

# **Case Lessons in Geographical Indications**

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# Agenda

1. Introduction to the work
2. Key lessons learned
3. Brief Synopsis of cases

## Different Philosophies reflect different ways of using GIs:

- 83 nations and the EU use *sui generis* protection for GIs
- 56 nations, including US and Japan, use “marks” systems
- A number like China use both...

# Geographical Indications – Approaches and Value for Developing Countries

Objectives of our work with ITC:

- ➔ Distill relevant lessons for developing regions - review of nearly 200 pubs. and 9 original cases.
- ➔ Offer basic understanding of key issues for developing countries (i.e. public benefits, costs, etc.)
- ➔ Outline pros-cons of different choices, instruments, and approaches

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# GIs & developmental characteristics

- ⇒ They emphasize **local dev. & governance**
- ⇒ They value the **cultural** aspects and **traditional methods** that are intrinsic to the production and processing of a product.
- ⇒ They also value the land and its particular **agro-ecological characteristics** (unique organoleptic aspects difficult to duplicate)

# GIs & emerging trade demands

Typically, though not always:

- Apply food **safety standards**
- Use **certification** systems that can interface with others such as organics & HACCP
- Tend to be **traceable** due to their uniqueness especially with the advent of low-cost DNA tracing
- Implement **appropriate technology**

# GIs & business development

- ⇒ Beyond 1 GI product, **supply chains**
- ⇒ Affects **other products**
- ⇒ Fosters **rural integration**
- ⇒ GIs participate closely in various “partnerships” with **private firms** for consumer recognition.

# Geographical Indications & environment

⇒ The case is less certain:

- Literature limited but documented cases point to positive and **mutually reinforcing relations**
- Assumption that intrinsic link to 'place' would induce better levels of **environmental stewardship** ... (but not necessarily e.g. Mezcal)



# GIs, Culture, & the Local

- **Emphasize the local** but not in insular manner (i.e. interact with global consumers and markets)
- Levels of **endogenous development**<sup>1</sup> in GI locales (documented in Brazil, Italy, UK, Portugal, Latvia, South Africa, and Argentina)
- Conceptual frameworks foster **integrated form of rural development** where institutional structures may benefit local and regional governance
- New cases: **value the cultural** aspects and **traditional** methods that are intrinsic to production and processing
- **Beyond food** to wool, crafts, tourism, indigenous knowledge

<sup>1</sup>. as measured by the number and intensity of relations, the quality of social capital, and collective action (Sylvander & Allaire 2007)

## GIs do not always make sense

- ⇒ Commercially successful GIs will not simply emerge
- ⇒ There is **no one-size-fits-all** approach
- ⇒ Success is often measured in decades - requires patience and **sustained commitment** of resources
- ⇒ **Equitable participation** among those in a GI region are critical to consider, and not easy to accomplish

# GI Cases Core Elements

9 cases (8 covered here):

- **Antigua, Guatemala** - A planned, well-managed multi-year effort initiated and run by local producer/ exporter association building on historic market recognition to create a unique brand. Quality standards are high as are the returns to producers who typically experience steady year-to-year demand, even during times of market saturation.
- **Darjeeling, India** - A long-standing and well-known premium origin battling domestic and global mis-use of its name with the help of state-managed bodies. It raises issues beyond the law reflecting the need for diplomatic and whole supply chain solutions to acquire adequate protection, as getting downstream actors in the value chain to comply remains a problem. Upstream, productivity and labor relations challenges present deeper socio-economic problems that will not be sufficiently addressed just with legal protection as a GI.

# GI Cases Core Elements

- ⇒ **Gobi Camel Wool, Mongolia** - A very new GI, in a country with little GI experience, illustrates the challenges of well-intended efforts to build on its recognition to create a viable marketing opportunity for a poor segment of the population. Difficulties in participatory organization have resulted in few stakeholders grasping the rights and obligations of the GI, including the essential need for proactive management and internal-external control measures.
- ⇒ **Jamaica Blue Mountain** - Renowned origin that has built its way back from notoriety as a low-quality producer to one of the most remunerative origins with strong state support. As the origin becomes fully established, the controls have become more private-sector oriented with the government playing more of a regulatory than commercial role.
- ⇒ **Kona, Hawaii** - Kona demonstrates characteristics of a mature GI featuring small farmers and a reputation that boosts the local economy and creates new kinds of market challenges. The ability to leverage tourism and to vertically integrate using modern low-cost technology (i.e. internet sales) illustrates some of the potentials and some of the difficulties of success.

# GI Cases Core Elements

- ⇒ **Mezcal, Mexico** - A relatively new GI faces considerable opportunities within its broad geo-cultural scope and some equally difficult challenges to maintain the environmental and social aspects that have made Mezcal's recent recognition possible and earned its market credibility. Stakeholders struggle to learn lessons from their local big brother GI "Tequila".
- ⇒ **Nariño, Colombia** - An emerging origin well aware of the challenges of creating a new GI and applying some lessons from other good practice cases. It uses participatory local decision-making to ensure social inclusion and innovative technology to ensure that the GI's prized flavors do exist in all parts of the proposed area so that it has true differentiation and credibility in the market.
- ⇒ **Veracruz, Mexico** - Although established with high hopes and strong government support, this GI illustrates how difficult it is to develop the necessary reputation of a marginally well-known origin and to get the institutional structure right. The combination of difficult rules and lack of strong market demand for a differentiated product from this region have combined to nearly eliminate the benefits of its Denomination of Origin.

# General Determinants of + GI outcome

Case studies and lit. reflect 4 factors:

1. **Organizational & Institutional Structures** that maintain, market, and monitor GI
2. **Strong Market Partners** to promote over the long term
3. **Legal Protection** including a strong domestic GI system
4. **Equitable Participation** among the producers and enterprises in a GI region

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