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Proposal for a

COUNCIL DECISION

on the signing, on behalf of the European Union, of an agreement between the European Union and Iceland on the protection of geographical indications for agricultural products and foodstuffs

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

The EU and Iceland are signatories to the Agreement on the European Economic Area (EEA Agreement) which provides for the free movement of goods, with the exception of agricultural and fisheries products. Article 19 of the EEA Agreement contains provisions on trade in agricultural products. The 2007 EU-Iceland bilateral Agreement on trade preferences negotiated on the basis of Article 19 of the EEA Agreement includes among others the commitment by the Parties to promote trade in products with geographical indications (GIs).

The EU-Iceland GIs negotiations were conducted from 4 July 2012 to 17 September 2015. The negotiations were carried out in conjunction with the EU-Iceland negotiations on further liberalisation of trade in agricultural and processed agricultural products. Under the negotiated GIs Agreement, 1150 EU foodstuff GIs will be protected in Iceland. The Icelandic side has not yet registered any protected GI names. The Agreement provides, however, a mechanism for updating the GIs list and for including new GI names at a later stage through a Joint Committee process.

The GIs Agreement will enter into force on the first day of the month following the date on which the Parties have notified each other that their respective internal adoption procedures have been completed. If this date is before the date of the entry into force of the Agreement in the form of an exchange of letters between the EU and Iceland concerning additional trade preferences in agricultural products reached on the basis of Article 19 of the Agreement on the European Economic Area, done at Brussels on ... day of ... in the year ..., the GIs Agreement will only enter into force on the same date as the latter.

• Consistency with existing policy provisions in the policy area

The EEA Agreement already provides for the mutual recognition and protection of geographical indications for wines, aromatised wine products and spirit drinks. Therefore the scope of this Agreement covers only agricultural products and foodstuffs other than wines, aromatised wine products and spirit drinks.

• Consistency with other EU policies

The conclusion of the GIs Agreement with Iceland fits into the overall EU strategy of promoting the production and the consumption of EU products with geographical indications. Under this Agreement, 1150 EU foodstuff GIs will obtain a high level of direct protection in Iceland. The GIs will be protected against:

- any direct or indirect commercial use;
- any misuse, imitation or evocation of the product;
- any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product;
- any other practice liable to mislead the consumer as to the true origin of the product.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

In June 2007 the Council gave the Commission a mandate to launch negotiations with Iceland on the protection of products with geographical indications.

3. BUDGETARY IMPLICATIONS

The Agreement will have no direct impact on the EU budget.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular the first subparagraph of Article 207(4), in conjunction with Article 218(5) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) On 18 June 2007 the Council authorised the Commission to open negotiations with Iceland with a view to signing an agreement on the protection of geographical indications for agricultural products and foodstuffs. The negotiations were successfully concluded by the initialling of the Agreement.
- (2) The Parties agree to promote between each other the harmonious development of geographical indications as defined in Article 22(1) of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)¹ and to foster trade in agricultural products and foodstuffs with geographical indications originating in the Parties' territories.
- (3) Therefore, the Agreement should be signed on behalf of the Union, subject to its conclusion at a later date,

HAS ADOPTED THIS DECISION:

Article 1

The signing on behalf of the Union of the Agreement between the European Union and Iceland on the protection of geographical indications for agricultural products and foodstuffs is hereby authorised, subject to the conclusion of the said Agreement².

¹ Annex 1C of the Marrakesh Agreement Establishing the World Trade Organization, signed in Marrakesh, Morocco on 15 April 1994.

² The text of the Agreement will be published together with the decision on its conclusion.

Article 2

The Council Secretariat-General shall establish the instrument of full powers to sign the Agreement, subject to its conclusion, for the person(s) indicated by the negotiator of the Agreement.

Article 3

This Decision shall enter into force on [...].

Done at Brussels,

*For the Council
The President*