on processing procedures, equipment, buildings, number and employees qualification. This legal framework is supporting processing activities and “adding value” to products at small farms. But how this regulation is not allowing involvement of individual physical person in processing of plant originated products (producers have to be registered as a legal person), there is a lack in significant impact on GI foodstuff processing as additional registration of farmers as a legal person are bearing additional costs and barriers.

The development of GI should be directed towards producer’s awareness of the advantage of GI certification. So, producer has to be additionally educated about:

- All benefits that arise from production and realization of GI products;
- Development of cost/benefit calculation of GI production, as the most of GI registrations are without any users;
- Possible benefits of group certification, packaging, processing and marketing of GI products;
- The market size and possible positive implications that could be gained by targeting emigration. Serbia has significant emigration worldwide, mostly in EU and USA that represent huge potential for GI products export. Unfortunately, most often the traditional products are exported illegally, as there is a lack of adequate product certification required at export market. On the other hand, for several products that are allowed to be exported could come to false presentation at the final destination, as they are not registered as GI products but they are labeled like traditional well-known products, which could mislead the customers. Besides, in order to facilitate expression of export potential, there is a need for technical and financial public support for facilities involved in production of well-known GI products towards the gaining of EU export number, as well as conduction of all activities directed to prevention or removal of export bans;

88 Many of the registrations are conducted by support of local municipalities or donors.
89 Most of the producers' associations are based on simple business activities but facing with generally low level of activity. Functional associations could represent a cornerstone of successful GI realization, as the gathered members are lowering their costs of certification and used inputs, or straighten their bargaining position, by its size micro producers can be in position to profitable pack, process and sell GI products only throughout the associations, etc.
Food Quality Policy: Schemes of Geographical Indications and Traditional Specialities in South East Europe

- All issues related to the Law on food safety in order to amend it with certain flexibility for production of traditional products (PDO/PGI) related to registration of processing facilities, requirement for employees, etc.;
- All implications of introduction of amendments on Rulebook on small quantities of primary products used for consumer supply, through the area for performing these activities (Official Gazette RS, no. 111/2017), which will allow small producers to be registered as processors like natural persons (there are many successful models within the EU where small farms can simply process the foodstuff);
- Additional benefits of introduction within the GI products labeled as Mountain product, From my farm, or TSG.

C.6.4 National Inventory of origin-linked products and cost-benefit analysis

There are 45 agricultural products and foodstuffs in the Republic of Serbia which are protected on the national level by one of the geographical indications of origin (without water, wine and strong alcoholic beverages). But, significant number of PDO/PGI products is without registered users. In next table (Table 3.) are listed registered GI products at national level (with bold letters are marked all PDO/PGI with registered users).

**Table C.6.3. List of PDO/PGI products**

- Goveđa užička pršuta, PDO
- Svinjska užička pršuta, PDO
- Užička slanina, PDO
- **Sremski kulen, PDO**
- Sremska domaća kobasica, PDO
- Sremska salama, PDO
- Požarevačka kobasica, PDO
- Rtičanski čaj, PDO
- Krivovirski kačkavalj, PDO
- Homoljski ovčji sir, PDO
- Homoljski kozi sir, PDO
- **Homoljski kravljki sir, PDO**
- Vršačko šampion pivo, PGI
- Kladovski kavijar, PGI
- Apatinsko jelen pivo, PGI
- **Petrovska Klobasa, PDO**
- Leskovačko roštilj meso, PDO
- Valjevski duvan ěvarci, PDO
- Svrliiški kačkavalj, PDO
- **Futoški svezi i kiseli kupus, PDO**
- Homoljski med, PDO
- Ariljska malina, PDO
- Svrliiški belmuž, PDO
- **Staroplininski kačkavalj, PDO**
- Leskovački domaći ajvar, PDO
- Fruškogorski lipov med, PDO
- **Kačarski med, PDO**
- Sjenički ovčji sir, PDO
- Sjenička jagnjetina, PDO
- **Pirotski kačkavalj od kravljeg mleka, PDO**
- Somborski sir, PDO
- Ećanski šaran, PGI
- Zlatarski sir, PDO
- Sjenički kravljki sir, PDO
- Lemeški kulen, PDO
- Vršačka šunka, PDO
C.6.5 Good examples and practices at national level

Use of GIs in Serbia is in the developmental stage. Most of the registered PDO/PGI is without registered users, and most of the GI registration is done with support of donors, without deep involvement and business planning done by direct producers and processors.

One of the good examples of successful PDO implementation is Futog cabbage (Futoški kupus). This is autochthonous sort of cabbage famous in former Yugoslavia (as e.g., before the PDO registration at cabbage harvest time in autumn almost all producers at the local green markets are claiming that they are selling pure Futog cabbage). With PDO registration, genuine Futog cabbage producers are able to prove that they are producing and selling genuine Futog cabbage.

Picture 2. Newspaper article on Futog cabbage

On next figure (Figure 2) is presented the price of PDO Futog cabbage and cabbage without GI mark achieved during the period 2010-2014.

Figure C.6.2. Retail price of Futog cabbage with PDO or without GI mark
According to the previous figure, it is clear that PDO registration leads to much higher market price of the product. This can serve as a good example for all potential GI registrations. Initiative should be derived from producers and processors, as in case of Futog cabbage. Only previously well-known products are worth of registration, as they are in much better position to impact on public awareness.

Successful story on trans-border GI: Slovenia and Croatia have jointly protected “Istarski pršut/Istrski pršut” at the EU level. On Wednesday, 14th October, the European Commission registered protected designation of origin for the above-mentioned product. This is only the second joint application for protected origin in the EU since Polish-Lithuanian honey, which was registered in 2012.

“An application to protect “Istarski pršut” was submitted by Croatia, which Slovenia opposed, as “Istrski pršut” is also produced in Slovenia. The countries managed to reach an agreement and submitted a joint application to protect “Istarski pršut/Istrski pršut” (Government of the Republic of Slovenia, 2019).

**Products with potential to be registered under the schemes of geographical indications and traditional specialties**

**Deliblato Honey** - This is a flower honey produced in the area of Deliblaska peščara (Deliblato Sands), a special nature reserve that is characterized by unique natural factors such as soil composition, microclimate, water availability, biodiversity (flora and fauna), etc. Mentioned affects presence and widespread of plant communities that are characteristic for this area. In addition to herbaceous plants, where some of them are medicinal, this area is especially rich by acacia. So the main part of Deliblato Honey considers acacia honey, up to 50%.

In addition, Deliblato Honey has quality parameters whose values strongly point to hi-quality product, so it could be considered as a product with significant potential for protection of geographical origin. In area of Deliblato Sand beekeeping has been well developed and few associations of beekeepers are active (some estimations point to annual production of 100 t of Deliblato Honey).

**Table 4. Estimated production of Deliblato Honey**

<table>
<thead>
<tr>
<th>Product type</th>
<th>Deliblato Honey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmers/</td>
<td>200</td>
</tr>
<tr>
<td>beekeepers</td>
<td></td>
</tr>
<tr>
<td>Annual volume of</td>
<td>100 t</td>
</tr>
<tr>
<td>production</td>
<td></td>
</tr>
<tr>
<td>Annual value of</td>
<td>EUR 1.000.000</td>
</tr>
<tr>
<td>production</td>
<td></td>
</tr>
</tbody>
</table>

Source: Authors

**Pirot ironed sausage** – comes from the region of Pirot. The product has already gained national and regional reputation. This sausage characterizes specific form, made from meat of cattle grown on the pastures of Stara Planina (combination of goat, sheep and beef meat, with addition of certain spices, mostly peppers and garlic). It is manufactured in a traditional way, just air dried, without smoke and thermal treatment. The name of product comes from production activity carried out during the ripening phase of product, when the sausages are usually ten times roasted with a bottle in order to expel the air and moisture.

**Table 5. Estimated production of Pirot ironed sausage**

<table>
<thead>
<tr>
<th>Product type</th>
<th>Pirot ironed sausage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of farmers/processors</td>
<td>500</td>
</tr>
<tr>
<td>Annual volume of production</td>
<td>1.000 t</td>
</tr>
<tr>
<td>Annual value of production</td>
<td>EUR 10.000.000</td>
</tr>
</tbody>
</table>

Source: Authors
C.6.6 Digital approaches in certification and promotion of the schemes of geographical indications and traditional specialties

GI foodstuff products in Serbia are not transparent to the public as are in EU. Official presentation of GI foodstuff is visible at the web page of IPO (Picture 3).

*Picture C.6.3. PDO/PGI Registry at the IPO*

Unfortunately, production specification, information on GI products that is very important for customers are not publicly available.

In 2016 with the support of Swiss Agency for Development and Cooperation (SDC), MAF-WM decided to launch 15 TV shows on agricultural policy, environment and food quality. TV shows were broadcasted on weekly basis from around 30 regional and local TV stations. One of the goals was to raise producer awareness on the benefits of application of quality standards (organic, PDO, PGI, etc.). Another goal was to raise public awareness related to high quality certified products, i.e. to inform consumers how to recognize certified products, what is advantage of certified product consumption, etc. As a promotion tool, TV show could has significant effect both on consumer and producer awareness of food quality schemes, so mentioned could be good example for some future promotional activities.
C.6.7 Conclusions and recommendations

C.6.7.1 Conclusions

Due to the specific geographical position, natural possibilities and rich tradition, Serbia waste potential to compete with a diverse range of products with Geographical indication and traditional specialties. Due to the mentioned conditions, products with Geographical indications are expected to be driving force for agricultural sector in Serbia.

Serbia has some level of preparation in agriculture and rural development. Good progress was made by achieving entrenchment with budget implementation tasks for all the measures included in the IPARD II Programme and amending the law on agriculture and rural development.

The main strategic documents governing GI’s sector are: Strategy of Serbia for the period 2014-2024, adopted on 31st July 2014 and published in O.G. 85/14 and Action plan for the harmonisation, adoption and implementation of the EU acquis in the field of agriculture and rural development, Negotiating group 11- Agriculture and Rural Development. These two documents are lacking to provide strategic approach related to flexibility in registration of processing facilities in meat and dairy processing. There is lack in strategic foundation related to support policy related to GIs.

As the Strategy is not adequate and the Action plan is only concerning EU harmonization, there is an evident gap in strategic documents including: (1) There is no strategic approach related to flexibility in registration of processing facilities in meat and dairy processing. There is lack in strategic foundation related to support policy related to GI’s.

The support in agriculture is provided at national level by MAFWM, provincial level, municipality level and EU IPARD. In addition to the general support measures related to basic incentives, credit support, support for investments in the physical assets of agricultural holdings for the purchase of new machinery and equipment for the improvement of primary production, as well as support for investment in processing and marketing in the milk and meat sectors, etc. PDO/PGI producers also have additional incentives to refund the costs of control and certification of products with geographical indications and to refund the costs of labelling products to control stamps. For these measures, the return on assets amounts to 50%, or 65% (areas with difficult working conditions), of the value of the realized investment. Maximum amounts of incentives that a user can realize for the introduction of standards and certification of products with a geographical origin in one calendar year is 500,000 dinars.

There are 45 agricultural products and foodstuffs in the Republic of Serbia protected at the national level by one of the geographical indications of origin. For most of registered GI’ there is no registered users. Thus far, the Republic of Serbia has made no request for the protection of the PDO/PGI/TSG for agricultural products and foodstuffs at the EU level.

The national legislative framework for implementing the system of protection of geographical indications of origin of agricultural products and foodstuffs is not fully in compliance with the EU acquis. The most significant non-conformities are as follows:

1) The procedure for registration of geographical indications of origin is initiated by an application for recognition of denominations of origin or geographical indication, which can be submitted by associations of producers, as well as chambers of commerce, local self-governments and state bodies;

2) The protection of geographical indications of origin is defined by the so-called two-level model, i.e. firstly the product is registered either as a protected PDO or PGI, after which producers submit their applications for obtaining the status of “authorized user” for that product. This system provides an opportunity for someone to submit an application and register the product, without actually being the producer;

3) The format and the content of the application
form, and mandatory elements of the product specification are not fully in compliance with the EU acquis;

4) There is no specific summary document that contains the main data from the specification in a manner defined by the EU acquis;

5) There are no provisions in regards to the conditions, manner and procedure related to official control of production and trade of agricultural products and foodstuffs with geographical indications;

6) There is no possibility of filing objections during the procedure of product registration;

7) Converting an application for the recognition of the status of authorized user of an appellation of origin into an application for the recognition of the status of authorized user of a geographical indication and vice versa is not in line with the EU acquis;

There is no legal basis for development of other quality schemes, such as TSG, Mountain products and Product from my farm.

The Intellectual Property Office and the MAFWM are jointly responsible for the implementation of the above mentioned law. The Intellectual Property Office carries out the procedure for registration of indications of geographical origin for agricultural products and foodstuffs at the national level, upon previously obtaining relevant opinion from the MAFWM. The Intellectual Property Office is also responsible for communication with the European Commission during the procedure for registration of PDO and PGI at the EU level. Moreover, the Intellectual Property Office keeps the Register of PDO and PGI at the national level. The MAFWM is responsible for the implementation of control and certification systems of PDO and PGI.

Priority actions for development of GIs in Serbia are:

- Legal framework harmonization with EU acquis;
- To introduce in legal framework geographical indications: Mountain product, From my farm and TSG.
- Producer’s education on GI’ practice and benefits;
- Organized and well-planned long-term campaign related to consumers’ benefit of using GI’ products nationally.
- Serbia has significant emigration in EU, USA and worldwide. This is significant potential for GI’ products export. So far most of traditional products are export illegally as there is a ban on most of livestock products export in EU. For plant originated products it is allowed to be exported but there is a significant number of products of false presentation as there is no registered GI and some products are labelled under name of traditional well-known products misleading the customers. In order to explore rich export potential, it will be needed to support traditional dairies with well-known products to gain EU export number throughout education and investment support. All activities related to removal of export bans on meet (i.e. swine plague) will improve possibilities for GI’ export.
- All activities related to development of producer’s association i.e. to enforce CMO regulation and establish PO and PG.
- To amend Law on food safety with flexibility for Traditional products (PDO PGI), processing facilities regarding to registration.
- To introduce amendments on Rulebook on small quantities of primary products used for consumer supply, area for performing these activities (Official Gazette RS, 111/2017), which will allow small producers to be registered as a natural person as a processor. There are many successful models within the EU where small farms can process foodstuff simply.
C.6.7.2 Recommendations

Based on the discussion above, certain recommendations towards the current state within the area of GI products in Serbia could be given:

- **Recommendation 1** - To change the procedure for registration of geographical indications of origin is initiated by an application for recognition of denominations of origin or geographical indication, which can be submitted only by associations of producers;
- **Recommendation 2** - To change the procedure, so that the MAFWM should be in charge for GI foodstuff registration and control;
- **Recommendation 3** - Format and content of the application form, and mandatory elements of the product specification has to be aligned with the EU Acquis;
- **Recommendation 4** - To introduce specific summary document that contains the main data from the specification in a manner defined by the EU Acquis;
- **Recommendation 5** - To introduce provisions towards the conditions, manner and procedure related to official control of production and trade of agricultural products and foodstuffs with geographical indications;
- **Recommendation 6** - To introduce possibility of filing objections during the procedure of GI product registration;
- **Recommendation 7** - To convert an application for the status recognition of authorized user of an appellation of origin into an application for the status recognition of authorized user of a geographical indication and vice versa is not in line with the EU Acquis;
- **Recommendation 8** - To include the GI marks: 1) traditional specialties guaranteed; 2) mountain product; and 3) from my farm;
- **Recommendation 9** - To establish the GI registry set at the MAFWM which will be open for the public (especially product specifications for each GI product);
- **Recommendation 10** - To promote GI foodstuff production, processing and marketing throughout producers associations;
- **Recommendation 11** - To establish a bilateral or/and multilateral agreements governing trans-border GI registration. There are several traditional products which production area is stretching throughout the two or more countries initiating certain difficulties towards their registration. Current Serbian and European legislation allow these trans-border products to be eligible for GI protection, so it will beneficial to establish mutual rule how the GI product will be registered, controlled and promoted;
- **Recommendation 12** - To launch well-planned long-term public campaign in order to increase public awareness towards the consumers’ benefit of using GI products;
- **Recommendation 13** - To establish continuous process of knowledge transfer, as well as information campaign for agricultural producers/processors related to benefits and procedures of GI foodstuff production;
- **Recommendation 14** - To continue with subsidies for GI’ expense (certification, product registration etc.);
- **Recommendation 15** - To enact Law on Common Market Organization with provision on Producers Organizations (PO) and Producers Groups (PG);
- **Recommendation 16** - To provide flexibility throughout the amendments on the Law on food safety related to registration of large processing capacities for traditional animal products;
- **Recommendation 17** - To enact Rulebook on small quantity plant origin foodstuff processors. This will allow the small producers to register processing facilities for traditional animal origin foodstuff as a physical person;
• **Recommendation 18** - To explore and evaluate potentials for GI products export. Then to enable further administrative, educational and investment support to GI producers in order to gain EU export numbers, as well as to implement measures that will prevent or remove potential export bans on GI products;

• **Recommendation 19** - To change currently used labelling system that includes control stamps printed by NBS with usual system of printed GI’ marks, in order to lower costs and to improve product visibility and recognition by customers.

**List of references**

- Law on Ratification of the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration, Official Gazette of FRY – MU, no. 6/98;
- Law on Ratification of the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods, Official Gazette of FRY - MU, no. 1/99;
- MAFWM (2014): Action plan for the harmonization, adoption and implementation of the EU Acquis in the field of agriculture and rural development, Negotiating group 11 - Agriculture and Rural Development, Ministry of Agriculture, Forestry and Water-management, Belgrade, Serbia;
- Rulebook on small quantities of primary products used for consumer supply, through the area for performing these activities, Official Gazette of RS, no. 111/2017, available at: https://www.tehnologijahrane.com/pravilnik/pravilnik-o-malim-kolicinama-primarnih-proizvoda-koje-sluze-za-snabdevanje-potrosaca-podrucju-za-obavljanje-tih-delatnosti;
• Rules on the conditions, manner and procedure for quality control and the special characteristics of agricultural and food products with indications of geographical origin, Official Gazette of RS, no. 73/2010, available at: https://www.tehnologijahrane.com/pravilnik/pravilnik-o-kvalitetu-poljoprivrednih-i-prehranbenih-proizvoda-sa-oznakama-geografskog-porekla;

• Rules on the content of the application for registration of indications of geographical origin, and the content of the application for recognition of the status of authorized user of indications of geographical origin, Official Gazette of RS, no. 93/2010, available at: https://www.paragraf.rs/propisi/pravilnik_o_sadrzini_zahteva_zarегистрованje_оznaka_географског_пoreкла.html;

• Rules on the form and content of indications of geographical origin, as well as the method of controlling the labelling of agricultural and food products with indications of geographical origin, Official Gazette of RS, no 92/12 and 19/13, available at: https://www.paragraf.rs/propisi/pravilnik_o_sadrzini_zatraženja_zarегистрованje_оznaka_географског_пoreкла.html;

• Stabilization and Association Agreement (SAA) between the European Communities and their Member States, and the Republic of Serbia;


