



Canberra, 7 June 2016

Submission of the European Union (EU) to Productivity Commission on the draft report into Australia's Intellectual Property Arrangements

The EU would like to thank the Productivity Commission for the possibility to provide comments on the draft report.

In particular in view of possible upcoming FTA talks between the EU and Australia, it provides a good occasion to express our opinion on the Geographical Indications (GIs) section (Chapter 11 – p. 323).

The EU and AUS have a well-functioning wine agreement in place that also covers Geographical Indications (original 1994, updated and entered into force in 2010).

Under the agreement and under its national IP law, Australia accepts the principle of protecting wines and spirits through GIs.

But Australia has no system at national level to protect agricultural products and foodstuffs as Geographical Indications. The EU would welcome very much the extension of GI protection in Australia to agricultural products and foodstuffs. Geographical indications are a powerful tool for rural development allowing rural areas to maintain and increase economic activity. Australian rural regions could also benefit from installing a similar GI system for foodstuffs and agricultural products.

Often producers (in particular small producers) of a GI are able to have a stronger position in the supply chain, get a better price for their product with a better division of the added value. Also for consumers there are many advantages, in particular GIs prevent standardization of food and offer a wider choice to consumers. They also answer consumers' increasing interest to have information on the origin of the product and get a guarantee with respect to specifications.