Global Facilitation Unit for Underutilized Species

Relevance of geographical indications and designations of origin for the sustainable use of genetic resources

Findings and lessons learnt from developing and transition countries

Commissioned by GFU to Jorge Larson, Mexico

Study objectives:

- assess relevance to the conservation and sustainable use of local ABD of:
  - EU legal schemes (also for non-EU producer groups)
    - Protected Geographical Indications (PGI)
    - Protected Designation of Origin (PDO)
    - Traditional Specialties Guaranteed (TSG)
  - other legal distinctive signs in other countries
- provide recommendations for development oriented research and cooperation

Why this study?

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- GFU's mission is the promotion of underutilized plant species to improve livelihoods
- These species are part of the local biodiversity and cultural heritage
- These crops are marginalized and no conservation strategies are in place; conserved through their limited use
- Better marketing opportunities would enhance their conservation and generate additional income for producers

Why this study?

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- GI schemes are instrumental to improve marketing; consumers are increasingly demanding goods with a particular link to tradition and origin
- Increased use and recognition of GIs worldwide reflects the economic potential involved
- GIs in Europe are implemented in the context of rural development in less favoured areas.

  An opportunity also in developing countries?

Case studies

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to illustrate

- traditions and innovations
- contributions and threats to biodiversity conservation
- use of traditional and innovative knowledge and practices
- economic benefits
- governance issues

  – 17 from developed countries
  – 13 from developing and transition countries
  (3 GI registrations still underway: argan oil, cassava gari, lama guanaco fibre and meat)

Extent of GI protection

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- **Europe:** 711 food products within EC
  Italy 154 (vegetables, olive oil), France 148 (cheese, fresh meat), Spain 97, Portugal 93, Greece 84, Germany 67 (beers, other drinks), UK 29, Austria 12
- **Brazil:** 12 (food and non-food)
- **India:** 28 (Darjeeling tea, food and non-food)
- **Africa:** no registered GI for foodstuffs

General Findings

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Challenges for GI implementation in developing countries greater than in developed economies:

- Institutions weaker or undeveloped vis-à-vis fraud repression, intellectual property, natural and genetic resource management
- Benefits from GIs in developing and transition countries not always obvious

Opportunities: existing cultural and biological diversity

Basic conclusions

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Enabling institutional environment

- Type of GI protection (preventive or positive) is less relevant for transition or developing countries
- Aim should be: greatest benefits at lowest transaction costs
- *GI strategies in transition and developing countries have to include strengthening national and regional institutions needed for an enabling environment*

Basic conclusions

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Value chain differentiation

- Successful GI implementation may become an economic mechanism that excludes poor producers and consumers from access to these products due to increased prices

Would be particularly negative in cases of nutritionally and culturally relevant foods.

Basic conclusions

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Value chain differentiation

- Producer organizations, cooperation agencies, governments should develop distinct policies, regulations and products for value chains that aim at different markets (local, regional, national export)

- Experience from developed countries: regional and national markets most important for traditional foods

Basic conclusions

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Sustainability and biodiversity conservation

Agro-industrial generic products based on volume and low prices and often supported by public policies are increasingly gaining access to local and regional markets;
local farmers compete with these generic products =>

- GIs give farmers the possibility to commercialize products with a differentiated identity to avoid such competition

- GIs are means to retain control over natural resources, traditional/innovative knowledge and practices inherent to livelihoods

Basic conclusions

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Sustainability and biodiversity conservation

- GI protection may promote biodiversity conservation
  - production/management practices include landscape and ecosystem consideration
  - market success with GI protection supports rural livelihoods that depend on the sustainable use of biodiversity, including local landraces or wild species

However…

Basic conclusions

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Sustainability and biodiversity conservation

- GIs are only an option when there is surplus production and a market; this is not the case for many underutilized genetic resources

- Productivity objectives emphasize on modern varieties/breeds and/or homogenization of resource base => threat to biodiversity => avoid GI registration in which a particular variety is the main distinctive characteristic

- Registration of a GI alone does not generate biodiversity conservation or distribution of benefits to farmers => collective governance of value chain is most important feature of GIs to achieve development goals

Developing and transition country GIs – contribution to biodiversity conservation and development

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	Biodiversity conservation		**Knowledge & practices**		**Economic benefits**	
Contribution	Landscape/ Ecosystems	Genetic resources	Traditional	Innovative	Local/ regional	National
Relevant	3	2	4	2	4	2
Modest	4	8	7	8	8	9
Negligible	6	3	2	3	1	2

Transition and developing countries

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Lessons learnt

Opportunities

Biodiversity

- ✓ GIs linked to well managed extractive activities promote the conservation of natural vegetation/forests with benefits to ecosystem and landscape
- ✓ The existing biological/cultural diversity is an asset that can be developed through GI differentiation

Transition and developing countries

Lessons learnt

Pitfalls

Biodiversity

- Linking a GI to a specific variety/landrace/breed as a response to productivity and market demands marginalizes other GR that are biologically and culturally relevant

- In situ conservation practices cannot be easily recognized and developed under structural economic conditions in which financial and human resources are lacking

Transition and developing countries

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Lessons learnt

Opportunities

Knowledge & practices

- ✓ Strong links between product and culture justify GI protection and benefit rural development even if there are no biodiversity conservation contributions
- ✓ Once small producers have achieved the quality standards needed to access new markets, precise use of geographical information in labeling can be easily implemented with or without GI registration
- ✓ TK key to food production (seed selection criteria, recipes, food conservation practices) can be used for GI development and thus be protected from biopiracy

Transition and developing countries

Lessons learnt

Knowledge & practices

Pitfalls

- Formal and well disseminated knowledge and information about biological resources and cultural practices with GI potential is often lacking

- Small farmers that conserve/use genetic resources often cannot produce surpluses to participate in market oriented activities such as GI development which requires a minimum economic activity

Transition and developing countries

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Lessons learnt

Economic benefits

Opportunities

- ✓ Convergence of GI strategies with other market incentives such as fair trade labeling and organic certification is useful for small organizations
- ✓ When a reputation already exists, small farmers may benefit directly from preventive GI protection coupled with niche market development (e.g. gourmet, organic or fair-trade)

Transition and developing countries

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Lessons learnt

Pitfalls

Economic benefits

- Small producers are vulnerable in national and export markets for economy of scale reasons which cannot be addressed solely by GI differentiation
- Although evidence of economic benefits from GI protection is found, the distribution of benefits within value chains remains unclear and several cases point to concentration of power within processors and distributors
- Employment generated by agro-industrial GIs may contribute to rural economy but not necessarily generate benefits for conservation and small farmers

Transition and developing countries

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Lessons learnt

Pitfalls

Economic benefits

- Subsistence farmers do not benefit from GIs because they do not achieve surplus for the market
- In the absence of democratic governance structures the value added by GIs may not be capitalized by the region or by small farmers
- Market segmentation that targets only high end niches may generate economic exclusions or inhibit access to nutritious and culturally valuable products by local or low income populations

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Thank you for your attention!!!

www.underutilized-species.org