



The Estey Centre Journal of **International Law and Trade Policy**

European Food Quality Policy: The Importance of Geographical Indications, Organic Certification and Food Quality Assurance Schemes in European Countries

Tilman Becker

*Professor, Institute for Agricultural Policy and Markets, University of Hohenheim,
Germany¹*

In the early 1990s reform of the EU's Common Agricultural Policy led to a change in emphasis away from price supports into policies to promote rural development, in part through improvements to food quality. Geographic indicators are only one of a range of EU policies designed to foster these goals. Geographic indicators are put within the context of the wider quality enhancement policies that include quality assurance schemes and organic production. There appears to be considerable regional differences within the EU when it comes to the use of the various quality-enhancing policies available. The member states of the EU can be grouped into four different clusters, each characterized by a different quality policy strategy.

Keywords: European Union, food quality, geographic indicators, regional differences

Introduction

The interest of producers, researchers, politicians and, last but not least, consumers in geographical indications has been increasing in recent decades. Geographical indications have been prominent in the Mediterranean countries for a long time. In 1992, the EU introduced a system of protection of geographical indications similar to the system already available in France. So far, the focus of the existing research in this area has been on several specific aspects of geographical indications: they have been analyzed from a marketing perspective, a legal or political and a producer perspective. One focus of the present article is the number of products registered as either Protected Designation of Origin (PDO) or Protected Geographical Indication (PGI) in the countries of the European Union. This has been analyzed already by Becker (2006); however, for a complete picture of the quality policies in the different member states, the number of quality assurance systems and the importance of organic production schemes should be examined further. Completing the analysis in this way results in some very interesting insights. To my knowledge, these insights are not available in the literature on geographical indications, quality assurance and organic production. These areas of research have been examined separately up to now. Hence, the objective of this article is to broaden the view by examining these cornerstones of EU food quality policy in an integrated fashion.

European Food Quality Policy

The reform of agricultural policy in 1992 shifted the focus of the EU's agricultural policy from price support to rural development, from the so-called first pillar of the Common Agricultural Policy (CAP) to the second pillar. Furthermore, the policy orientation changed from increasing food quantity to increasing food quality. Three regulations were adopted in 1991 and 1992, namely Regulation (EEC) No. 2081/92 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs, Regulation (EEC) No. 2082/92 on certificates of specific character for agricultural products and foodstuffs, and Regulation (EEC) No. 2092/91 on organic production of agricultural products (Becker, 2000).

The objective of Regulation (EEC) No. 2081/92 is the protection of geographical indications as names for food products. The aim of Regulation (EEC) No. 2082/92 is the protection of traditional recipes for food products, and the objective of Regulation (EEC) No. 2092/91 is to explicitly define the objectives, principles and rules applicable to organic production.

Products protected by these EU quality schemes have a privileged position, not only with respect to legal protection, but also with respect to EU financial aid and the possibility of member state financial aid for their promotion.

Since the foundation of the CAP, EU member states have made efforts to support the promotion of national agricultural products through state aid. However, state aid might not be in accordance with the objectives of the Treaty of Rome. Two cases – Case 249/81, “Buy Irish”, and Case 222/82, “Apple and Pear Development Council” – have been brought to the European Court of Justice by the European Commission, and the court concluded that state aid for promoting and advertising national food products through the means of stressing the national origin is against the treaty. The general prohibition on state aid contained in Article 87 of the treaty is applicable if the publicly funded promotion and advertising distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods. Where such publicly funded promotion activities refer to the national or regional origin of the products concerned, they clearly favour certain products and therefore Article 87 may apply. As a reaction to these two cases, the European Commission laid down European Community guidelines for state aid to the agricultural sector in 1986. For the time being, the “Community guidelines for State aid for advertising of products listed in Annex I to the EC Treaty and of certain non-Annex I products (2001/C 252/03)” holds. In these guidelines the distinction is made between negative and positive criteria. National aid for promotion and advertising campaigns infringing on Article 28 of the treaty, which prohibits quantitative restrictions on imports and all measures having equivalent effects between member states, cannot in any circumstances be considered compatible with the common market within the meaning of Article 87 of the treaty. However, the situation is regarded as different in the case of products which can be clearly distinguished from other products that fall within the same category through specific characteristics concerning the raw materials used, the composition of the finished products or the production and processing methods used. This latter is regarded as being the case for products covered by Council Regulation (EEC) No. 2081/92 and Regulation (EEC) No. 2082/92 and for products covered by Regulation (EEC) No. 2092/91 (European Commission, 2001).

Regulation (EEC) No. 2081/92 distinguishes between two categories of protected names: designations of origin and geographical indications. The distinction between these two categories depends on how closely the product is linked to the specific geographical area whose name it bears. The regulation does not apply to wine sector products, except wine vinegars, or to spirit drinks. The protection of geographical indications for wine products is regulated in Regulation (EC) No. 1493/1999 on the common organisation of the market in wine.

To be eligible to use a Protected Designation of Origin(PDO), a product must meet two conditions:

- The quality or characteristics of the product must be essentially or exclusively due to the particular geographical environment of the place of origin, where the

geographical environment is understood to include inherent natural and human factors such as climate, soil quality and local know-how.

- The production and processing of the raw materials, up to the stage of the finished product, must take place in the defined geographical area whose name the product bears. There must therefore be an objective and very close link between the features of the product and its geographical origin.

The Protected Geographical Indication (PGI) also designates products attached to the region whose name they bear, but the link is of a different nature from that existing between a product with a PDO and its geographical area or origin. To be eligible to use a PGI a product must meet two conditions:

- It must have been produced in the geographical area whose name it bears. Unlike the protected designation of origin, it is sufficient that one of the stages of production has taken place in the defined area. For example, the raw materials used in production may come from another region.
- There must also be a link between the product and the area the product is named after. However, this feature does not have to be essential or exclusive as in the case of the protected designation of origin. It is sufficient that a specific quality, reputation or other characteristic is attributable to the geographical origin. Under the rules for PGIs, the link may simply consist of the reputation of the product, if it owes its reputation to its geographical origin. In such a case, actual characteristics of the product are not the determining factor for registration. It is enough for the name of the product to enjoy an individual reputation that is based specifically on its origin at the time the application for registration is lodged.

A system much less used is the one for traditional specialities offered under Regulation (EEC) No. 2082/92, Traditional Specialties Guaranteed (TSG). The purpose of this regulation is to take advantage of the typical features of products by granting a certificate of specific character. The regulation thus lays down two conditions for registration of a product name: the product must possess features that distinguish it from other products, and it must be a traditional product. That these conditions have been met must be proven in the documents submitted for registration.

In June 1991, the Council of the European Union adopted Regulation (EEC) No. 2092/91 on organic production of agricultural products, and indications referring thereto on agricultural products and foodstuffs. In adopting Regulation No. 2092/91, the council created a European Community framework defining in detail the requirements for agricultural products or foodstuffs that bear a reference to organic production methods. These rules are quite complex; not only do they define a method of agricultural production for crops and livestock, they also regulate the labeling, processing, inspection and marketing of organic products within the European

Community and the import of organic products from non-member countries. The regulation has been amended on several occasions, particularly in 1999, when the council extended its scope to cover organic livestock production. The rules were introduced as part of the reform of the CAP. By the late 1980s, the CAP had broadly achieved its original aim of generating agricultural productivity gains so as to make the European Community largely self-sufficient with regard to its food supply. The policy therefore moved towards other aims, not only to rural development and to the promotion of quality products, but also to the integration of environmental conservation into agriculture. These objectives involved major development potential for the organic farming sector, which had previously been marginal. If a product satisfies the requirements set out under Regulation (EEC) No. 2092/91, the EC organic production logo may be used in the labeling, presentation and advertising of the product. Organic production is regarded as an overall system of farm management and food production that combines best environmental practices, a high level of biodiversity, the preservation of natural resources, the application of high animal welfare standards and a production method in line with the preference of certain consumers for products produced using natural substances and processes. The organic production method is regarded as playing a dual societal role, where on the one hand it provides for a specific market, responding to a consumer demand for quality products, and on the other hand it delivers public goods, contributing to the protection of the environment and animal welfare as well as to rural development.

Community legislation merely defines a framework, an instrument producers may or may not use, where much of the responsibility is placed on the member states and producers (European Commission, 2004). In 2006, Council Regulation (EC) No. 509/2006 and Council Regulation No. 510/2006 replaced Regulation (EEC) No. 2082/92, and Regulation (EEC) No. 2081/92, respectively.

If a product is registered as PDO, PGI or TSG, the name of the product is protected against use by other producers that are not located in the geographic area. We can distinguish between statements of a certain generic nature (e.g., Emmentaler), explicit statements of geographical origin (e.g., from Bavaria), privately owned trademarks with names similar to a geographical area (e.g., Capri), privately owned trademarks where name and origin are linked together (e.g., Warsteiner), collectively owned trademarks with reference to the region, EU-protected collectively owned trademarks with reference to the region and weak links between product quality and geographical origin (PGI), and EU-protected collectively owned trademarks with reference to the region and strong links between product quality and geographical origin (PDO). The benefit for a farmer of a product registered as either PDO or PGI is the exclusive right to use of the product name. If a product is registered, the legal protection of the name is much more comprehensive than the protection for a brand

name. Not only is the name protected against unfair competition, but also the mere use of the name in any other commercial context is prohibited. It is even forbidden for another product to claim that this product is produced according to the recipe of the protected product, even if this is the case. The rationale behind the granting of this very high level of legal protection to the names of registered products is the effort to contribute to rural development by erecting through law a kind of “geographical name monopoly”.

However, the geographical name monopoly alone will not lead to a monopoly on profits unless it is accompanied by a corresponding product quality which differs or is perceived by consumers to differ from comparable products. In the case of the products protected by the EU system, the product specification is determined by the producer consortium registering the product, while the product specification for organic products is determined in the respective EU regulation.

The Importance of Registered Traditional Specialties in EU Member States

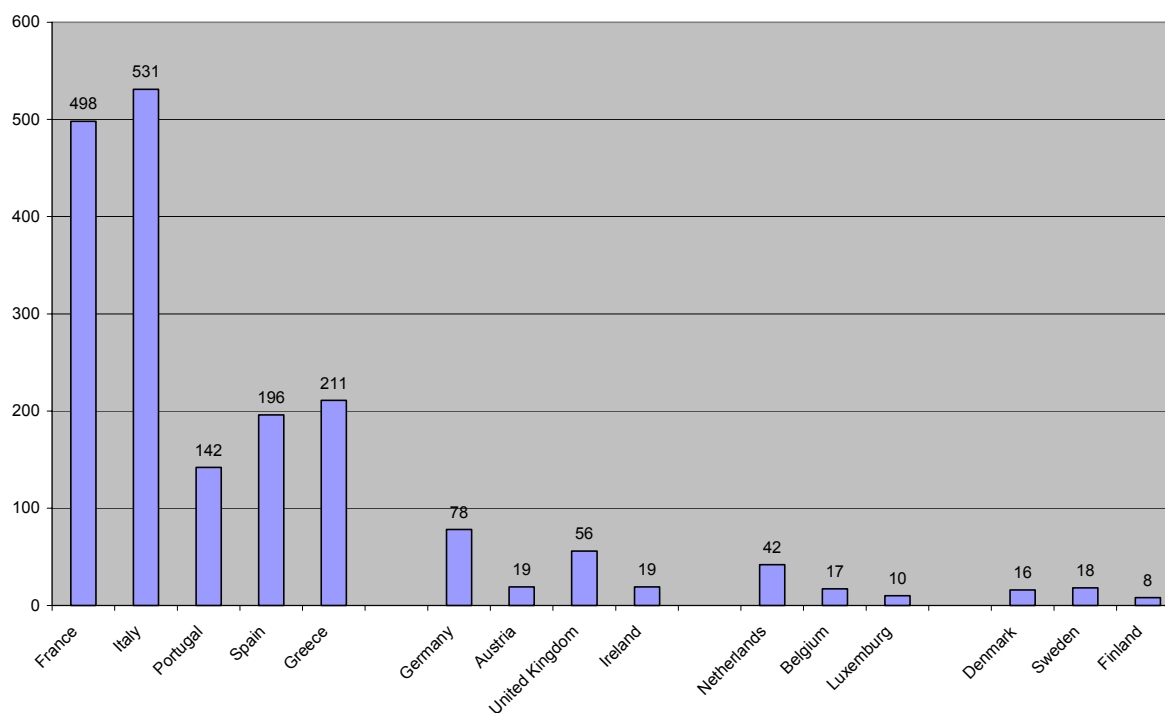
The number of products registered as TSGs in the EU is rather marginal. Only 16 products are thus registered. Registration as a TSG does not seem to be very attractive from the point of view of producers. The main advantage of this system is that a product bearing a certain name has to be produced according to a certain recipe.

In the case of Belgium, all 5 products registered as TSGs belong to the category beer. Italy has registered the cheese - Mozzarella, and the Netherlands and Sweden each have registered a cheese as well. Further, Sweden has registered a meat-based product. Spain has registered Jamon Serrano, a meat-based product, a milk product and a bakery product. The United Kingdom has registered a fresh meat product. Finland has registered two bakery products and a beer.

Though the name of a product that is registered as a TSG is protected from misuse by products with another recipe, producers do not get the level of monopoly power as in the case of a PGI. It thus becomes obvious why so few products have been registered under this registration system.

The Importance of Collective Quality Marks in EU Member States

Collective quality marks may be regarded as possible candidates for PDO or PGI registration, and as such the number of collective quality marks in a country shows the potential for PDO or PGI registrations.



Source: own calculations according to Peri and Gaeta (1997).

Figure 1 Number of collective quality marks in 1996

As figure one shows, a large number of collective quality marks existed in Italy and France in 1996, whereas not so many existed in Greece, Spain and Portugal. There were only a few collective quality marks out on the market in Germany, Austria, the United Kingdom and Ireland. In the BeNeLux countries and the Scandinavian countries even fewer collective quality marks existed.

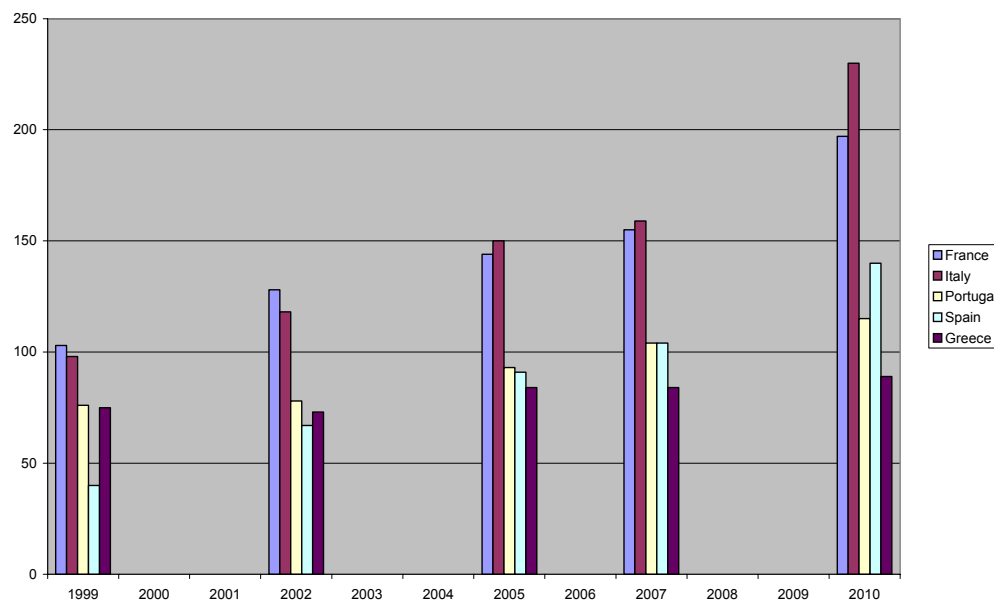
Italy and France in particular seem to have a high potential for registration of geographical indications. In these countries producers are already familiar with collective quality marks. The concept of collective quality marks seems to be well known in these countries, and the producers in general are well prepared for building up a consortium and registering a geographical indication.

The Importance of Products with Registered Geographical Indications in EU Member States

While TSGs have little importance, the same does not hold for origin-labeled products. The number of origin-labeled products increased from 469 in 1999 to 706 in 2007 and might reach 904 in 2010. (If mineral water is included, 31 more registered products will have to be added. Only Germany has registered mineral water, and in 2003 Regulation (EEC) No. 2081/92 was amended by Regulation (EEC)

692/2003 to include vinegar and exclude mineral water from the scope of the regulation. A transition period until the 31st of December 2013 is foreseen, after which mineral water names will no longer be on the register as specified in Article 6 of Regulation (EEC) No. 2081/92.)

A high number of applications for registration have been submitted. On average, it takes about three years from the time of the original submission of an application to the final registration. Therefore, the number of registrations in 2010 is estimated here by the number of applications submitted for registration in 2007.



Source: own calculations using data from <http://europa.eu.int/comm/dg06/qual> (11/9/1999)
http://europa.eu.int/comm/agriculture/foodqual/quali1_de.htm (dg06/qua (11/24/2002)
http://europa.eu.int/comm/agriculture/foodqual/quali1_de.htm (dg06/qual (09/30/2005)
http://ec.europa.eu/agriculture/qual/en/1bbab_en.htm (09/24/2007)

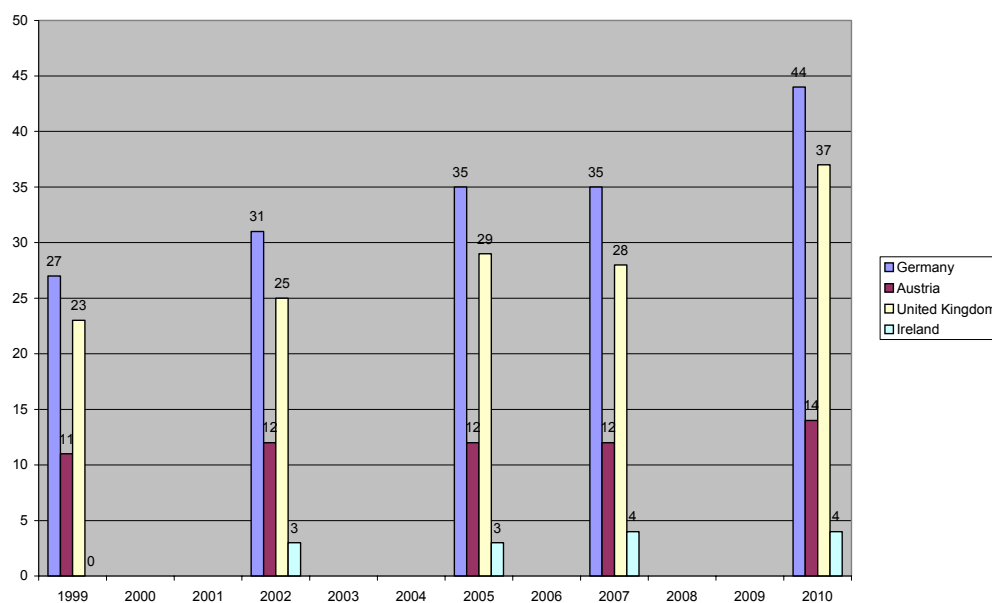
Figure 2 Number of products registered as PDO and PGI in France, Italy, Portugal, Spain and Greece

In 1999 and 2002, France was the country with the highest number of products registered. The protection of origin for foodstuffs has a long tradition in France and can be traced back to Roquefort cheese in the 14th century (OECD, 2000). The responsibility for the registration of origin labels was regarded as a task for states already in 1905. In 1919, a law on origin labeling followed. The *Appellation d'Origine Controlée* for wine and spirits was introduced by law in 1935, and an institution was founded to determine the respective production rules (OECD, 2000). This institution became the *Institut National des Appellations d'Origine* (INAO), which is still responsible for registration. In 2005, roughly 18 percent of the cheese

produced in France had an origin registration, and the turnover of registered-origin milk products is estimated to account for €2 billion (Becker, 2006).

In Italy, origin-labeled foods do not have such a long tradition as in France. Nevertheless, Italy has used the high potential to increase producer revenues through origin labeling. There were 26 cheeses and 2 ham products certified before 1992. The number of registered products in 2007 already totalled 159.

In Portugal, Spain and Greece, the number of products registered is lower than in Italy and France, but still higher than in the other European Union countries. A high number of meat products is registered in Portugal, and a high number of fruit and vegetable products are registered in Spain and Greece. In general, the product category with the highest number of registered products is the category cheese (Becker, 2006).

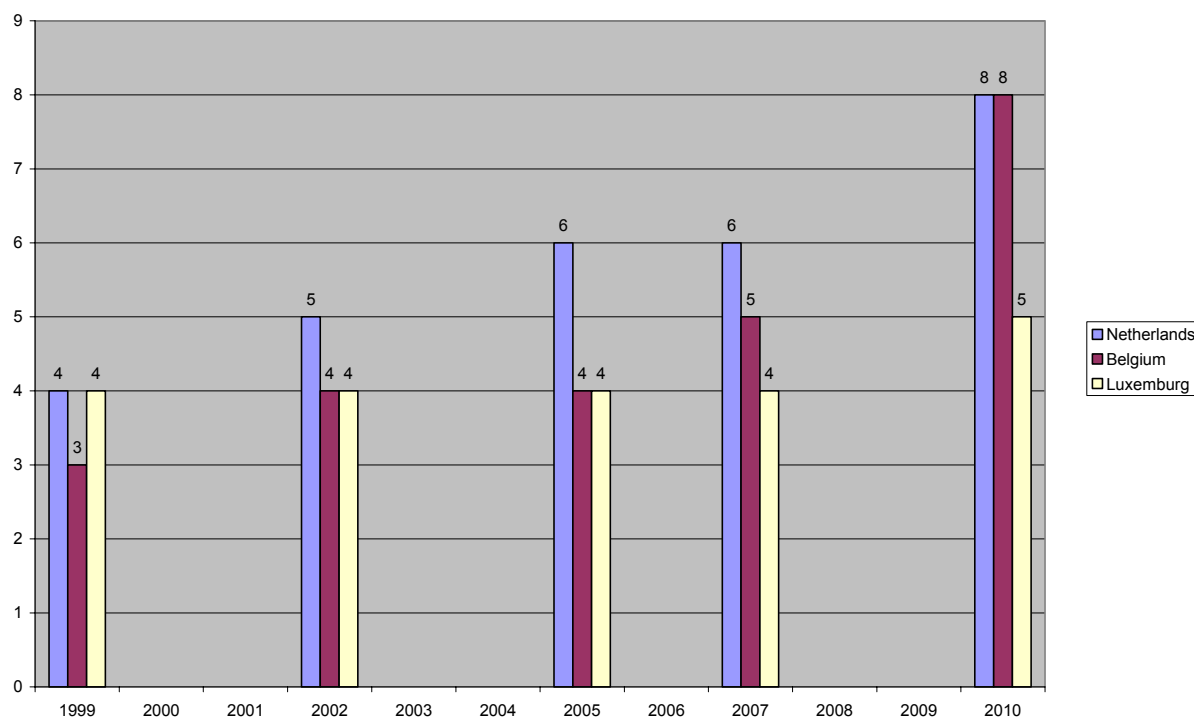


Source: own calculations using data from <http://europa.eu.int/comm/dg06/qual> (11/9/1999)
http://europa.eu.int/comm/agriculture/foodqual/quali1_de.htm (dg06/qua (11/24/2002)
http://europa.eu.int/comm/agriculture/foodqual/quali1_de.htm (dg06/qual (09/30/2005)
http://ec.europa.eu/agriculture/qual/en/1bbab_en.htm (09/24/2007)

Figure 3 Number of products registered as PDO and PGI in Germany, Austria, the United Kingdom and Ireland

The second group of countries consists of Germany, Austria, the United Kingdom and Ireland. The number of products registered in these countries is far lower than in the Mediterranean countries, including Portugal. In the case of Germany, 31 mineral waters are registered, but they are not included here because mineral water will be excluded from the scope of the regulation after a transition period. In the United Kingdom, many cheese products are registered, and in Germany, many beer products are registered. If these beverages were excluded, Germany would have even fewer

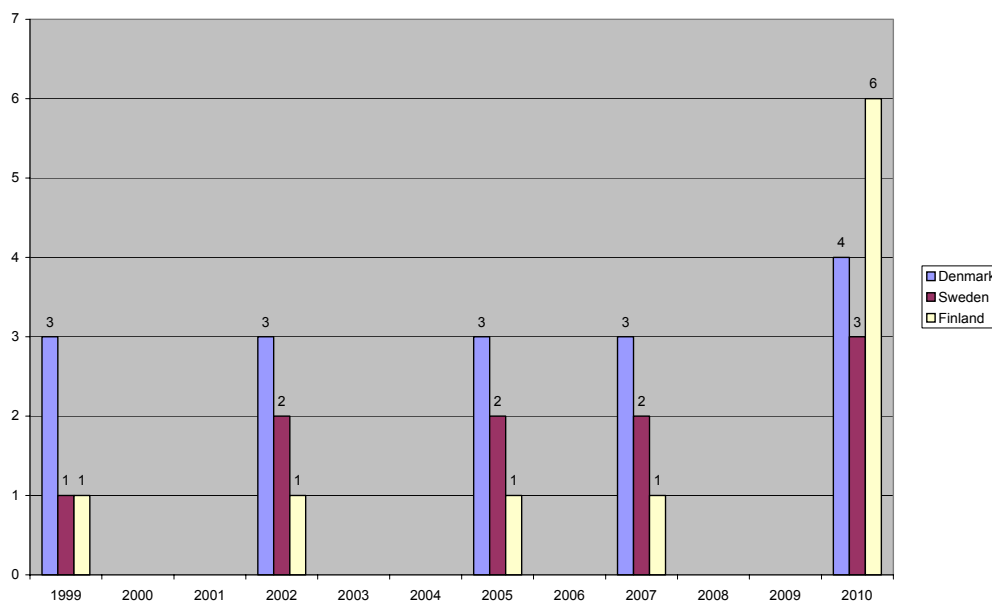
products registered than the United Kingdom. Austria and Ireland have only a few products registered. The protection of origin labelling does not have a long tradition in Germany, Austria, the United Kingdom or Ireland. In these countries origin is not regarded as important for the quality of the product, as it is in the Mediterranean countries.



Source: own calculations using data from <http://europa.eu.int/comm/dg06/qual> (11/9/1999)
http://europa.eu.int/comm/agriculture/foodqual/quali1_de.htm (dg06/qua (11/24/2002)
http://europa.eu.int/comm/agriculture/foodqual/quali1_de.htm (dg06/qual (09/30/2005)
http://ec.europa.eu/agriculture/qual/en/1bbab_en.htm (09/24/2007)

Figure 4 Number of products registered as PDO and PGI in Belgium, the Netherlands and Luxembourg

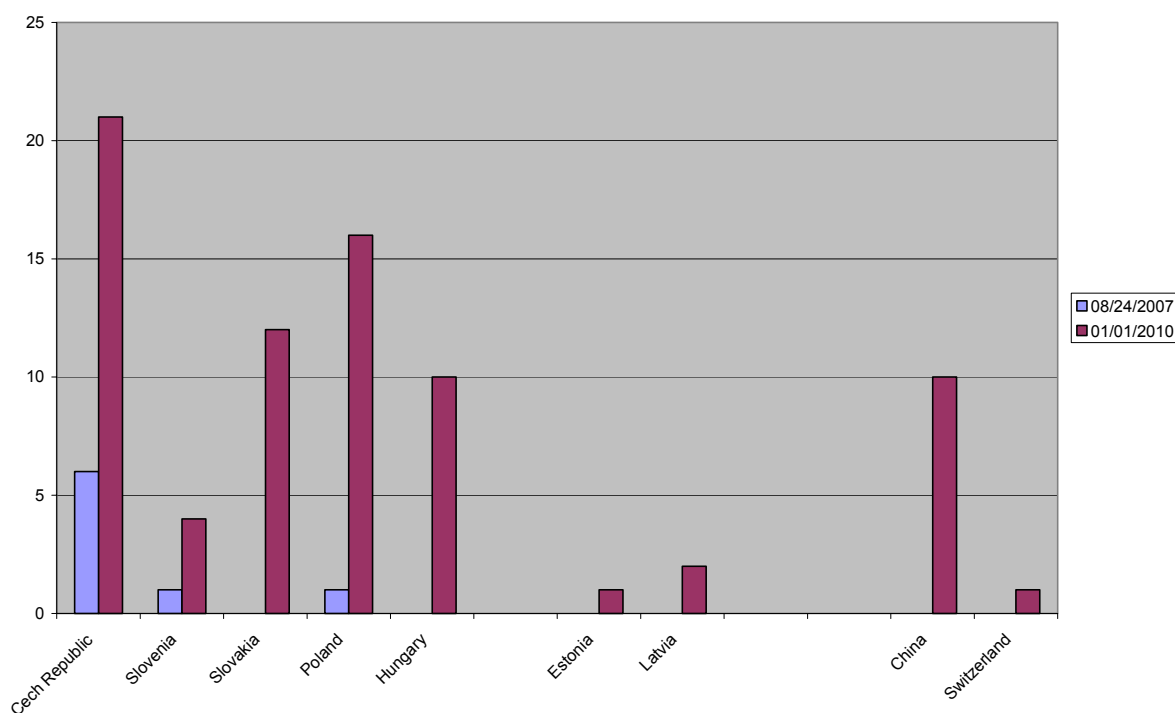
In the BeNeLux countries, only a few products are registered as PDO or PGI, and there are few efforts to alter this situation.



Source: own calculations using data from <http://europa.eu.int/comm/dg06/qual> (11/9/1999)
http://europa.eu.int/comm/agriculture/foodqual/quali1_de.htm (dg06/qua (11/24/2002)
http://europa.eu.int/comm/agriculture/foodqual/quali1_de.htm (dg06/qual (09/30/2005)
http://ec.europa.eu/agriculture/qual/en/1bbab_en.htm (09/24/2007)

Figure 5 Number of products registered as PDO and PGI in the Scandinavian countries

In the Scandinavian countries, very few products are registered either as PDO or PGI. However, Finland has recently undertaken great efforts to increase the number of registered PDO and PGI products.



Source: own calculations using data from <http://europa.eu.int/comm/dg06/qual> (11/9/1999)
http://europa.eu.int/comm/agriculture/foodqual/quali1_de.htm (dg06/qua (11/24/2002)
http://europa.eu.int/comm/agriculture/foodqual/quali1_de.htm (dg06/qual (09/30/2005)
http://ec.europa.eu/agriculture/qual/en/1bbab_en.htm (09/24/2007)

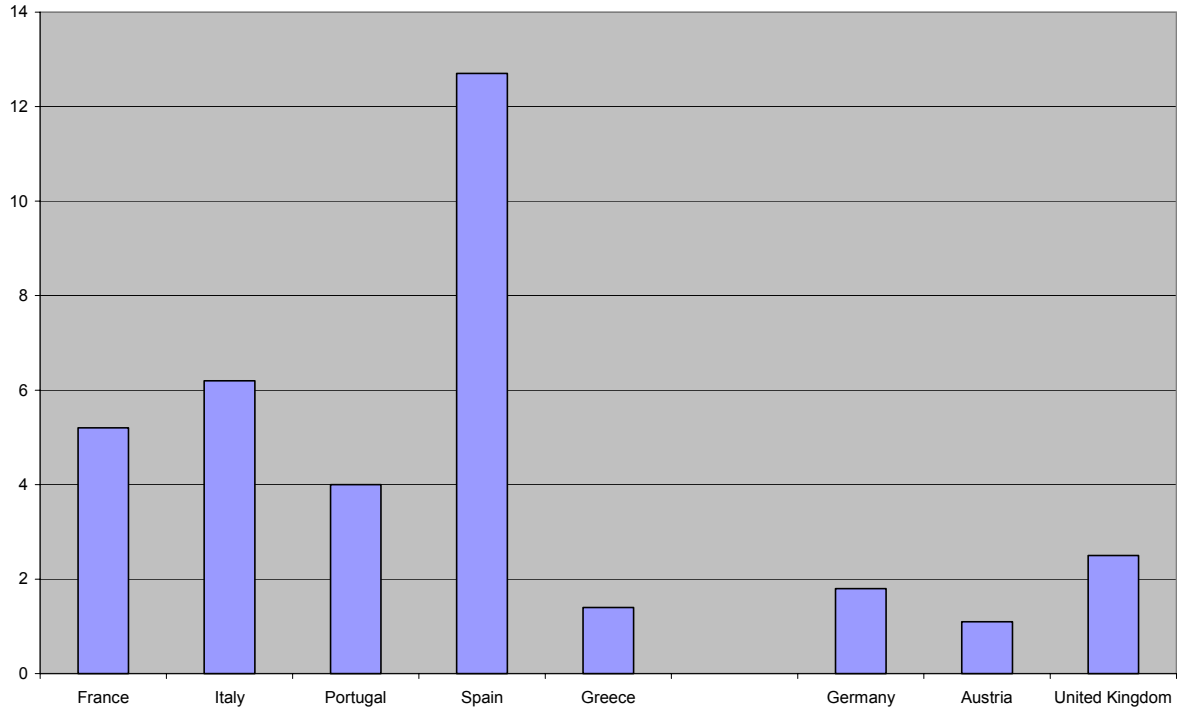
Figure 6 Number of products registered as PDO and PGI in the Eastern European and other countries

In particular for the new member states in Eastern Europe, the EU system of origin-labeled products seems to offer opportunities. While only a few products have been registered so far, the number of applications from these countries is high. The Czech Republic has already registered 6 products and has submitted applications for 21. These products mainly belong to the categories of beer and pastries. Slovenia has registered a product in the category oil and fats, and Poland a cheese product.

Australia and the United States have brought complaints to the World Trade Organization against the European Communities' protection of trademarks and geographical indications for agricultural products and foodstuffs (DS174 and DS290, respectively). The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) contains detailed provisions on the availability, acquisition, scope, maintenance and enforcement of intellectual property rights. On March 15th, 2005, the final report of the WTO panel on these complaints was published: the EU protection should be open to the geographical indications of third countries, where these are protected in their country of origin; the registration procedure should enable

any natural or legal person having a legitimate interest in a member state or a third country to exercise their rights by notifying their objections. The European Commission responded to the results of the WTO panel, and Council Regulation (EC) No. 510/2006 replaced Regulation (EEC) No. 2081/92 (Knaak, 2006).

In September 2007, Café de Colombia was the first non-European product registered. China and Switzerland have already submitted applications for the registration of products as well.



Source: own calculations using data from <http://europa.eu.int/comm/dg06/qual> (11/09/1999), http://ec.europa.eu/agriculture/qual/en/1bbab_en.htm (09/24/2007)

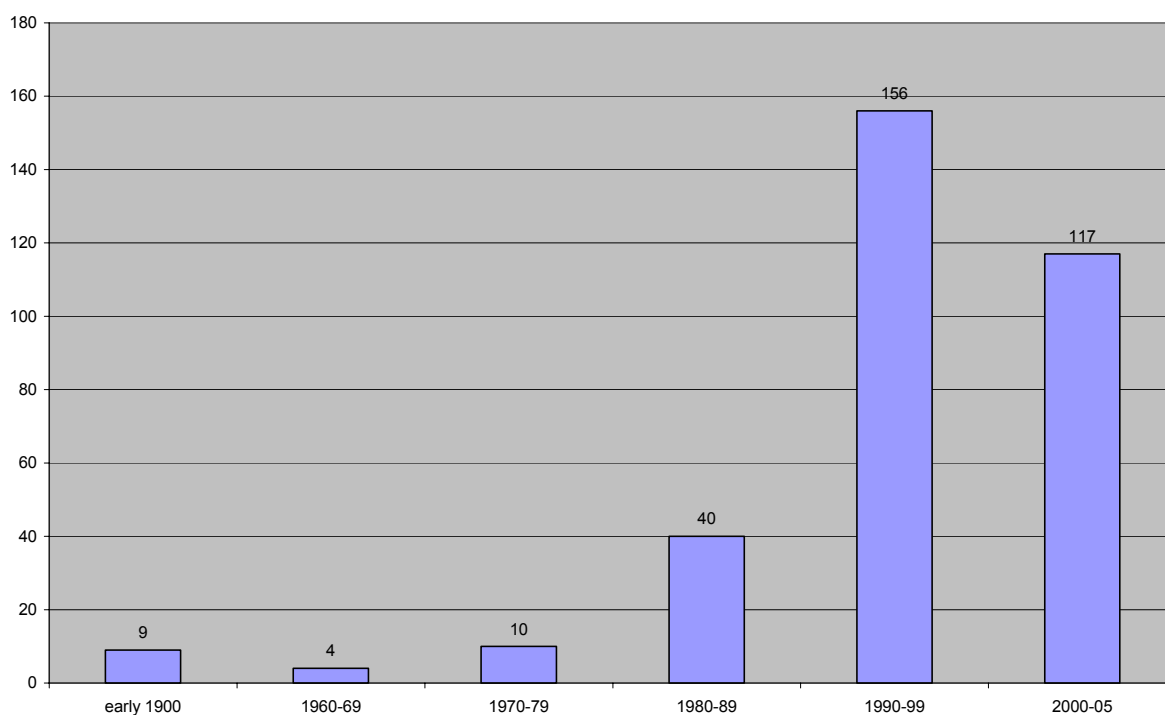
Figure 7 Average yearly growth rate in registered products from 1999 to 2007 (%)

The EU system of geographical indications offers a very attractive opportunity not only to producers with regard to the high level of legal protection of the geographical indication, but also from the state-aid perspective. France has already been responsive to these opportunities for a long time. But other countries are currently catching up. Over the last ten years, Spain had the highest average yearly growth rate in the registration of products; during the last few years, the number of product registrations increased by 13 percent per year. While France in prior years had the highest number of registrations, Italy has caught up and left France behind. Furthermore, Italy has put great effort into registering products very recently. The average yearly growth rate was already rather high in Italy over the last ten years. Portugal also has undertaken a great effort in order to foster registered PDOs and PGIs during the last ten years. In

Germany, Austria and the United Kingdom, some attempts have been made in the past to increase the number of products registered. In the case of Germany, we know for sure that there are hundreds of products that are well suited to be registered either as PDO or PGI. But this potential has not been realized by the German ministries as of yet, and great obstacles are presented by the political focus on the quality marks provided by the federal states.

The Importance of Food Quality Assurance Schemes in EU Member States

Since the 1990s, quality assurance schemes have become prominent – not only in politics, but also in the agriculture and food industry as the focus has shifted from quantity to quality. This shift was supported by the abundant supply of agricultural products and the several food scares that occurred during the 1990s. The introduction of food quality assurance systems is considered one possible answer to food safety concerns. Again, this shift from emphasis on quantity to emphasis on quality was supported by political measures. Traceability was first required by law for beef and was extended to all food products with Regulation (EC) No. 178/2002. The general principles and requirements of food law were specified in Regulation 178/2002, where the European Food Safety Authority was established and procedures in matters of food safety were laid down.

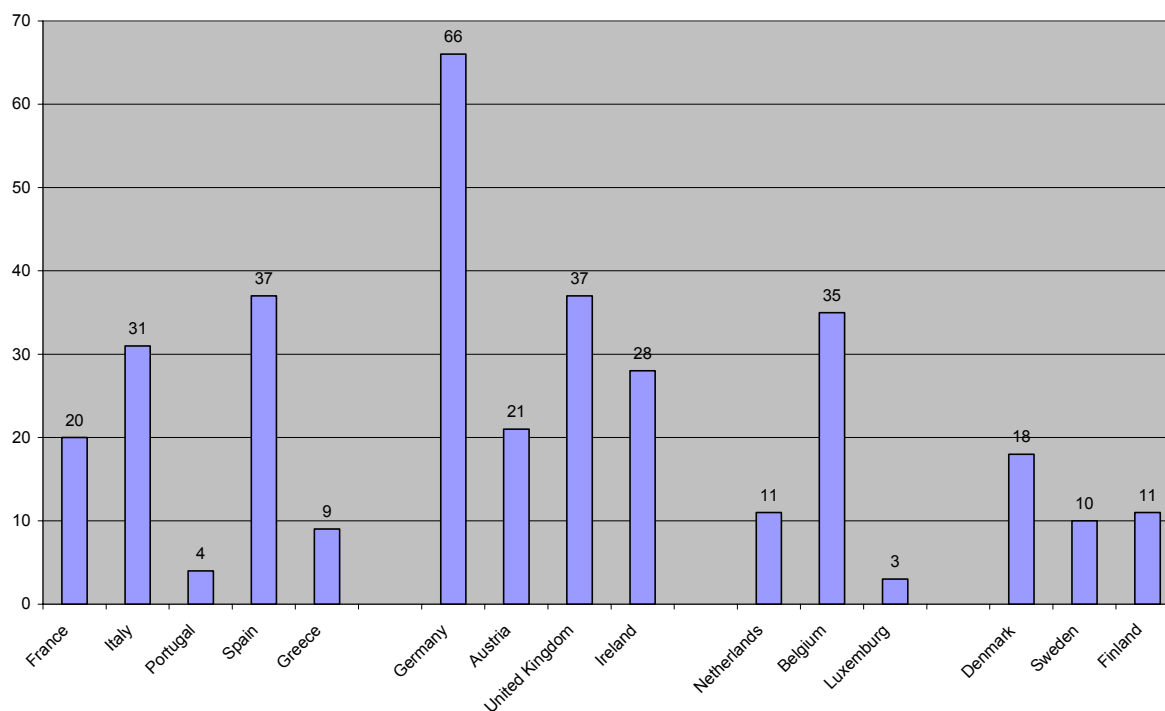


Source: http://foodqualityschemes.jrc.es/en/documents/Foodqualityconference_050207_giray.pdf (08/25/2007)

Figure 8 Number of food quality assurance schemes by initial year

So far, the focus of this article has been on the number of products registered either as PDO or PGI in the countries of Europe. However, for a complete picture of the quality policies in the different member states, the number of quality assurance systems should also be examined. Extending the analysis in this respect will provide some very interesting results.

These two concepts are considered jointly because under both schemes products are exempted from the general prohibition of state aid to promote the production of agricultural products in cases where these products meet standards or specifications that are clearly higher or more specific than those determined by the relevant European Community or national legislation.



Source: own calculations using data from “Structured inventory of existing food quality assurance schemes within the EU-25” (DG JRC/IPTS), 30 November 2006, <http://foodqualityschemes.jrc.es/en/outputs.html> (08/25/2007)

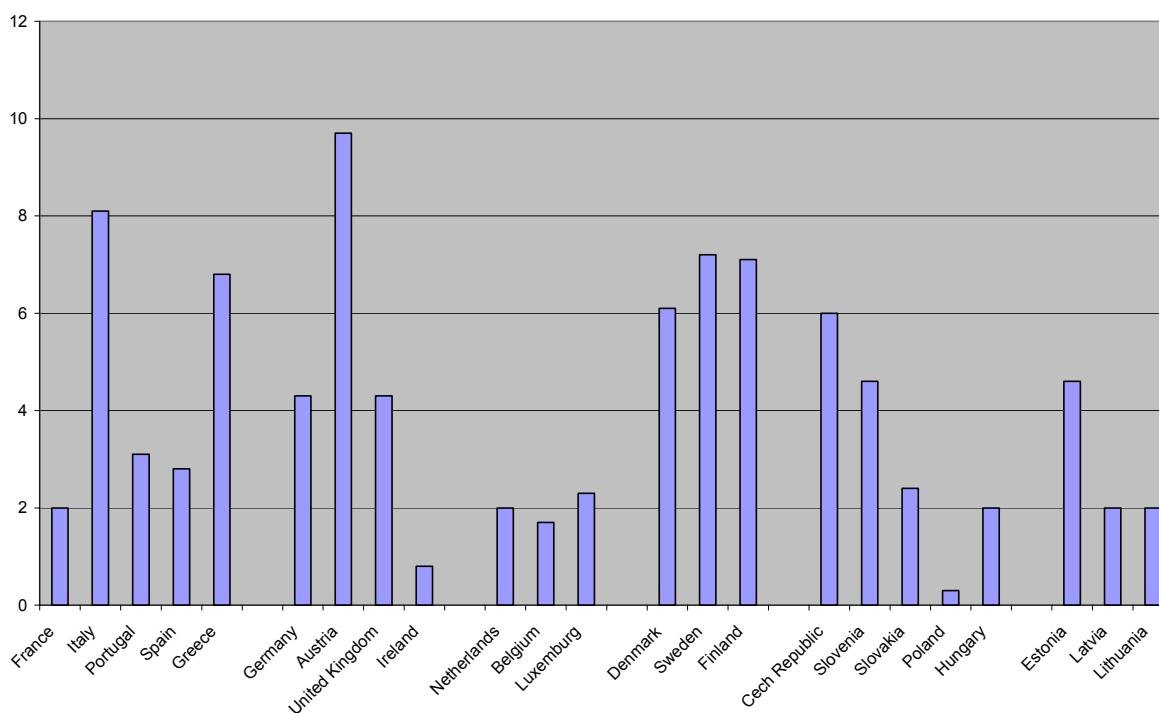
Figure 9 Number of food quality assurance schemes by country

The number of quality assurance schemes differs across the EU member states. Germany has the highest number, followed by Spain, the United Kingdom and Belgium. The high number of quality assurance schemes in these countries, in particular in Germany, the United Kingdom and Belgium, may be regarded as indicative of endeavours by the food sector to prevent food scares. In these countries consumers are very sensitive to food scares, not least due to the experience of the BSE crisis.

It is very interesting to note that in some of the countries that have a low number of products registered as either PDO or PGI, the number of quality assurance schemes is rather high. This holds true not only for Germany, Austria, the United Kingdom and Ireland, but for the BeNeLux countries as well, especially Belgium.

The Importance of Organic Production in EU Member States

The picture is not complete without looking at organic production, another cornerstone of EU quality policy. The share of organic farming area as a portion of total utilized agricultural area gives some indication of the importance of its role as a cornerstone of quality policy.



Source: own calculations using data from http://ec.europa.eu/agriculture/qual/organic/facts_en.pdf (11/25/2007)

Figure 10 Share of organic farming area as a percentage of utilized agricultural area in 2003

Austria exhibits the highest relative share of organic farming area among all European countries. It is interesting to note that the organic farming area shares are rather high in the Scandinavian countries, too. Italy is important not only with respect to PDO and PGI products, but with respect to organic farming area as well.

Summary and Conclusions

The member states of the EU have a number of options when it comes food quality policies. These are

- collective quality marks,
- geographical indicators (PDOs/PGIs),
- food quality assurance schemes (FQASs),
- organic production.

These are the cornerstones of EU food quality policy. The member states have gone different ways, due to historical reasons and due to differential consumer behaviour.

France has a high number of collective quality marks, a high number of PDO/PGI products, an organic agriculture area ranging below average and a medium number of FQASs. France belongs to the group of countries that are clearly PDO/PGI oriented.

In Italy, we find a high number of collective quality marks, a high number of PDO/PGI products, a medium number of FQASs and a high proportion agricultural area devoted to organic farming. Italy is oriented to very high and diversified quality, with a focus on organic production and PDO/PGI registration. With respect to PDO/PGI products, Italy is the leading European country and will continue to lead in the future.

In Portugal, we find a moderate number of collective quality marks, a high number and medium growth rate of PDO/PGI products, a low number of FQASs and a medium percentage of agricultural land devoted to organic farming. Thus, Portugal seems to be PDO/PGI oriented.

In Spain, a moderate number of collective quality marks exists, and we find a moderate to high number of PDO/PGI products, with the growth rates for all of these very high. Spain seems to catch up with the other Mediterranean countries with respect to PDO/PGI products. The number of FQASs is rather high in Spain, and the organic share of agricultural land is average. Spain is clearly PDO/PGI oriented, with some emphasis on FQASs.

In Greece, the number of collective quality marks is moderate, but the number of PDO/PGI products is moderate to high. There is a medium growth rate of PDO/PGI registrations. The number of FQASs is rather low, but the percentage of agricultural land devoted to organic farming is high. Greece has a moderate PDO/PGI orientation and a high organic orientation.

In Germany, the number of collective quality marks is rather low, the number and growth rate of PDO/PGI products are low and the number of FQASs is very high. The percentage of agricultural area that is organic is in the average range. In the case of Germany we have a clear orientation towards food quality assurance schemes.

In Austria, the number of collective quality marks is low and the number and growth rate of PDO/PGI products are moderate to low, but the percentage of agricultural area that is organic is high. The number of FQASs is medial. We have a clear organic-farming orientation in the case of Austria.

In the United Kingdom, the number of collective quality marks is low, the number and growth rate of PDO/PGI products are moderate to low, the percentage of agricultural area that is organic is medial and the number of FQASs is high. Here we have a clear orientation towards food quality assurance schemes.

In Ireland, there are very few collective quality marks, very few PDO/PGI products, a very low proportion of agricultural area devoted to organic farming and a high number of FQASs. Ireland is similar to the United Kingdom and Germany in that it is oriented towards food quality assurance schemes.

In the BeNeLux countries, we find few collective quality marks, little growth in the number of PDO/PGI products, a moderate number of FQASs (except for the high number in Belgium) and a moderate proportion of agricultural area devoted to organic farming. While Belgium is clearly food-quality-assurance-scheme oriented, the other two countries have no clear quality orientation.

In the Scandinavian countries, there are hardly any collective quality marks, a low level of and hardly any growth rate in PDO/PGI registration, and few FQASs, but a large percentage of agricultural area is devoted to organic farming. In these countries we find a strong organic orientation.

The Eastern European Countries of the Czech Republic, Poland, Slovakia, Hungary and Slovenia are catching up with respect to PDO/PGI products. The Czech Republic, Slovenia and Estonia have high shares of farmland used for organic production, while Slovakia, Hungary, Latvia and Lithuania have moderate shares. In Poland, a very low percentage of farmland is used for organic production.

We can distinguish between different clusters of countries. One cluster consists of the PDO/PGI-oriented Mediterranean countries, including Portugal, with Italy being diversified and very highly quality oriented. Another cluster consists of Germany, the United Kingdom, Ireland and Belgium. These countries have a clear orientation towards food quality assurance systems. The Netherlands and Luxemburg are diversified and quality oriented. Another cluster consists of Austria and the Scandinavian countries, which are organic-farming oriented.

This analysis shows that various countries in the EU take very different approaches to improving food quality. Further, the analysis should remind researchers conducting empirical work on geographical indications that other approaches to improving food quality should also be taken into account. It would be very interesting to investigate in future research whether the different routes to food quality

improvement across EU countries are chosen due to differential consumer and/or producer behaviour and/or heterogeneous preferences of politicians.

References

- Becker, T. 2000. Rechtlicher Schutz und staatliche Absatzförderung für Agrarprodukte und Lebensmittel auf dem Prüfstand. *Agrarwirtschaft* 49(12): 418-428.
- Becker, T. 2006. Zur Bedeutung geschützter Herkunftsangaben. *Hohenheimer Agrarökonomische Arbeitsberichte* No. 12, 2nd edition. Hohenheim.
- European Commission. 2001. Community guidelines for state aid for advertising of products listed in Annex I to the EC Treaty and of certain non-Annex I products (2001/C 252/03). Brussels.
- European Commission. 2004. Protection of geographical indications, designations of origin and certificates of specific character for agricultural products and foodstuffs. Directorate General for Agricultural Food Quality Policy in the European Union, Working Document of the Commission Services Guide to Community Rules. 2nd edition. August 2004 (http://ec.europa.eu/agriculture/publi/gi/broch_en.pdf)
- Knaak, R. 2006. Die EG-Verordnung Nr. 510/2006 zum Schutz von geographischen Angaben und Ursprungsbezeichnungen. *Gewerblicher Rechtsschutz und Urheberrecht Int.* 2006 (11): 893-901.
- Organisation for Economic Co-operation and Development (OECD). 2000. Appellations of origin and geographical indications in OECD member countries: economic and legal implications. Final version of a study which was carried out under the Programme of Work for 1999/2000 adopted by the Committee for Agriculture and endorsed by the Trade Committee. (http://www.oecd.org/LongAbstract/0,3425,en_2649_33773_23526074_1_1_1_1,00.html)
- Peri, C., and D. Gaeta. 1997. Designations of origin and industry certification as means of valorising food products. Working paper.

Endnotes

1. I would like to thank two anonymous referees for their very helpful comments, which helped me to improve the quality of the paper.

The views expressed in this article are those of the author(s) and not necessarily those of the Estey Centre Journal of International Law and Trade Policy nor the Estey Centre for Law and Economics in International Trade. © The Estey Centre for Law and Economics in International Trade. ISSN: 1496-5208