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New *momentum* for the EU-Philippines trade partnership? The EU and the Philippines resume negotiations for a preferential trade agreement

On 18 March 2024, the EU and the Philippines announced the resumption of negotiations for a preferential trade agreement (hereinafter, PTA). According to European Commission Executive Vice-President and European Commissioner for Trade, *Valdis Dombrovskis*, "*The conditions are right to take our trade relations to the next level"*, while the Secretary of the Philippines Department of Trade and Industry, *Alfredo E. Pascual*, referred to the relaunch as a "*significant milestone*" in EU-Philippines relations and underlined that the "*future of the Philippines-EU economic relations holds immense promise underpinned by the clear trade and investment policy directions*". A future EU-Philippines Free Trade Agreement (hereinafter, FTA) could strengthen economic ties, including the EU's overall links with the Association of Southeast Asian Nations (hereinafter, ASEAN). For the Philippines, it is a chance to compete on a more level playing field with other exporting countries that already enjoy preferential market access to the EU and to attract investment, while the EU is poised to gain a stronger foothold in the growing Southeast Asian market. Negotiating the agreement will be complex, but the potential benefits for both sides are significant. This article provides an overview of the main benefits of an EU-Philippines FTA, as well as the likely controversial issues.

The importance of the Philippines and ASEAN markets

The ASEAN region is an important and rapidly growing market. Collectively, its ten Member States (*i.e.*, Brunei Darussalam, Cambodia, Indonesia, Laos PDR, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Viet Nam) rank as the sixth-largest global economy. By 2030, projections indicate that ASEAN will be the world's fourth-largest '*single market*', trailing only the EU, the US, and China. Recognising this potential, the EU has actively sought to strengthen its political and economic ties with the region. Initially, the EU and ASEAN had pursued a comprehensive "*region-to-region*" trade agreement. However, the complexity of such approach led to a shift in strategy and the EU opted to negotiate with individual ASEAN Member States, successfully concluding agreements so far with Singapore and Viet Nam, while negotiations are ongoing with Indonesia and Thailand.

The Philippines, as the fifth-largest economy within ASEAN, plays a significant role in this evolving partnership, being the EU's fourth-largest trading partner in the region, with bilateral trade exceeding EUR 18.4 billion in 2022 for trade in goods, EUR 6.6 billion for trade in services, and with EU foreign direct investment at EUR 59.01 billion in 2023.

Negotiations for an EU-Philippines FTA had been launched in 2015, but were put on hold in 2017 due to the political situation in the Philippines. After years of stagnation and following relevant domestic reforms and strong advocacy from the Philippines, a high-level meeting between Philippines' President *Ferdinand Marcos Jr.* and the President of the European Commission *Ursula von der Leyen* in December 2022 paved the way for the relaunch of the negotiations. In order to assess mutual readiness, the EU and the Philippines conducted a '*stocktaking*' exercise from September to December 2023 (see *Trade Perspectives*, Issue No. 16 of 11 September 2023).

Upgrading the EU-Philippines trade relations

According to the Philippines' Department of Trade and Industry, *"The PH-EU FTA aims to provide enhanced market access for goods, services and investments, going beyond the benefits of the GSP+".* Since December 2014, in fact, the Philippines enjoys preferential market access for trade in goods with the EU under the EU's Generalised Scheme of Preferences plus (hereinafter, GSP+), benefitting from the unilateral removal by the EU of its tariffs on two-thirds of all tariff lines.

A bilateral preferential agreement would offer a reciprocal, deeper, and more permanent framework for the trade relations, delivering significantly improved market access (*i.e.*, lower or eliminated tariffs) for a broader range of goods, covering also trade in services, as well as introducing commitments on a wide range of trade and trade-related issues. In line with other recent agreements concluded by the EU, Commissioner for Trade *Dombrovskis* underlined that the agreement would "*promote sustainable trade*". It can be expected that the EU would introduce to the negotiations its recently reformed approach for the Chapter on Trade and Sustainable Development (TSD), which contains increasingly detailed commitments and, with respect to its enforcement, now provides for a last-resort sanction mechanism in case of a breach of core provisions on labour rights and related to climate change. Furthermore, it is likely that the EU would propose chapters on sustainable food systems, animal welfare, as well as on energy and raw materials. In light of the Philippines' rich mineral deposits, the increasing focus on renewable energy and the EU's strategic work on securing supply chains of critical raw materials (CRMs) to enable the '*green transition*', it is likely that the negotiations would also pertain to increased commitments, collaboration, and investment in this area.

Additionally, the negotiations will also need to address issues related to digital trade, which is of particular relevance for trade in services. The *European Services Forum* (hereinafter, ESF), which represents the European services sector, underlined that the Philippines' services exports to the EU were dominated by "*other business services*", including Business Process Outsourcing (hereinafter, BPO), which represents 37.4% of the Philippines' services exports. ESF Managing Director *Pascal Kerneis* noted that *"The Philippines are an important player in BPO services delivered digitally. One of the priorities of the talks must therefore focus on digital trade rules between the two trading partners".*

In separate recent press statements, the European Chamber of Commerce of the Philippines (ECCP) and the German-Philippine Chamber of Commerce and Industry (GPCCI) also expressed their satisfaction regarding the resumption of negotiations. Overall, a future FTA is hoped to create a more stable and predictable trade environment between the EU and the Philippines, encouraging long-term economic growth, job creation, and investment opportunities. The EU-ASEAN Business Council put things into context, underlining that, "*With these negotiations, the ongoing ones with Indonesia and Thailand, the discussions with Singapore on a Digital Trade Agreement, and the work being done at the region-to-region level under the EU-ASEAN Joint Working Group, it is clear that Southeast Asia is now firmly at the top of the trade policy agenda in Brussels*". The EU-ASEAN Business Council further notes

that, "*Once negotiated, signed and implemented, the FTA between the EU and the Philippines should foster closer economic ties in areas such as energy transition, sustainability, agricultural products, etc., and provide a platform for increased innovation and technology exchange*".

The road towards modern investment provisions

A major catalyst for growth and increased competitiveness in the Philippines might come from EU foreign direct investment (hereinafter, FDI). During a recent State visit to the Czech Republic, Philippine President *Ferdinand R. Marcos Jr.* declared that the FTA would essentially be about securing more foreign investments and providing *"a structure to encourage more investment in the Philippines"*. Representatives of the private sector equally expressed their support for the FTA and its likely positive impact on investments. The Director General of the Philippines Economic Zone Authority (PEZA), one of the investment promotion agencies in the country, declared that *"The EU FTA and the renewed GSP+ status will help the Philippines in its bid to attract EU FDI from diverse strategic industries, catering to both domestic and export markets,".* With respect to investment, the EU now negotiates separate agreements: on the one hand, a trade agreement with trade commitments and some investment facilitation provisions and, on the other hand, so-called Investment Protection Agreements (IPAs) containing the investment provisions, including on dispute settlement.

In this regard, the *ESF* notes that, despite efforts by the Philippines to improve the business climate for foreign investors with legislative reforms, certain restrictions remain. The *ESF* underlines that *"Certain sectors are reserved by law to Philippines citizens, with foreign equity limited to a minority share; limits on membership of the board of directors; discriminatory access to capital and a ban on land ownership. And the most formidable impediment to investment-based growth remains unfortunately unaltered: The 1987 Constitution still states that foreign investors may not own more than 40% of a company's share, with the remaining 60% being under control of Philippine company/citizens".* It remains to be seen whether the negotiations will allow Parties to address these issues.

A key opportunity to address trade irritants

A recent online *forum* hosted by *BusinessWorld Insights* on *The Philippines' Trade Opportunities in 2023* explored the challenges hindering the country's ability to capitalise on trade opportunities. The Executive Vice-President and Chief Operating Officer of the *Philippine Exporters Confederation, Senen M. Perlada*, echoed this sentiment, criticising the high costs of doing business and burdensome regulations that negatively affect exports, arguing that *"The government wants to monitor each and every container that is moving in our streets, whether it's import or export, not realizing that is not really the container that you need to monitor but what's inside the container*". In a survey, the *International Trade Centre* (ITC) also flagged the Philippines' use of non-tariff measures (NTMs), particularly in agri-related sectors, such as the complexity of the import-licensing system with varying fees and procedures that are difficult to navigate.

At the same time, there are obviously also concerns and complaints by Filipino exporters vis-à-vis to the complexities of accessing the EU market. In this regard, the President of the *Philippine Exporters Confederation* (PEC), *Sergio Ortiz-Luis Jr.*, expressed his concern with the EU's "*stringent rules of origin*". Additionally, in view of the EU's regulatory frameworks in a number of highly-regulated sectors, such as agri-food, would strongly benefit from certain trade-facilitative commitments in the future EU-Philippines FTA, while the negotiations could also provide the ideal opportunity to raise and address a number of specific trade irritants. Overall, exporters from both sides welcome the resumption of negotiations, calling for a balanced agreement that addresses some of the key current concerns.

The ball is in the court of the negotiators

The EU and the Philippines' decision to resume negotiations for a preferential trade agreement presents a significant opportunity for both sides. The agreement has the potential to create a

more stable and predictable business environment, fostering long-term economic growth, job creation and investment on both sides. The Agreement will also facilitate increased collaboration, including in areas such as green technology, responsible resource management and mining technology. Businesses from both sides stand to benefit, but negotiating the specific terms of the agreement will be complex and negotiations will likely take years to be completed. According to the Philippines' Department of Foreign Affairs, formal negotiations should restart during the third quarter of this year. Interested stakeholders of the private sector from both regions should get involved in the negotiation process to ensure that their interests are duly taken into account and that they can benefit from the improved market access conditions and trade-facilitative elements that are to be negotiated.

Towards a greener economy? Singapore and Australia agree on principles to guide the development of cross-border electricity trade

On 5 March 2024, at the 9th Singapore-Australia Leaders' Meeting, Singapore and Australia agreed to *Ten Principles to Guide the Development of Cross-Border Electricity Trade*, which aim at deepening energy connectivity and supporting Cross-Border Electricity Trading (hereinafter, CBET). The principles were developed as part of the cooperation mandated under the *Australia-Singapore Green Economy Agreement* to accelerate both Parties' respective green transitions and support green economy cooperation. With the *Ten Principles*, both Parties intend to "*offer clear and predictable guidelines for participants involved in CBET in Singapore, Australia, and the wider region*". This article provides an overview of CBET, the *Ten Principles* for the development of the CBET, CBET in ASEAN, and its relevance for trade and businesses.

Cross-border electricity trade and decarbonisation efforts

CBET, which refers to the purchase and sale of electricity between countries or regions, have become increasingly important for countries and regions to ensure their energy security by, *inter alia*, diversifying energy sources, optimising resource utilisation, and promoting economic efficiency through access to lower-cost electricity. CBET concerns the trade of electricity, whether generated from renewable energy (*e.g.,* solar, wind, or hydropower), conventional electricity (*i.e.,* energy generated from fossil fuels), or nuclear energy. In view of the global efforts to reduce greenhouse gas emissions and to address the adverse impacts of climate change, cooperation on CBET is serving as an important mechanism for countries to promote the trade in clean energy sources, which, consequently, could reduce their dependence on the use of fossil fuels.

Electricity trade is typically regulated on the basis of bilateral agreements between neighbouring countries, with provisions addressing the price of electricity, quality standards, and the infrastructural requirements needed to allow electricity distribution and trade. In the EU, an internal electricity market has been developed since 1990, harmonising and liberalising the energy market in Europe across the European Economic Area, which encompasses all EU Member States and three of the four EFTA States, namely Iceland, Liechtenstein, and Norway.

Singapore-Australia commitments on cross-border electricity trade

The *Australia-Singapore Green Economy Agreement*, which was signed on 18 October 2022, is a novel agreement that combines "*trade, economic and climate objectives*" (see *Trade Perspectives*, Issue No. 7 of 9 April 2021). Under the Agreement, Singapore and Australia committed to pursue cooperation in "*clean energy, decarbonisation and technology*" and agreed to collaborate to: 1) Facilitate CBET, including the development of "*architecture for bilateral electricity trading and arrangements related to supply of, and access to, electricity*"; and 2) Facilitate the secure transport of electricity and the "*development of offshore electricity infrastructure for CEBT*". By developing the *Ten Principles to Guide the Development of CEBT*,

Australia and Singapore seek to foster "*economic growth*" and to "*develop energy security through diverse and resilient clean energy supply chains*".

Australia and Singapore agreed on the following *Ten Principles*: 1) Build a diverse and resilient clean energy supply chain to create new economic opportunities and to support the acceleration of the energy transition away from fossil fuels; 2) Uphold the commitments under bilateral and multilateral agreements, such as the WTO Agreements and the *Singapore-Australia Free Trade Agreement* in facilitating "*commercial activities that drive cross-border electricity trade*"; 3) Develop and harmonise relevant policies, regulatory and legal frameworks, such as the required permits for CBET and environmental approvals; 4) Facilitate the compatibility of technical standards and interoperability of systems that support the development, operation, and maintenance of CBET and the relevant infrastructure; 5) Deliver tangible economic outcomes for both Parties and help facilitate wider participation in CBET with other countries in the region; 6) Develop frameworks to safeguard CBET infrastructure, including when transiting in third countries; 7) Promote environmental objectives to achieve the Parties' net-zero emissions target and climate obligations through developing an agreed approach or schemes on renewable energy certification; 8) Establish governance arrangements in order to provide oversight, transparency, and accountability in conducting CBET, including mechanism to address disputes that may arise; 9) Share knowledge and expertise to develop CBET: and 10) Create new partnerships to enhance CBET, including with other countries in the region.

Cross-border electricity trade in ASEAN

The *Ten Principles* developed by Australia and Singapore aim "*to offer clear and predictable guidelines*" not only to the Parties, but also to "*the wider region*", including ASEAN, particularly since the region is still in the process of developing its integrated internal electricity market.

Since the 1990s, ASEAN Member States recognise the importance of promoting energy security, reliability, and sustainability in the region and, in 1997, introduced the ASEAN *Power Grid*, an initiative aimed at facilitating CBET in the region. The *ASEAN Power Grid* is a framework that calls for the construction of regional power interconnection, first on cross-border bilateral terms (*e.g.,* electricity trade between neighbouring countries), then gradually expanding to a sub-regional basis, and, finally, achieving "*a total integrated South East Asia power grid system*". The current ASEAN framework with the objective of moving towards regional energy connectivity is the *ASEAN Plan of Action for Energy Cooperation 2016–2025*, which, notably, prioritises the expansion of energy trade as part of the *ASEAN Economic Community 2025* agenda.

Work on the objectives of the *ASEAN Power Grid* is still ongoing and, while progress is relatively slow, as of 2020, eight out of the planned 16 key cross-border interconnections were in operation. Notably, grids that connect the Malaysian State of Sarawak to Indonesia's West Kalimantan province; Viet Nam to Cambodia; Thailand to Lao PDR; Lao PDR to Cambodia; Thailand to Cambodia; Peninsular Malaysia to Singapore; Lao PDR to Viet Nam; and Thailand to Peninsular Malaysia have been developed. For Singapore, CBET is of particular importance to ensure the availability of energy, noting that it has limited domestic energy resources and requires stable imports of electricity from neighbouring countries, notably from Malaysia and Indonesia.

Relying on CBET to support the use of renewable energy

A report by the *Renewable Energy Agency* and the *ASEAN Centre for Energy* finds that, while ASEAN has an abundance of renewable energy, namely solar and wind, that could be used for both domestic consumption and CBET, the lack of supporting policy and investments to support the development of renewable energy has led to the underutilisation of renewables in the region. The report also notes that, currently, the key renewables being exploited within ASEAN are geothermal and hydropower, while there is still little development of wind and solar photovoltaic (PV) cell generation in most ASEAN Member States. According to the

International Energy Agency, fossil fuels still dominate the ASEAN electricity mix at 78%, followed by hydropower at 14%, and other renewables at 7%.

Therefore, regional cooperation on CBET that focuses on supporting the trade of electricity from renewable energy is important to increase the use of renewables and to support the process of energy transition. In this context, the *Ten Principles* developed by Australia and Singapore and the related forthcoming implementing projects on CBET could be taken into account as further guidance to "*bridge*" the gap between ASEAN Member States with less developed infrastructure or related policy frameworks. Notably, the development of centralised rules on CBET, as well as an agreed approach or schemes on renewable energy certification could support ASEAN Member States to maximise the use of their excess renewable energy by trading them with other ASEAN Member States to generate export revenue, which could have positive implications for the country's overall trade balance and economy. Furthermore, principles to foster the sharing of knowledge and expertise that are relevant for the development of CBET, as well as developing harmonised frameworks in areas such as trade permits for CBET and the relevant environmental approvals, would help to ensure smooth trade and provide legal certainty to potential investors, businesses, and stakeholders in the region, consequently increasing investments in this sector.

The increasing importance of CBET

The *Ten Principles* developed by Singapore and Australia, once successfully implemented, would provide important benefits for businesses and traders. Notably, CBET could provide businesses access to renewable energy that is more affordable than fossil fuels, especially for countries that lack resources of renewable energy, such as Singapore, or lack the infrastructure to produce renewable energy. This is important in view of the increasing importance of sustainability and emissions reporting for businesses, as well as net zero carbon commitments, which makes the use and deployment of renewables increasingly important. Furthermore, for businesses in Singapore, Australia, and the ASEAN region aiming to expand their exports, it will become increasingly important to reduce their carbon footprint and to keep up with sustainability requirements in the global market, such as complying with the EU's *Carbon Border Adjustment Mechanism*, which puts a price on the carbon emitted during the production of certain exported goods.

CBET could also allow businesses, especially in energy-intensive industries, to be able to access electricity at competitive prices, instead of relying on domestic energy sources, particularly when still reliant on fossil fuels, consequently leading to lower production costs and making their products more competitive.

Setting an example for ASEAN

The *Ten Principles* developed by Australia and Singapore are a positive start to developing CBET not only for both Parties, but also to enhance the development of CBET in the ASEAN and Indo-Pacific regions. In particular, the future projects to implement the *Ten Principles*, namely on harmonising standards and regulatory frameworks to support CBET, could be an example for ASEAN when working towards a fully integrated ASEAN energy market.

The EU agrees on updated rules to improve the protection of geographical indications for wine, spirit drinks, and agricultural products

On 26 March 2024, the Council of the EU approved the final version of the *Regulation of the European Parliament and of the Council on European Union geographical indications for wine, spirit drinks and agricultural products, and quality schemes for agricultural products, amending Regulations (EU) No 1308/2013, (EU) 2017/1001 and (EU) 2019/787 and repealing Regulation (EU) No 1151/2012* (hereinafter, Regulation), which had already been approved by the European Parliament on 28 February 2024. The European Commission (hereinafter,

Commission) had published the Proposal for this Regulation on 31 March 2022 and agreement among the EU co-legislators was reached on 27 November 2023. The Regulation aims at reforming, strengthening, and consolidating the existing EU legal framework for geographical indications (hereinafter, GIs) and other quality schemes for wine, spirit drinks, and agricultural products, currently scattered across several Regulations, as well as at "*improving their uptake across the EU*". This article provides an overview of the Regulation and the protection of GIs in the EU, highlights enhanced protection granted to agri-food products, as well as the related implications for businesses and third country products.

The EU's framework for geographical indications and other quality schemes

GIs are intellectual property rights that "*protect the names of products with specific features or qualities or a specific reputation and which are linked to their area of production*". The legal concept of GI as an intellectual property right aims at providing legal protection against imitations, and usurpations of products, which could mislead consumers as to the origin of agricultural products and their quality or characteristics. A 2021 study by the Commission found that the sales value of a product with a protected name is, on average, double that of similar products without such certification (see *Trade Perspectives*, Issue No. 12 of 18 June 2021). Thus, products that obtain protection in the EU as a GI give producers a competitive advantage by allowing them to better market such products locally and internationally, thereby potentially increasing the sales value of products.

In the EU, the names for certain agri-food products, wines, and spirit drinks are protected under a system that comprises three categories: 1) *Protected Designation of Origin* (PDO), which requires "*every part of the production, processing and preparation process*" to take place in a specific region, for example *Kalamata* olives from Greece; 2) *Protected Geographical Indication* (PGI), which requires that "*at least one of the stages of production, processing or preparation takes place in the region*", for example *Westfälischer Knochenschinken* ham produced in a specific German region; and 3) *Traditional Speciality Guaranteed* (hereinafter, TSG), which protects agricultural products or components thereof that are made in a traditional manner, for example the Belgian cherry beer '*Vieille Kriek'*. As of March 2024, more than 3,500 product names were registered in the EU's GIs register.

The need to strengthen the EU's system for GIs

In 2021, the Commission had conducted an evaluation of the EU's policy on GIs and TSGs, assessing "*the extent to which the GI and TSG policy has achieved its objectives*". In general terms, the evaluation found that the GI and TSG schemes have a positive impact by providing a common reference for trade across EU Member States, enhancing "*fair competition for farmers and producers*", and addressing the needs of various stakeholders. However, the evaluation also found a number of shortcomings in the EU's current legal framework for GI and TSG schemes, including low consumer awareness of the relevant logos, lengthy and complex registration and amendment procedures, difficulties in enforcement of producers' rights, especially online, and an unclear role of producer groups.

The new Regulation amends the existing Regulations and introduces various changes to the existing legal framework, notably: 1) A more harmonised GI system for wine, spirit drinks, and agricultural products, instead of each of the sectors being governed by a separate legal instrument; 2) A shortened and simplified registration procedure including digitised processes for submitting GI applications; 3) The recognition of sustainability practices; 4) Increased protection of GIs online; 5) Labelling of processed foods containing GIs products as ingredients; and 6) Strengthened rights of GI producers, including to prevent and counter "*any measure or commercial practice detrimental to the image and value of their products*".

The EU currently relies on distinct legal instruments governing the registration and protection of GIs depending on the product type, which will be somewhat more harmonised under the new rules. According to Recital 11 of the Regulation, the procedural rules for wine, spirit drinks and agricultural products will all be harmonised within that same Regulation, which will also

contain the product-specific rules for agricultural products, while the product-specific provisions for wine will continue to be regulated in *Regulation (EU) No 1308/2013* and for spirit drinks in *Regulation 2019/787*.

In order to incorporate the EU's sustainability ambitions in the production processes of products protected by GIs, the new Regulation will allow producer groups to agree on sustainable practices that must be adhered to in order to achieve social, environmental, or economic sustainability, such as related to animal welfare, climate change mitigation and adaptation, a fair income for producers, or a reduced use of pesticides. The new Regulation urges producer groups to aim for sustainability standards that exceed those set under EU or national EU Member States' laws.

Reinforced protection of GIs online

To ensure greater protection of GIs through online purchases, the Regulation will bring GIs into the ambit of valid rights to be protected by the EU Member States' domain name registries. Under Article 35 of the Regulation, the registries of "*country-code top-level domain names*" established in the EU will need to ensure that, in their alternative dispute resolution procedures, domain name disputes involving GIs are acknowledged as "*a right that can be invoked in these procedures*". In terms of enforcement, Article 42(3) of the Regulation will require EU Member States to take "*appropriate administrative and judicial steps*" to remove or disable access to websites that illegally use GIs in their domain names to sell imitation products, thereby infringing on the rights of the legitimate GI holders.

Given that online platforms are increasingly being used to sell products, including those labelled as being protected as GIs, the Regulation will require such platforms to prevent the misuse of GIs. According to Article 43(1) of the Regulation, any information related to the advertising, promotion, and sale of goods that violates the protection of GIs will be considered illegal content and the competent EU Member States' judicial or administrative authorities would be able to issue an order to act against such content.

The EU will now protect GIs used as ingredients

Under the updated rules, producers of processed products will be able to showcase the added culinary value attained from the use of GIs as ingredients. This includes, for example, chocolate containing *Champagne*. Currently, the legal framework in this area is based on case law, notably a ruling from the Court of Justice of the EU, which found, in case C-393/16 *Comité Interprofessionnel du Vin de Champagne* vs. *Aldi*, that a GI may only be used as part of a name under which a foodstuff is sold where that GI is included in the foodstuff as an ingredient and if that foodstuff contains *"as one of its essential characteristics, a taste attributable primarily to the presence of that ingredient in the composition of the foodstuff*".

That ruling has now been reflected in the Regulation, and Article 27(1) thereof provides that producers of processed products would only be able to use GIs in the name, labelling, or advertising of a processed product if the product used as an ingredient is indeed designated by the GI and in case three conditions are fulfilled: 1) The processed product does not contain a comparable product to the GI-designated ingredient; 2) The GI-designated ingredient is used in "*sufficient quantities to confer an essential characteristic on the processed product concerned*"; and 3) The label of the processed product indicates the percentage of the GI-designated ingredient used. The Commission is still called upon to define through delegated acts, "*additional rules on the use of comparable products as ingredients and the criteria of conferring essential characteristics on the processed products*".

The new rules will also require producers of prepacked food containing a product designated by a GI as an ingredient, and intending to use a GI "*in the name of that prepacked food, including in advertising material*", to first notify the recognised producer group (if any) for such GI, in writing. This requirement is intended to enhance the role of the recognised producer group, while strengthening the protection of GIs. Additionally, in accordance with Article 27(3)

of the Regulation, "*the recognised producer group and the producer of prepacked food may conclude a contractual agreement about the specific technical and visual aspects of how the geographical indication of the ingredient is presented in the name of the prepacked food in labelling, elsewhere than in the list of ingredients, or in advertising material*".

Registration of GIs concerning products originating outside of the EU

The registration of a GI concerning a product originating in the EU must be addressed to the competent authorities of the EU Member State in which the product originates, while GIs concerning products originating outside of the EU must be protected at the EU level. Already under the current rules, producer groups intending to register a GI concerning a product originating outside of the EU are required to provide proof of protection of the GI in the country of origin, product specifications including a description of the product and its main qualities, and a single document providing, *inter alia*, the name and address of the applicant.

In addition to these existing requirements, Article 13(2) of the Regulation provides that applicants from third countries must provide: 1) Accompanying documentation, *inter alia*, explaining any proposed limitations on the use or on the protection of the GI, and the name and contact details of the applicant producer group; and 2) Where the applicant is represented by an agent, a power of attorney for that agent. Finally, pursuant to Article 14(1) of the Regulation, an application to register a GI concerning a product originating outside of the EU must be submitted to the Commission "*electronically, through a digital system*". Currently, applications had to be submitted to the Commission via e-mail.

Transitioning to the new rules on GIs in the EU

Following the adoption by the European Parliament and the Council of the EU, the Regulation updating the legal framework for GIs in the EU will soon be published in the EU Official Journal and enter into force 20 days after its publication. Certain aspects will still require the adoption of additional delegated acts by the European Commission, but interested stakeholders within the EU, as well as in third countries, should start reviewing the new rules and the changes to the current legal framework for GIs to ensure that their applications are in line with the new rules.

Recently adopted EU legislation

Trade Law

- *Commission Implementing Regulation (EU) 2024/904 of 25 March 2024 amending Council Regulation (EC) No 32/2000 as regards the extension of the Union's tariff quotas for jute and coconut-fibre products*

- *Council Decision (EU) 2024/998 of 1 March 2024 on the position to be taken on behalf of the European Union within the World Trade Organization's 13th Ministerial Conference*

Customs

- *Commission Delegated Regulation (EU) 2024/950 of 15 January 2024 amending Delegated Regulation (EU) 2019/1602 as regards the date of application and the cases where customs authorities are required to deduct the quantities stated in the customs declaration from the total allowed quantity declared in the Common Health Entry Document (CHED)*

- *Commission Implementing Regulation (EU) 2024/964 of 21 March 2024 concerning the classification of certain goods in the Combined Nomenclature*

- *Commission Implementing Regulation (EU) 2024/965 of 21 March 2024 concerning the classification of certain goods in the Combined Nomenclature*

- *Commission Implementing Regulation (EU) 2024/966 of 21 March 2024 concerning the classification of certain goods in the Combined Nomenclature, amending Regulation (EC) No 1966/94 and repealing Regulation (EC) No 3176/94*

Trade Remedies

- *Commission Implementing Regulation (EU) 2024/967 of 2 April 2024 amending Implementing Regulation (EU) 2019/1996 imposing a definitive anti-dumping duty on imports of certain prepared or preserved sweetcorn in kernels originating in the Kingdom of Thailand following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council*

Food Law

- *Commission Recommendation (EU) 2024/907 of 22 March 2024 on the monitoring of nickel in food*

- *Commission Implementing Regulation (EU) 2024/989 of 2 April 2024 concerning a coordinated multiannual control programme of the Union for 2025, 2026 and 2027 to ensure compliance with maximum residue levels of pesticides and to assess the consumer exposure to pesticide residues in and on food of plant and animal origin and repealing Implementing Regulation (EU) 2023/731*

- *Commission Regulation (EU) 2024/1002 of 4 April 2024 amending Regulation (EU) 2023/915 as regards the maximum levels of perchlorate in beans (Phaseolus vulgaris) with pods*

- *Commission Regulation (EU) 2024/1003 of 4 April 2024 amending Regulation (EU) 2023/915 as regards maximum levels for the sum of 3-monochlorpropanediol (3-MCPD) and 3-MCPD fatty acid esters in infant formulae, follow-on formulae and food for special medical purposes intended for infants and young children and young child formulae*

Ignacio Carreño, Joanna Christy, Tobias Dolle, Alejandro López Bo, Alya Mahira, Stella Nalwoga, and Paolo R. Vergano contributed to this issue.

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