
EU – CANADA CETA

Greek Argumentation regarding protection of GI Feta Cheese

In anticipation of the finalisation of the legal scrubbing process regarding the EU - Canada Comprehensive Economic and Trade Agreement (CETA), please allow us to recall once again the important issue of the protection of our prime GI “Feta cheese” in the Canadian market, aiming for minimally acceptable results for both sides.

According to the Commission’s official summary of the CETA results *“The grandfathering scheme protects the market position of our producers by clearly distinguishing such products (homonymously labeled copies of the 5 EU GIs concerned) from the original 5 EU GIs (Feta, Gorgonzola, Asiago, Fontina & Munster)”*. However, this statement could not have been more false regarding the fate of the 5 EU cheese GIs, included in the related grandfathering scheme, as it is clear that they did not secure any real protection from the hundreds of existing usurpers who are marketing homonymous imitation products in the Canadian market (those who could prove that they were operating in this market before the conclusion of the CETA negotiations, in October 2013), as these 5 EU GIs will have to coexist in the market, side by side with the above mentioned existing imitation products, making it impossible for the Canadian consumers to distinguish between the 5 authentic EU GIs and their Canadian or 3rd country imitation copies. Under the above mentioned provision the unsuspected consumer will surely be deceived, while the market reputation, as well as the IP Rights of the 5 EU GIs will be seriously damaged.

Therefore, it is clear that the 5 EU cheese GIs in question, including our exclusive flagship GI Feta, did not secure any substantial protection from the hundreds of existing usurpers in the Canadian market and furthermore there is no clear distinction between the two homonymously labeled cheese products (coexistence). Such development will definitely deceive the unsuspected consumer and will damage the image and IP Rights of the 5 EU GIs immensely. Furthermore, the so-called protection granted to the 5 EU GIs regarding any future entrants, those who would try to enter the market after October 2013, is totally unrealistic, because, in the majority of cases, these perspective entrants would just wait and at the right time acquire any of the hundreds of existing users, who would decide to sell their business, making sure that in such way, along with the business they would also acquire the right to use the same denomination as the authentic 5 EU GIs concerned, indefinitely.

Part of the EU’s legal framework for protecting regional EU agrifood GIs in bilateral FTAs with its main trade partners, is that these products have acquired a strong reputation among consumers worldwide. These products enjoy intellectual property rights that identify them as “quality products with a tradition”. In the case of Feta, the biodiversity of the land, coupled with the special breeds of free ranging sheep and goats, producing the high quality milk used in its production, along with the favourable Mediterranean climate and the millennia-old manufacturing techniques, have contributed in building up the IP Rights of our world famous GI. Feta cheese is probably the oldest and most renowned EU GI, since it dates back to the Greek – Trojan War, more than 3000 ago. Furthermore, it is one of the few EU GIs which is still produced in the same nature friendly way as it has had being produced throughout the millennia. It is a high quality product, which is very difficult, if not impossible, to copy or reproduce, as its main factors of production are especially unique.

As we have repeated quite a few times in the past, the biggest fallacy in this case is that the usurpers of Feta cheese in the Canadian market are producing a cheese that has no comparison whatsoever to Feta, other than regarding its appearance, but even the appearance of these imitation products is obtained artificially. In order to put things in perspective, we would like to highlight certain undeniable facts that support our requests for a fairer and minimally acceptable solution in the case of Feta:

a) “Feta cheese” is the only EU M-S flagship GI that did not get proper protection as the Commission had promised at the start of the CETA negotiations, as i.e. Parmigiano Reggiano and Prosciutto di Parma did.

b) The Commission is well aware of the painstaking process that an EU food product has to go through in order to be awarded the status of an EU GI. The milk ingredients, along with the special breeds of grazing sheep and goats, feeding on the rich variety of the natural flora of the Greek mountainous countryside, along with the millennia old natural method of production of this cheese, were some of the basic criteria examined during its EU GI accreditation procedure. **Feta cheese has been made for more than 3000 years exclusively from either 100% sheep’s milk or from mixtures of sheep’s milk (70% min.) and goat’s milk (30% max.), as documented in related EU Reg. 1829 / 2002 and its specifications published in Official Journal L 277 15.10.2002. Throughout its long**

EU – CANADA CETA

Greek Argumentation regarding protection of GI Feta Cheese

production history, Feta cheese was never produced from cow's milk or from 100% goat's milk or from Buffalo milk or from a combination of these milks.

c) Neither the so called "Feta cheese" made in Canada nor the authentic Greek Feta cheese are generic products as the Canadians claim. In order for a product to become generic it has to be firstly treated as such in the continental area where it originated and not in another continent 10.000 km away. No other country in the Balkans or the Middle East, where these 2 cheeses originated, considers them as generic, since every country in the region has its own ethnic denomination for its similar types of cheeses.

e) Furthermore, our credible claim that the controversial Canadian cheese, so-called "Feta", is a totally different product than our authentic Feta cheese is also corroborated by the different classification of the two cheeses in the TARIC and WCO tariff classification systems. Authentic Greek Feta cheese is classified by the 8 digit code "04069032" while the controversial Canadian cow's cheese in brine, called Telemea in Romania & Greece, is classified by the 8 digit code "04069088".

Due to all of the above, we feel that Greece has been unfairly discriminated upon, especially regarding the arrangement in "para. 2 of Art. 7.6 – Exceptions" of the draft text of the agreement, where Feta is on a list of 5 EU GIs cheeses -Feta, Gorgonzola, Asiago, Fontina & Munster-, that are to be exempted from the enhanced protection that will be awarded to the majority of EU GIs that are on Canada's short list. Under the above arrangement, these 5 EU GIs will instead fall under the grandfathering scheme, which will allow all previously established homonymous imitation cheese products in the Canadian market to coexist side by side with them. We feel that this arrangement is not only discriminatory against our famous GI but also unfair and inappropriate, as the case of Feta has not much in common with the other 4 EU cheese GIs on this list. This is mainly due to the fact that, while the other 4 EU cheese GIs are facing practically fair competition from similarly made homonymous products / copies in the Canadian market, at least regarding the animal milk source used in their production, in our case, the majority of the Canadian usurpers are producing / marketing a totally different product than our authentic GI Feta. In fact, they are marketing a lower quality cheese which is practically identical to the Romanian cheese "Telemea", made from cow's milk.

Therefore, **without changing at all the text of the Agreement**, in fairness and in order for us to receive equal treatment as the other 4 EU GIs on this list, it is necessary that a small explanatory footnote be added at the bottom of the page, where para. 2 of Art. 7.6 of the draft agreement is found, in order for the discriminatory aspects of this arrangement to be alleviated. **In that regard, we propose that the following two small technical changes be inserted, which do not alter the text of the agreement, even by the slightest, as they only insert an explanatory footnote at the bottom of the page: (a) next to the word Feta, a corresponding footnote number should be added and (b) at the bottom of the page, this footnote should define which cheeses would be considered as Feta, based on the most important criterion of Feta's production during the last 3.000 in Greece, that is, its milk ingredients. So the explanatory footnote should read: [cheeses made exclusively from 100% sheep's milk or from mixtures of sheep's milk (70% min.) and goat's milk (30% max.)].** In such way, only those users, who were ethical enough to copy our authentic Feta cheese, by at least using the same milk ingredients, will be allowed to coexist side by side with our famous GI in the Canadian market and therefore allow for fair competition between the two similarly made products. In parallel, the Canadian consumers will also be protected from being deceived into buying a totally different than expected product or a product of lower or dubious quality.

Our above request does not require any renegotiation of the agreement, as by defining which are the legitimate similar to Feta cheese products in the Canadian market, it only restores an unfair trade practice, in order to allow for the basic principles of market economy rules, as fair competition, to be applied. We believe that fair competition is the most important market correcting mechanism in trade, as it creates the right balance between quality and price and simultaneously protects both, the consumers, by reducing prices and the producers, by eliminating from the market all those who engage in unscrupulous business practices. As a result of fair and unobstructed competition the market will balance out and conditions for consumers and producers will tend to be close to ideal. We believe that Canada, as our preferred FTA partner, will allow free and fair competition for our world famous GI Feta in its market and will stop protecting unethical and unscrupulous business practices by allowing two totally different cheese products to be sold under the same denomination, even though there is practically no

EU – CANADA CETA
Greek Argumentation regarding protection of GI Feta Cheese

similarity whatsoever between the two. We hope to be allowed to compete fairly and ethically with similar cheese products in the Canadian market, in order for the CETA agreement to live up to its promise of being a mutually beneficial agreement.

Although we had expressed our related concerns numerous times throughout the long period of the CETA negotiations, both through written documents and by our statements in the FAC/Trade, as well as in the TPC, unfortunately the Commission concluded the negotiations by totally ignoring our concerns and sensitivities on this issue. Therefore, at this final stage, we believe that it would be beneficial for all sides involved, if the Commission and then Canadians would listen to our fair and justifiable argumentation and try to solve this problem, before the CETA agreement comes to Council for approval.

Finally, given the circumstances, it seems that only through the above proposed fair and legally valid arrangement it would be possible to protect both the Canadian consumers and the Greek “Feta” producers from the existing unscrupulous market practices of some Feta usurpers in Canada. Otherwise, we are afraid that if the present parameters remain the same regarding the extremely limited protection of our flagship GI Feta attained in CETA, it would be impossible for us to adopt and sign this agreement when it comes up for adoption and signature by the Council and by our national parliament.