



FP6-2003-SSP-3 - 006522

SINER-GI
Strengthening International Research on Geographical Indications:
from research foundation to consistent policy

Instrument: SPECIFIC TARGETED RESEARCH OR INNOVATION PROJECT
Thematic Priority: PRIORITY 8.1. POLICY-ORIENTED RESEARCH (SSP)

TASK 3 – Synthesis and policy implications
 WP 7 – Potential strategies and recommendations

D10 – Proceedings of the Meeting on policy recommendations

Months 31-39

Due date of deliverable: month 31
 Actual submission date: month 38

Start date of project: 1st May 2005

Duration: 39 months

Lead contractor for this deliverable: partner n°11: UNED

Assistants: partner n°1: INRA – partner n°3: UNIFI – partner n°5: UNEW – partner n°10:
 ORIGIN

Revision: draft 1

Project co-funded by the European Commission within the Sixth Framework Programme (2002-2006)
Dissemination Level

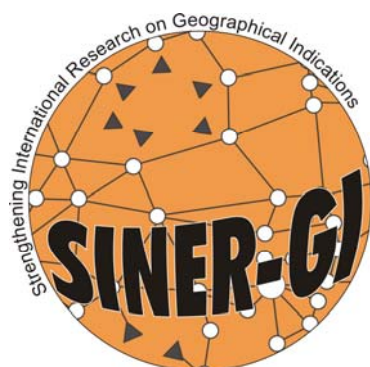
PU	Public	X
PP	Restricted to other programme participants (including the Commission Services)	
RE	Restricted to a group specified by the consortium (including the Commission Services)	
CO	Confidential, only for members of the consortium (including the Commission Services)	

Table of contents

Chapter 1: PAB meeting minutes, Roma January 2008	4
PAB Meeting Agenda	5
PAB Meeting Minutes.....	7
1. GIs and scenarios of evolution of the international trade regime.....	7
<i>Gilles Allaire, INRA Toulouse (F)</i>	
2. Public and collective bodies in support to GI initiatives and public policies support schemes.....	12
<i>Giovanni Belletti and Andrea Marescotti, University of Florence (It.)</i>	
3. To strengthen European quality forum	17
<i>Denis Sautier, CIRAD (F)</i>	
 Chapter 2: "Sharing views on Quality Products Linked to Geographical Origin; How they can contribute to rural development?": proceedings of the meeting	21
Programme of the conference.....	23
Opening Remarks and Objectives of the Meeting	26
FAO Program and Case Studies on Specific Quality Linked to Geographical Origin	27
<i>Emilie Vandecandeleare, FAO-AGNS</i>	
Siner-GI case studies: Objectives and methodology of comparative analysis.....	31
<i>Gilles Allaire, INRA Toulouse (F) and Denis Sautier, CIRAD (F)</i>	
 Part 1: Economic issues: adding value, market power and sharing benefits along the food chain.....	35
Opening contribution to economic issues session.....	36
<i>Barna Kovacs, Corvinus University of Budapest (HU)</i>	
FAO Case studies: Evidence on Economics Aspects	37
<i>Emilie Vandecandeleare, FAO-AGNS</i>	
Business Models to Enhance Farmers' Access to Markets for High-Value Certified Products.....	40
<i>Emmanuelle Le Coutrais, Pilar Santacoloma, Enva Gálvez and Florence Tartenac, FAO-AGNS</i>	
Kraljevacki Kajmak case study.....	44
<i>Marguerite Paus and Magali Estève, AGRIDEA (CH)</i>	
Brazilian Pampean beef Case study	48
<i>Claire Cerdan, CIRAD (F)</i>	
Rooibos Case Study	55
<i>Estelle Biénabe, Dirk Troskie, Cerka Bramley, Maya Leclercq, Cirad (F), Western Cape Dept of Agriculture, University of Pretoria (Sth Africa)</i>	
PDO Wine Labels: Quality Signals or just Noise?	58
<i>Maria L. Loureiro, University of Santiago of Compostela (Spain)</i>	
Discussants Comments – Economic Issues	59
<i>Dwijen Rangnekar, CSGR/Law, University of Warwick (UK)</i>	
Geographical Indications - Approaches and Value for Developing Countries	61
<i>Daniele Giovannucci, ITC</i>	
 Part 2: Institutional and legal framework: need and governance.....	63
Implementation of the TRIPS Agreement and legal diversity	64
<i>Erik Thévenod-Mottet, Agridea (CH)</i>	
FAO case studies: Evidence on Institutional issues	65
<i>Emilie Vandecandelaere, FAO-AGNS</i>	
The problematic of certification and control for GIs.....	67
<i>Rainer Bächli, IMO Switzerland</i>	

Diversity of institutional framework for GI systems/markets according to the potential evolutions of the international trade regime	70
<i>Gilles Allaire, INRA (F), Dominique Barjolle, Agridea (CH), Talis Tisenkopfs, University of Latvia</i>	
Protection of Geographical Indications - implementation of an adapted legal framework	78
<i>Matthijs Geuze, OMPI</i>	
FAO's Legal Advisory Work: Basic Principles and How They Apply to GIs.....	83
<i>Daniele Manzella, FAO</i>	
Discussants Comments – Institutional and legal Issues.....	85
<i>Christoph Spennemann, UNCTAD</i>	
 Part 3: Rural and sustainable development: the impacts of quality linked to geographical origin schemes implementation.....	86
Geographical indications and nutrition	87
<i>Barbara Burlingame, FAO</i>	
Evidence on Rural and Sustainable Development	89
<i>Emilie Vandecandelaere, FAO-AGNS</i>	
Quality Products Linked to Geographical Origin: A Strategy for Development in Mountain Regions?	91
<i>Alexia Baldascini, FAO</i>	
Empirical evidences on rural development impacts	92
<i>Gilles Allaire, INRA (F), Dominique Barjolle, Agridea (CH), Talis Tisenkopfs, University of Latvia</i>	
Protecting and valorising GI systems in the light of rural development: Institutional settings and Policies	95
<i>Andrea Marescotti, Giovanni Belletti, Angela Tregear and Filippo Arfini, Universities of Florence (I), Edinburgh (UK) and Parma (I)</i>	
Relevance of geographical indications and designations of origin for the sustainable use of genetic resources – Findings and lessons learnt from developing and transition countries.....	101
<i>Irmgard Hoeschle-Zeledon, GFU for underutilized species</i>	
The sustainable development aspects of GI protection.....	102
<i>Maria Julio Oliva, ICTSD</i>	
Biodiversity protection and valorization, experiences from Slow Food.....	103
<i>Cinzia Scaffidi, Slow Food</i>	
Linking GI animal products with local breeds	105
<i>François Casabianca, INRA (F)</i>	
Discussants Comments – Rural and Sustainable Development Issues	106
<i>Laurence Bérard, CNRS (F)</i>	
Conference participants list.....	108

Chapter 1: PAB meeting minutes, Roma January 2008



SINER- GI

PAB meeting, 30th January 2008

Via Torino, 44 – Rome

Meeting Agenda

<i>Time</i>	<i>Session</i>	<i>Basis</i>	<i>Chair</i>
14.00	Welcome		G. Allaire
14.10	GIs and scenarios of evolution of the international trade regime	Gilles Allaire	J. Wilkinson
	<p>Return on WP6 methodology: On basis of WP5 Case studies, the work done within WP6 consisted in an international comparison on GI initiatives and protection schemes. To realize the comparison three scenarios on the evolution of the international trade regime and the position of GI value chains were defined. Using the DPSR method applied to GI systems and protection schemes, we realized an assessment of all GI systems in each scenario and a synthesis by geopolitical contexts. Lastly economic, social and environmental impacts were analyzed according to GI system types and protection schemes.</p> <p>Objectives of the debate:</p> <ul style="list-style-type: none"> - presentation and debate on the three evolution scenarios of international trade regime: convergence, divergence, plurality - declension of the scenarios at regional levels (Latin America, Eastern Europe...), using DPSR analytical grid - validation of "invariant" effects identified among all GIs cases studies (impact analysis) 		
15.50	Break		
16.00	Public and collective bodies in support to GI initiatives and public policies support schemes	Andrea Marescotti and Giovanni Belletti	J. Wilkinson and Gilles Allaire
	<p>Objectives of the debate:</p> <p>The debate will focus on the analysis of the forms of support that public and private actors can engage to develop GIs. We'll examine the types of protection schemes and the types of actions committed</p>		
17.00	To strengthen European quality forum	Denis Sautier	J. Wilkinson and Gilles Allaire
	<p>Objectives of the debate:</p> <p>The debate will deal with issues related to the establishment of quality fora and their competition. The analysis will focus on the European Union action, although the questions raised are applicable to other regions or countries engaged in the definition of quality schemes</p> <p>For Europe, three types of issues can be identified:</p>		

	1/ The continuation of negotiations within the framework of TRIPS (register...) 2/ The increase of bilateral agreements aimed at developing mutual GIs recognition 3/ Strengthening the European system as a quality forum During the discussion, emphasis will be put on the latter point, whereas it can't be addressed without reference to two other stakes		
18.00	End of the SC meeting		

PAB Meeting Minutes

Presents:

For Siner-GI: Gilles Allaire (INRA Toulouse), François Casabianca (INRA Corte), Andrea Marescotti (UNIFI), Giovanni Belletti (UNIFI), Denis Sautier (CIRAD), Dominique Barjolle (AGRIDEA), Erik Thévenod-Mottet (AGRIDEA), Ester Olivas (ORIGIN), Filippo Arfini (UNIPR), Talis Tisenkopfs (University of Latvia)

For PAB: Laurence Bérard (CNRS), Dwijen Rangnekar (University of Warwick), Piero Sardo (Slow Food), Barna Kovacs (Corvinus University of Budapest), Marija Cerjak (University of Zagreb), Jacques Henchoz (Swiss Ministry of Agriculture), Matthijs Geuze (WIPO)

Invited: Emilie Vandecandeleare (FAO)

1. GIs and scenarios of evolution of the international trade regime

Presentation by Gilles Allaire (INRA Toulouse)

Presentation of the three scenarios

- Convergence: We have to consider the evolution of how are organized the markets, what are the objectives of actors of the markets, how GI rules and juridical tools are used or not. That's why convergence is on the vision of GI. This convergence concern policy makers but also all actors of the value chain. In this scenario origin can be an integrator of different type of quality attributes
- Divergence: Divergence on the vision of what is GI and origin based quality schemes. This divergence is weakening of GI as market tools. Fuzzy standards. Private quality schemes
- Plurality: coexistence of different quality schemes with GI and plurality of quality for a (several conceptions of what is quality linked with the origin), that market succeed to manage. You can have for example faire trade or organic linked with origin, i.e. combining different quality approaches in a sustainable development perspective.

The methodology will be presented in the meeting with FAO the day after. The discussion in the PAB meeting is only to focus on some points, to be shared and discussed with PAB members.

To compare your case studies, we have tried to see what are the driving forces, pressures, actual states, and the responses of the actors. Only driving forces have been presented during the PAB meeting.

If we consider the institutional and legal framework, we found several types of driving forces:

- Global change in the demand, more demand for diversity, both in North countries and also in South
- Reform of agricultural policies
- Increasing of standards (ex: hygiene standards) and competition between different types of norms
- For New States Members, Europeanization; but also complain with WTO requirements
- Importance of sanitary norms

At the level of economic system trajectory, we have also driving forces:

- Global market and global competition with the role of intellectual property rights
- Trade liberalization, with cost competition as pressure
- Important political transition, for example in South Africa and also in case of Europeanization
- Increase in living standards which play a role in the extension of diversity of the demand

- Initiatives linked with the process of decentralization

The results of case studies analyzed will be developed in details during the FAO meeting.

Come back on a short presentation of the three scenarios

Convergence: growing role of GI certification in the quality schemes. This scenario is linked with the development of sui generis forms of protection, and with the development of policies for use of GI in the organization of global market. It's not only a juridical convergence, but also a convergence on the value attached to origin, between consumers, marketers, and policy makers. The main argument to support this scenario is sustainability of the protection.

Divergence: GI recognition in the context of large global market. The diversity of the quality schemes lead to a fuzzy type of standards and can lead to quality crisis where you can loose premium. Globally this scenario leads to weakening of quality schemes linked to the origin, compared with other quality schemes (organic, fair trade...). In this scenario we have an importance of private quality schemes. The argument to support this scenario could for certain GI to find a premium on niche market (ex: Champagne, Tequila...)

Plurality: diversity of the GI visions, which can be very different in Europe and in India for example. In this scenario a pluralistic system can be managed by the market, and be a room for some collective and/or local initiatives. In this system there is an important role of the media because there is a circulation of different visions on GIs through media. You also have hybrid forums with different types of local initiatives on quality based on origin. The main argument to support this scenario is to combine quality approach. We'll have market segmentation and possibility to have several quality forum and regional level in the world.

During SINER-GI regional meeting in Santiago (December 2007), we had a reflexion on how Latin America Cases fill the different scenarios. We did the same during the regional meeting in Budapest (October 2007) with European cases. We don't have enough case studies to do the same for each regional context in the world (Asia, Mediterranean area).

For Latin America, the position is that divergence is the current scenario. There is no clear vision of what is GI in Latin America, because they have a strong culture on trademark.

In the future, plurality is the most probable scenario because of tension between EU and US frameworks. That needs some changes in the position of Cairns group countries.

It exist regional cooperation between to promote rural development and this cooperation could in favour of plurality scenario.

In the convergence scenario, the power is close to the processors (ex: Tequila). Convergence could be more favourable to large and well established market GI and export. We can ask if plurality could perhaps give more power to small scale producers and be in favour of local development initiatives. On economic factors and political factors, plurality seems more favourable to small scale and niche (domestic) markets.

Questions to open the debate:

- What think PAB members of the three scenarios?
- What think PAB members of proposed lecture on current international trade regime?
- How development the three scenarios on different geopolitical and regional contexts?

Richard Balling

In UE, there is also different consumer confidence and quality schemes

Plurality is the way. How to deal?

Should we keep GI scheme clear? Or integrate (convergence) aspects of other quality schemes, organic or fair for example.

How important is tradition for GI for example?

Emilie Vandecandeleare

Plurality seems to be a scenario for rural development, but could be adapted to different situations

Even if you have convergence on what a GI is, you could have a diversity of GI systems

Laurence Bérard

Is plurality for developing countries only?

Convergence and divergence: possible to have both scenarios depending on type of products, for example in France.

Importance of the role of culture and power given to GI actors: culture of products vs culture of enterprise

Marija Cerjak

Consumers are very important: their awareness is key. Do they understand difference?

Consumers are a driving force

If they aren't aware of GIs and don't make difference between products, it's difficult to choose a scenario

Barna Kovacs

Did you identify the interest group behind the scenario in the case studies? It seems to be important to make comparison.

Gilles Allaire

Sometimes, we have identified some group of interest behind GIs. But also the type of actors involved in each GI system, as one of the variables used to differentiate GI systems.

Barna Kovacs

Consumers' perspective is also a driving force.

Matthijs Geuze

The results of divergence, is it not plurality? What is the difference?

Gilles Allaire

In Akerlof analysis for example, you can see that if you don't have a clear definition of the quality, the market is not able to function. Divergence scenario is based on this classic economic argument. Different quality schemes will weaken the quality, because of heterogeneity of the products. May be consumers will prefer for example organic to GI, or won't be able to differentiate products. So, it will make loose premium for producers.

In plurality scenario, we suppose that several quality schemes can coexist, and that consumers are able to differentiate quality schemes.

Divergence is when plurality is not a success, with too much heterogeneity of the GI products, and no visibility.

Matthijs Geuze

Does plurality scenario imply that some countries change their regulation?

Gilles Allaire

Scenarios are more on how the market works, not exactly on the legal system. We can suppose no change in the legal system.

For example, if you put environmental norms in the code of practice, you are seeking for convergence, but you have people who say that environmental norms have to be for all products (not only for GIs). It has nothing to do in the code of practice.

Erik Thévenod-Mottet

To be clearer may be distinguish two different levels in each scenario:

- focusing on the GI standard itself
- GI amongst quality standards and labels

You can have divergence between different conceptions of GIs, and if there is a very low conception of GIs regarding requirements, it may weaken all GI and modify the position of GIs.

Each scenario should clearly address:

- the future of GI (different conceptions of GIs)
- the future of GI relation / other quality standards

Second point, we should think that some standards for GIs can be integrated through standard labelling. That the example for fair trade and it can also be observed for GIs when requirements are very low.

Matthijs Geuze

You cannot fully neglect the legal aspects. Because you have situations:

- protection against genuine producers who cheat
- competitors who are not genuine producers, and don't have to follow these rules on the global market

On the market you will meet competitors who do not follow some standards. When producers export to another country the GI has to be generic.

Plurality raises the question of legal setting and its combination with private setting. For example there is no regulation for fair trade, it's a private thing develop by NGOs and private companies.

You have on one side, convergence as a basic standard of GIs; and on the other side, as a combination of private and public settings seen as plurality. In convergence, you have for example opening the UE system to third countries, etc. In the result convergence will always be opened because you have a lot of private initiatives. So in the result it's plurality.

In reality there are a lot of different situations. For example in coffee we have a lot of fair trade initiatives, and organic for fresh products. It's too easy to say that diversity of quality standards weaken quality premium, because for consumers' expectations, region, products and initiatives are different. For each product in each region, you don't really have a competition because very often the industry or the retailers decide of the way they will use the coexisting quality schemes regarding consumers' expectations. So in fact, there is real competition.

Gilles Allaire

I agree with our opinion on the plurality of the current situation. But what we can perhaps say is if we want to have strong GI we have to develop more convergence. For coffee for example, one position could be, because fair trade need origin we have to develop GI scheme in coffee. But we can have an opposite position based on how to manage the plurality.

Dwijen Rangnekar

I understand very well what was said about "strong GI" and "convergence". But I want to make clear on what about the primary factors, what are they looking for in terms of convergence or success?

If we do have to share the notion of GI we have to see that different countries have different legal traditions and way to implement legal tools.

It's idem for "success". It's a very large concept which might mean market, few producers with high standards, and small volume with high value product. You do get plurality in terms of the outcomes, but you might get convergence in terms of institution.

Erik Thévenod-Mottet

To be clearer we should also distinguish between:

- Infrastructure level that is the legal framework established, to define what is PDO or organic for example. In some countries this level exist and sometimes it doesn't exist
- GI system level which can be with very poor requirements even if there is an infrastructure level. And you can also have private individual initiatives which are very strong and well organized.

It's the same for organic farming for example.

Emilie Vandecandeleare

No sure that fair trade or organic are in competition with GIs. But if it is the case, unlike fair trade and organics there is no international rule or organisation of the code of practice.

So if we want convergence, which institution will give international regulation (like IFOAM, and FLO for example)?

For convergence scenario, we need international organization. It could be Origin.

The specificity of GI is code of practices elaborate with local actors. The question is how to connect this initiative with all the others in the world?

Erik Thévenod-Mottet

Even if you have unified GI infrastructure, you'll have very different GI systems inside. You need to consider scenarios at the GI system level.

Emilie Vandecandeleare

Even EU does not have so many rules to implement the code of practices (level of specification, way producers and traders use the code of practice...). If we want GI to become more organic or fair trade friendly, we need this kind of model of the implementation of the code of practice.

François Casabianca

I agree because the question of code of practice associated with GIs is not so evident.

What kind of shared vision can we imagine for a convergence scenario? Which content do we put?

On what condition convergence scenario is positive for GI? It's not evident.

Another way to see convergence scenario should be that we have a shared vision but an "antivision" of what is GI, so we can consider that we need no more GI.

Laurence Bérard

May be convergence has to do with culture. It may be different from divergence.

Due to culture, codes of practice vary. The codes of practices vary because of the sense of the practices, and also the place of the producers and stakeholders. For some GI, decision power is not at the level of GI localisation.

Matthijs Geuze

If we want to give examples of convergence, we can mention Parmesan. There was an attempt to come to an international convergence on what is Parmesan in the Codex Alimentarius.

Gilles Allaire

The issue of convergence is to understand for example if we have attempted to put for example environmental norm inside the code of practice.

Emilie Vandecandeleare

The interest and originality of GI is that each code of practice is unique have to stay like this. But the question is how to give general rules to pay attention to rural development or environmental issues for example, and to implement the GI?

2. Public and collective bodies in support to GI initiatives and public policies support schemes

Presentation by Andrea Marescotti and Giovanni Belletti (UNIFI)

Objectives of the debate: The debate will focus on the analysis of the forms of support that public and private actors can engage to develop GIs. We'll examine the types of protection schemes and the types of actions committed

Reminder of WP7 Objectives

1. Identification of realistic and context sensitive scenarios of GI implementation and evolution, incorporating the baseline scenarios developed in WP6, with the case study relevant knowledge generated from Task 2.
2. Identification of potential alternative strategies adopted by GI relevant actors in light of possible scenarios, and evaluation of the effects of these strategies on rural and regional development aspects, supply chain evolution; competition and trade; institutional support and juridical processes.
3. Formulation of policy recommendations on GIs, based on the developed scenarios and identified strategies, that will maximise the strengths and minimise the weaknesses of GI usage with respect to rural and regional development, and product valorisation, supply chain and competitive processes.

Policies and GI systems sustainability

- So, the identification of policy recommendations cannot be “neutral”. Our work is oriented by economic, social and environmental sustainability of GI systems, and not only by short-term economic efficiency. This should also help to sustain the “legitimacy” of GI systems
- The point is to know to what extent and to what conditions GI systems may produce valuable positive externalities, and what is the role of public policies to make GI systems produce positive externalities at the right level.
- Given SINERGI's objectives, our focus will be mainly (but not only!!!) on GI protection schemes and their effects on sustainability. But of course there are other tools/actions/policies that can be conceived and implemented to accompany and support the development of GI systems towards sustainability. Therefore, we should put attention to a comprehensive “integrated GI policy” aiming at supporting positive influences of GI valorisation on local sustainable dynamics (economic, social and environmental) and fronting possible negative effects.

Recommendations for Sustainable GIs

General aim: Ensuring sustainable GIs development requires attention not just to economic growth but also to environmental and social issues.

Critical areas in the light of GI systems sustainability:

- GI POLICY AND LEGAL FRAMEWORK: existence and effectiveness of a GI (public) comprehensive policy and clear and accessible legal protection regulation and control system. Issue of control, certification and trust of consumers (problems of costs). Information is an important aspect. To ensure that legal framework can be relevant even for small products (flexibilize the system).
- RULES-SETTING PROCESS: Clear definition of rules. Actors' active participation (not only supply chain actors), product *proudness*, information, capacities, empowerment. Inclusion of the different stakeholders' categories involved. Conflicts regulation procedures.
- SETTING OF THE AREA DELIMITATION: big versus small, which criteria?
- ROLE OF LOCAL RESOURCES: taking into account the need of protecting local (human and material) resources in the Code of Practices.

- ORGANIZATION AND GOVERNANCE: network building, collective organisation with democratic participation rules, allowing regulating the evolution of the GI system (innovation and technology, market changes, new firms in the system). Cultural initiatives to allow producers confident in cooperation (eg Eastern Countries).
- HORIZONTAL-VERTICAL DISTRIBUTION OF THE GI BENEFITS: access to GI by firms, bargaining power inside the GI system.
- MARKET: product's reputation, « real » link to territory, relevant markets. Retail sector concentration. Fair competition. Market unbalances.
- CONSUMERS AND CITIZENS: information and solidarity between producers and consumers (local consumers, distant consumers). Specific information campaigns to consumers.
- COMPREHENSIVE STRATEGY: GI legal (« formal ») protection to be seen as one of a set of tools to valorise Origin Products. Integration of different tools to attain the objective. Rural development extended strategies and spillover effects at local level.

Recommendations for Sustainable GIs

Critical areas to front in the light of GI systems sustainability	Policy recommendations	ACTIONS				
		International GI negotiations	EU 510 implementation	EU and Member States / cooperation accompanying policies	National	Regional / Local
RULES-SETTING PROCESS	Allow participation of all categories of local actors in definition of common rules (Code of practice)		Asking for democracy in definition of rules Verification of the effective participation in legal process of registration	Support local government in the setting-up of the legal framework and/or implementation procedures	Designing appropriate recognition schemes, in order to allow a discussion between different stakeholders Support bodies may play a crucial role here as mediators in disputes.	Empowering of local actors: giving accessible information Creating local forums for discussion about GI and encourage active participation of small producers

Policy recommendations: Some examples

- Improving awareness on GI products
- Avoid individual private firms appropriation of geographical (or other kind of collective) names
- Allow participation of all categories of local actors in definition of common rules (Code of practice)
- Taking in account the role of specific local resources (biodiversity, human capabilities,...) in the design of the Code of practice
- Promote a collective organisation of the GI system
- Equitable distribution of GI scheme effects among different categories of actors in the supply chain and inside each sector

Policy Recommendations for GI Systems

Who will fill the "Policy Recommendation List"?

- SINERGI Researchers, Associated Researchers
- SINERGI Case-studies responsables on the case-studies
- Literature analysis (drawing also from Task 1)
- SINERGI Regional meetings (Budapest and Santiago)

- FAO SANTIAGO Meeting
- PAB and FAO-SINERGI Meeting in Rome
- Questionnaires/Consultations with public institutions in EU at different level (mandatory according TA: INRA?)
- Questionnaires in some extra-EU countries (???)
- Other ideas....

Discussion on policy recommendations

Emilie Vandecandelaere

There is a need to increase the link to local resources, and add interest to link with actors of other activities in order to manage externalities.

Andrea Marescotti

We are trying to imagine what the critical areas are in the public intervention to orient the GI system toward sustainability. One basis critical aspect is the knowledge on how to make people and local actors know and understand about these schemes and how to comply with the procedure that may help them for protection.

François Casabianca

There is an existence and effectiveness of comprehensive policy. Because sometimes policy exists but procedures don't exist, so application is not effectively possible. We see this in Argentina or Vietnam for example. Sometimes even if a ministry is identified as the official body for application, there is nobody to receive applications.

Laurence Bérard

We see also that on PGI in France and in Europe, where producers are not always aware of the existence of this procedure. Sometimes initiators are not producers; it comes from the government or others actors. The core thing is that producers are engaged in the process, but it's not always the case. So they don't participate to the construction of the initiative.

Andrea Marescotti

It's the second identified blocking point

Laurence Bérard

Very often, handcrafts are excluded because it's too expansive or they don't know they can obtain a protection. And after that they can't use the name anymore.

Marija Cerjak

It's important that they know the profit they will obtain by participating. For example, in Eastern countries, because of the historical situations producers are ready to cooperate because in the past time they have to cooperate unwillingly.

Richard Balling

It is important to see all aspects of the protection, control and certification system to trust in the GI legal system. The question of certification and control costs is also important for the credibility of the protection system regarding financial capacities of small producers, namely if you introduce requirements on sustainability on the code of practice, or as success factors.

The credibility is a combination of the general setting and the situation for each product.

Andrea Marescotti

Do you think that dimension of the GI system is a critical factor? Small volumes have an influence on the success of the GI systems for example?

Barna Kovacs

In developing countries, the concentration of retailers sectors as an effect on local actors. The dimension of the GI sector is important also on sustainability, for example in developing countries.

Piero Sardo

The smallest the product is the easiest it is to protect it, even without designation.

In Slow food, they develop a mark for these small products, to protect them against usurpation. Consumers have to know what the meaning of this denomination is.

Dominique Barjolle

We should include Barna's remark in the market issue, to deal with the question of market power balance, fair competition, etc. Because sometimes GI is related to the question of barriers on market for small producers.

There is a need of legal framework also for small projects. So they must make sure that the legal framework is also convenient for small producers, because it's also the aim of GI protection schemes.

Barna Kovacs

There are exchanges of experiences (UE + Eastern countries) about conflict management (rule setting process and EU cooperation)

Ester Olivas

One thing is important for example for new member states. They don't have the same culture, the same experience and so the same interest. Countries that don't have GI experience/culture do not follow GI rules, although they have GI products

Marija Cerjak

Promotion of GIs is a key issue in those countries because they don't have a GIs culture. In NMS, they try to reach a balance between economic, social, environmental considerations into the rule-setting decision process

Andrea Marescotti

But how to make the system sustainable? Because you can promote the scheme but you have to give some specific recommendations on biodiversity or make small producers benefit from GI schemes.

Richard Balling

We add a discussion on EU regulation about that point. In Germany consumers expect that raw material is also from the region. Producers say that it's necessary for sustainability and credibility of the system. But national body rejects this, so we have a conflict.

Defining a product need to introduce more of the consumers' perception and expectation, in the code of practice, regarding the relevant market. It's very different depending if we consider local, national or export product.

Franck Galtier

When a GI starts there is not always an established reputation. So, if one of the aims of the GI is to build reputation, there is a need of investment and promotion activities, and it's not possible when quantities are too low. A way public authorities can act to prevent that GI will be too small. In the rule setting process, for instance by putting in the GI law a minimum representativity of the GI, or of the delimitation area, also a right to oppose to the GI. By reduction of exclusion process law can avoid the risks linked to a too small volume.

But there is also a need to introduce an opposition right, which is in general absent in developing countries GI law.

Giovanni Belletti

The recommendation could be integrating different points of view (scientific, economic, cultural...) in the definition of the product and of the area.

François Casabianca

In the contrary, if we say to people that they are not enough, and that they have to enter new members, that can be dangerous for the GI. The suggestion is risky. You can also refuse the registration because big operators are not entering the application.

Erik Thévenod-Mottet

We are far from GI logic (even legal one) when we say that when there is no reputation you should gather a certain quantity of product just to be able to create a minimum size of GI.

Laurence Bérard

You can build a GI when there is a reputation, and you don't build a GI to make a reputation. The trouble with the size of the GI is cost of certification, registration and control, not reputation

Emilie Vandecandelaere

The problem is what is the market, not the size of the GI product. If the market is local and small there is no real problem. We have to adapt the recognition to this situation. The recommendation would be to introduce flexibility in order to let the opportunity for small products to have a place on GI market.

Dominique Barjolle

The problem set by Franck was more related to the representativeness and the legitimacy of the group who support the GI. In certain case, you create the name of the product, so you are obliged to create the reputation. So the question is about how to avoid that some producers monopolize the GI.

Emilie Vandecandelaere

We must also check the link to the territory and the specificity of the product compared to others around.

Franck Galtier

The convergence between technical aspects that the typicity is linked the specificity of the area, and the collective decision process is not automatically consistent, there is no relation of causality.

Gilles Allaire

I think it's specific to the coffee case. The premium on coffee is linked to fair trade and not to GI. And the purpose is to enter in fair trade system, and so find a premium linked to GI.

François Casabianca

Is there any recommendation regarding the question of delimitation?

Laurence Bérard

The question is important, in particular in developing countries, because area may be very large, sometimes a nation.

Andrea Marescotti

Summary of the discussion:

- need dissemination of knowledge about GI
- integration of consumers' expectations in rule setting and code of practice
- reduction of the risk of exclusion
- pay attention to the link between product and territory
- flexibility in the regulation (and cost of control for small producers)

3. To strengthen European quality forum

Presentation by Denis Sautier (CIRAD)

SINER-GI results worldwide indicate that although the number of established GIs in third (non EU) countries remains relatively low, it is growing steadily and many additional processes of defining and establishing GIs are currently under way in Asia, the Americas and to some extent in Africa. Most policy initiatives have been taken in line with the national strategies to ensure WTO TRIPS compliance. Other initiatives in Third countries stem from local initiatives or from the influence of extension, research or development projects. Although it remains unclear which proportion of these initiatives will actually lead to established recognition, it must be acknowledged that GIs represent nowadays a worldwide notion. It is increasingly being identified and targeted by states and economic actors when dealing with original local products with market potential. It is therefore no longer possible to say that GI is a Europeo-centric topic or Europe-restricted reality.

Within this emerging international GI framework, the EU regulation is assuming a growing role. In spite of - or rather because of -, the absence of a multilateral register (still under negotiation at international level), EU 510 constitutes a goal for many producers in many countries. The European register is an important reference, even for producers in those countries which oppose EU positions on GIs in international negotiations.

Although third country registration was already possible under former EU regulation 2081/92, an important modification was included in the EU Council regulation 510/2006 of 20 March 2006, as third countries may apply at the level of EU Commission directly, not necessarily through their governments. The modalities required are the same as intra-EU applications, plus the proof that the GI is protected in its country of origin. Certifying bodies are submitted to the same norms as for European GIs. The new regulation is stimulating third country applications. On September 27, 2007, "café de Colombia" became the first non EU product to be granted the EU recognition as a PGI.

The SINER-GI set of national and case studies have identified the access to EU market as one of the main driving forces in the national dynamics regarding GIs

We observe a rapidly growing number of GI applications in the world, with heterogeneity in terms of requirements and control procedures.

For example, the protection of Geographical Indications for Goods is an emerging topic in India with 116 applications received in January, 2008, out of which 40 geographical indications have been registered. This shows a wide implementation of the recent legal framework built especially for the protection of geographical indications. The Geographical Indications of Goods Act (1999) entered into force in September 2003. The increase of GI applications is sharp. Indeed, 15 applications were filed in 2004, 26 in 2005, 31 in 2006 and already 37 for the only half of 2007. The objective is the reservation of names of local goods names, either agricultural or handicraft or even industrial¹.

EU regulation will therefore not be a model, but rather one of the main references, in a GI world with several and probably diverse "quality fora"

In this context, several scenarios exist as to the future relation of EU510 with third countries applications. How will the EU handle the probable increase in number of applications?

- EU can set requirements such as a strong control plan. The new regulation (art.10 and 11) foresees that for third countries, the control of the code of practices can be done through

¹ Around 30 applications are in agricultural/horticulture goods; 35 in textile and embroidery; and around 35 in other handicraft, whether of wood, stone, leather, painting and few in other products like oil, soap, and incense stick...There is one foreign GI application on Pisco wine.

competent authorities which can be either official institutions or a certifying body as defined by regulation n°882/2004. It also states that these controls must take place before the marketing of the product. Still a question may be raised as to where the control will apply: at the entry point into the EU market or in the places of production and processing. Concerning the guarantees of objectivity and impartiality of the controls, the EN 45 001 norm is now required from all certifying bodies, either European or from third countries (art 11).

- Will the in depth examination of the applications be conducted in the long run, by EC commission services or through the EU Food quality agency?
- Will the applications be received and treated independently from other international policies, or will it be linked to some initiatives on Policy dialogue and deliberation with the third countries concerned (which co-ordination with DG Trade or Europaid?
For example, the Santiago FAO-SINERGI joint meeting on Geographical indications in Latin America (Santiago, Dec. 11-14, 2007) with officials from 10 countries, showed a strong demand and potential for a policy forum on management of GI and linking GIs to rural and local development.
- What kind of GI model is and will be promoted through the EU regulation?

SINER-GI project has built a large network of scholars and associated researchers worldwide, involved and interested in discussing and searching the matter further.

This network has a strong potential to bring inputs into several follow-up activities such as:

- Observatory of GIs worldwide
- Harnessing a policy dialogue on GI with participation of economic and civil society actors
- Implementation tools (in the sequence of the SINER-GIWP8 strategic guide on GIs)
- Assessment tools and strengthening assessment capacity (for in-country monitoring of GI effects)

Finally, there is also a need to seek more coordination between member states and EC levels, in order to enhance the consistency of EU-driven GI related international policies and initiatives.

Discussion on European quality forum

Richard Balling

In general consumers' expectations concerning the convenience aspects are growing more and more. One problem about regulation should on processed products. Food processed products should also be a part of Reg. 510, based on traditional recipes.

Products that were done at home are since 20/30 years sold as traditional. There is a potential of sales development, and we could include them in Reg. 510. Some products under registration are half processed and they could become target of Reg. 510.

Laurence Bérard

It's very interesting to notice the case of handcraft in some developing countries and in particular in India. Actually there is no reason to refuse products which are not food, as handcraft, because it's the same local with knowledge and practices that are very local.

Dwijen Rangnekar

What is the evaluation system? How do you assess?

Laurence Bérard

It's more difficult to localize the area in case of handcraft.

Denis Sautier

According to the WTO panel, Europe has recognized right to assess the conformity of the product. This is a policy option for Europe, about how do they process these demands: just a formal examination or in depth examination. What will be the importance of this task at European level? Will it be constant group in Brussels to work on these applications?

Richard Balling

The question of GIs evaluation is raised at national but also at international level. Some similar products in some countries are PDO and in other a PGI depending on cases. It's difficult to justify in particular at WTO level, but even at European level.

Dwijen Rangnekar

For products who have a potential for export (ex: Darjeeling), the paramount issue is the legal aspect and differences in legal tradition for protection. For others GIs the market is more local, so the legal issue is less paramount. Another important point is the retail chain organisation, especially for Indian coffees. For handcraft, there is an issue possibly emergent because you have export consumption and niche markets (ex: carpets). The question is about the way to control the supply chain.

Dominique Barjolle

I wonder if plurality of quality fora is only a problem for very few products. This problem arises when the producers are really focused on international export strategies. The large majority of the products are not concerned by this issue. This problem concern only very a few number of products (less than 50) focused on international export.

If we focus only on this little number, we'll loose an important issue on rural development for developing countries, which is only survival.

Gilles Allaire

Outside Europe, not few products are concerned by quality fora.

Laurence Bérard

Yes, in developing countries, a lot of GI are for export markets. It involves different questions the people who ask for GI are not producers but government or exporters for example, which is a completely different situation.

Richard Balling

The question of the 50 products has also to be seen through the issue of the share of the value they create. And it is very important among GI.

Filippo Arfini

In the perspective of EU recommendation, we have to consider that we are in a globalized situation. With regards to the issue that EU wants to recognize Café de Colombia, we have to consider that this coffee is recognized as GI. If the issue is not to mislead consumers, no matter that in Colombia there another scheme, why EU should not recognize it as GI with same rights as European products? The suggestion could be to reopen the market for products that are recognized as GI with local law. Reciprocity could be interesting.

Ester Olivas

It's not possible because only has to register Café de Colombia but Colombia would have to register all EU products. It's not fair.

Gilles Allaire

There two different issues. One is to recognize GI from other countries, that is Trips or bilateral agreements. But in the notion of quality forum is another idea, when you benefit from the certification scheme, it means benefit from participating in EU collective reputation, from a collective tool: GI

Dominique Barjolle

It can be a problem in this way because it concerns only few products; and for others it could be an additional barrier to entry in Western markets. The danger to go on this direction as a result of WTO panel is to have a selection, with two levels.

Gilles Allaire

It could be a trap for Europe. In one sense you put barriers; but in the other sense, if you register all products of the world we have a risk to weaken European quality scheme.

Filippo Arfini

Reputation is not due to Reg. 510 but to the quality of the product.

Gilles Allaire

It's the same problem as the difference between individual and collective reputation. For example for wine, there is a reputation linked to collective standard and a part of reputation linked to producer's name on the bottle. And part of the reputation is linked with the scheme.

Filippo Arfini

Reputation of the product if different from the reputation of the quality scheme.

François Casabianca

Another question is also the fact that many times, in developing countries, people can no more buy the local product when recognized as a GI for export. The question is on the meaning of quality scheme for local consumers.

Denis Sautier

There are also exchanges of ideas, exchanges of learning in practitioners' community experience sharing.

Chapter 2: “Sharing views on Quality Products Linked to Geographical Origin; How they can contribute to rural development?”: proceedings of the meeting



FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS
Meeting in collaboration with SINER-GI

**Sharing views on Quality Products Linked to
Geographical Origin;
How they can contribute to rural development?**

Proceedings of the meeting

31 January -1 February 2008
FAO Headquarters, Rome, Italy (Mexico Room)



**FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS**
Meeting in collaboration with SINER-GI

**Sharing views on Quality Products Linked to Geographical Origin;
How they can contribute to rural development?**

31 January -1 February 2008
FAO Headquarters, Rome, Italy (Mexico Room)

PROGRAMME

THURSDAY 31 JANUARY 2008	
08.45 – 09.30 Opening Remarks and Objectives of the Meeting	
<ul style="list-style-type: none"> Ezzeddine Boutrif, Director of the Nutrition and Consumer Protection Division, FAO FAO-Cases studies; Methodology and objectives, Emilie Vandecandelaere (15') Siner-GI case studies; Methodology and objectives of their comparative analysis. Definition of the concept of "GI system" (15') Gilles Allaire 	
09.30 – 10.20 "Economic issues: adding value, market power and sharing benefits along the food chain"- Part I	
<p>Chairman: Barna Kovacs, Corvinus University, Budapest Hungary</p> <p><u>Presentations:</u></p> <ul style="list-style-type: none"> FAO, empirical evidence from cases studies and focus on small-scale producers, Emilie Vandecandelaere (20') FAO, first results from study on Agribusiness model, Florence Tartanac (20') 	
10.10-10.40 Coffee break	
10.50 – 13.30 "Economic issues: adding value, market power and sharing benefits along the food chain"- Part II	
<p>Moderator: Dominique Barjolle, Directrice Agridea</p> <p><u>Presentations:</u></p> <ul style="list-style-type: none"> Siner-GI results presented by case studies, focus on emergent GI systems (3x20') <ul style="list-style-type: none"> Kajmak (Marguerite Paus, AGRIDEA) Pampean beef (Brazil) (Claire Cerdan, Cirad), Rooibos (Denis Sautier, Cirad) Presentation of the case of Spanish wines by Maria L. Loureiro, University of Santiago of Compostel (Spain) (20') <u>Discussant:</u> Dwijen Rangnekar, Warwick University, UK 	

<p><u>Plenary discussion</u> towards common views on best practices and recommendations to stakeholders (distribution of the paper on results from case studies related in the ITC guide, Daniele Giovannucci)</p>
<p>13.30 – 14.30 Lunch</p>
<p>14.30 – 16.00 “Institutional and legal framework: needs and governance”, Part I</p> <p>Chairman: Richard Balling, Ministry of Agriculture, Bavaria</p> <p><u>Presentations:</u></p> <ul style="list-style-type: none"> • SINER-GI , "Implementation of the TRIPs agreement and legal diversity", Erik Thévenod-Mottet, Agridea (20') • FAO, empirical evidence from cases studies, Emilie Vandecandelaere (20') • The problematic of certification and control for GIs, Rainer Bächli, IMO Switzerland (20')
<p>16.00-16.30 Coffee break</p>
<p>16.30 – 18.00 “Institutional and legal framework: needs and governance”, Part II</p> <p>Moderator: Denis Sautier, Cirad</p> <p>Presentations:</p> <ul style="list-style-type: none"> • SINER-GI, "Diversity of institutional framework for GI systems/markets according to the potential evolutions of the international trade regime" Gilles Allaire, Dominique Barjolle, Talis Tisenkopfs, (20') • How to support countries in the implementation of an adapted legal framework, OMPI, Matthijs Geuze (20') • FAO's Legal Advisory Work: Basic Principles and How They Apply to GIs, Daniele Manzella (20') <p>Discussants:</p> <ul style="list-style-type: none"> ◦ Christoph Spennemann, UNCTAD ◦ Véronique Fouks, INAO France <p>Plenary discussion on the presentations, towards common views on best practices and recommendations</p>
<p>FRIDAY 1 FEBRUARY 2008</p>
<p>09.00 – 10.00 “Rural and sustainable development: the impacts of quality linked to geographical origin schemes implementation” part I</p> <p>Chairman: Barbara Burlingame, FAO-AGNA, Biodiversity PAIA</p> <p><u>Presentations:</u></p> <ul style="list-style-type: none"> • FAO, empirical evidence from cases studies, Emilie Vandecandelaere (20') • FAO, empirical evidence from mountains areas projects, Alexia Baldascini (20') • SINER-GI, empirical evidence from cases studies on rural development impacts, Gilles Allaire, Dominique Barjolle, Talis Tisenkopfs, (20')
<p>10.00-10.30 Coffee break</p>
<p>10.30 – 12.20 “Rural and sustainable development: the impacts of quality linked to geographical origin schemes implementation” part II</p> <p>Moderator: Dwijen Rangnekar, Warwick University, UK</p> <p><u>Presentations:</u></p> <ul style="list-style-type: none"> • Protecting and valorising GI systems in the light of rural development; Institutional settings and policies, Andrea Marescotti, Giovanni Belletti, Angela Tregear and Filippo Arfini (20') • Relevance of GIs for the sustainable use of genetic resources, Irmgard Hoeschle-Zeledon (GFU for underutilized species) (20') • The sustainable development aspects of GI protection, Maria Julio Oliva, ICTSD (20')

- Biodiversity protection and valorisation, experiences from Slow food, Cinzia Scaffidi (20')

Discussants: Laurence Berard, CNRS France

Plenary discussion on the presentations, towards common views on best practices and recommendations

12.20 – 13.00 Conclusions and perspectives

Discussion on possible collaborations between participants on the matter: Gilles Allaire and Ezzeddine Boutrif.

Opening Remarks and Objectives of the Meeting

FAO Program and Case Studies on Specific Quality Linked to Geographical Origin

Emilie Vandecandelaere, FAO-AGNS

Emilie Vandecandelaere presented the main results of a program initiated by FAO on Specific Quality Linked to Geographical Origin.

Quality linked to Geographical Origin

Specific quality corresponds to a supplementary level of quality distinguished from minimal quality by the fact that it is a voluntary. A specific quality product possesses specific characteristics that allow its differentiation.

Origin based products have reputation, quality or characteristics essentially due to their geographic production or process origin area. Localized resources are then the basis for the quality, reputation or characteristics that create uniqueness, identity and value of the product. They are whether physical (local land conditions, "terroir", landscape, etc.), genetic (plant varieties, endogenous breed, etc.) and/or cultural (know-how, traditions, etc.).

Despite the lack of data about the importance of origin-linked quality products on the market, a growing consumer demand for such typical products can be noticed, in particular through the increasing marketing, branding or labelling of food that indicate where it originates and how it is produced. This is the case also in developing countries, especially for urban and tourist or migrants populations who are keen to eat traditional foods from their origin.

In the framework of a French funded project to support the implementation of specific quality, the thematic of quality linked to geographical origin is being developed in connection with the other specific quality schemes within FAO.

The program framework

The main objective is to assist Member Countries and stakeholders in developing specific quality linked to geographical origin schemes, at local and institutional levels, that are adapted to their economic, social and cultural situation, contributing to rural development through the valorisation and preservation of quality products and local resources associated.

One aspect is to capitalize information and knowledge about experiences of countries, so to support FAO policy and strategy in the area of quality linked to geographical origin and recommend mechanisms to address member countries' needs. In this view, different operational objectives with their means have been implementing:

- Collect information on Member countries experiences:
 - Regional seminars, expert meeting, networking
 - Case studies with concrete examples on assets and constraints, success or failure factors
- Develop supportive tools based (manual, guidelines...)
- Sensitize and inform stakeholders

Collection of information

In order to collect information and share experiences between Member countries and stakeholders, regional meetings were also organized.

Regional seminar organized with Ministry of Agriculture of Morocco on “**Quality linked to Geographical Origin and Traditions in the Mediterranean**”, Casablanca, Morocco, 8-9 November 2007 (mostly in French or English):

www.mp-discussion.org/casablanca

Regional workshop on “Food Quality linked to Geographical Origin and Traditions in Latin America: Lessons Learnt and Perspectives”, Santiago de Chile, 12-13 December 2007, organized with Ministry of agriculture of Chile and Anti-American Institute for Cooperation on Agriculture (IICA) (in Spanish):

http://www.fao.org/ag/agn/agns/Projects_SQP_Santiago/

Various case studies on quality linked to geographical origin process were also realized in different regions. The objectives were:

- To collect information on local experiences for different types of products in various context and geographical areas
- To analyse advantages and constraints, success factors of quality process linked to geographical origin
- To understand the problems and needs at local
- To nourish recommendations on the basis on lessons learnt

Case studies were selected on the basis of, in one part, the type of product and territory to provide a diversity of situations, and on the other part, on their stage of development towards an official recognition (geographical indication, appellation of origin, trademark). They were realized with consultants knowing the local context and product, and in collaboration with partners:

- **in Latin America: with the Interamerican Institute for Cooperation in Agriculture (IICA)**
- **in Eastern countries: with Agridea and SEEDEV (NGO for rural development in Eastern countries)**
- **in the Mediterranean: with FAO Programme on Mountain Product.**

The information collected through case studies, presentations and discussions are the basis of different element presented during this expert meeting.

Overview of the cases studies

Latin America

Cases	Country	State	Territory	Markets
Turrialba cheese	Costa Rica	Application for a geographical indication in process	Turrialba community, (Santa Cruz). volcanoTurrialba	Small area (127Km ² , 200 producers, 290 tons) National reputation
Cacao Arriba	Ecuador	In process (applied in Dec 2006)	cacao production areas in various provinces	National (220 000has, 95 000tons, 90000 producers, 7% PIB agro) Export, international reputation

Cotija cheese	Mexico	Collective trademark 2005 and process for DO	Jalmich Moutain between status of Jalisco and Michoacán	Medium size area (2400Km ² ; 200 producers, 400 to 1500kg/year National reputation
Cacao de Chuao	Venezuela	Appellation of origin 2000	Chuao Valley, Aragua State Nacional natural Park	Very small area (300 families, 24ton, 13has) Export, international reputation
Colombian coffee	Colombia	Appellation of origin 2005	all coffee production areas of the country in different departments.	National area (600 000 producers, 550000 tons) Export, international reputation
White giant maize of Cuzco	Perú	Appellation of origin 2005	Urubamba Valley. Cusco department, inter Andean area	Medium size (1200km ² 260 000producers, 56000tons) National reputation
Chivito de Neuquén (young goat)	Argentina	In process applied in 2007	Mountain, North of provinces of Neuquén and Patagonia	Large area (1500families, 25000Km ² , 20000animals-10%DO) Regional reputation
Lemon of Pica	Chile	In process applied in 2007	Pica Oasis (Iquique	Small area (116 producers, 2000tons, 58Km ²) National reputation

Eastern European countries

Cases	Country	State	Territory	Markets
Uzice ham (Zlatibor) (smoked beef meat)	Serbia	Appellation of origin in 1995, renewal under new law (2006)	Municipality of Catejina (district Zlatibor)	Medium size area (current: 647 km ² , expected: 9157 km ² Neighboring export (Croatia)
Tetovo bean	Macedonia	Appellation of origin in 2006	Sar Planina and Bistra mountains and plain, Polog region, Albania and Kosovo borders	Medium size area (920 Km ² , 500MT, 5 municipalities) National Reputation
Livno cheese (sheep and now with cow milk cheese)	Bosnia Herzegovnia	CoP formulated and approved by key stakeholders in January 2008	Cincar Mountain, 2 Polje, Livno and Glamoc	Medium size area (estimation 1000Km ² , 41000 sheeps and 13000 cows) National reputation, export to Croatia

Mediterranean

Cases	Country	State	Territory	Markets
Saffron of Taliouine	Morocco	Organic, fair trade, beginning of the process	Siroua Mountains, Taliouine and Tazenakht	Medium size area (500+100has, 1370families+?, approx:600kg) National reputation, export?

Sheep cheese of Beja (Rigouta and Sicilian type)	Tunisia	Diagnostic	Moutaineous, provinces of Bizerte and Beja, North Tunisia	small (100 tonnes) Local reputation
--	---------	------------	---	--

PRODUCT	Stage of the qualification-recognition process			
	Up-grading / Application in process	GI DO registered	GI DO being managed	GI DO internationally recognised
Queso Cotija				
Queso Turrialba				
Cacao de Chuao				
Café de Colombia				
Cacao de Arriba				
Maíz Blanco Cusco				
Chivito de Neuquén				
Limón de Pica				
Safran Taliouine				
Beja cheese				
Uzice Ham				
Tetovo beans				
Livno cheese				

Conclusion

This overview shows an important diversity of products in the process for official recognition and protection even if there are common points between a same region. Food products are either non processed vegetable (Lemon, bean, maize) or with some small processing (cacao, coffee, saffron), and processed animal products (cheeses, meat). The area delimited can be very small, from a big farm superficies (some hundreds hectares) to a national covering: farmers involved and volume of production differ in consequences. Markets also vary from a local or provincial one to export markets.

Globally, processes for official recognition and protection are in an early stage of development: except the Columbian coffee, which is fully implemented, and even registered in the European community, the other are either in the first stage towards obtaining Geographical indications, or they benefit from a registration but the local organization for the management of the seal is not well established and functioning.

Siner-GI case studies: Objectives and methodology of comparative analysis

Gilles Allaire, INRA (F) and Denis Sautier, CIRAD (F)

Continuation of the Dolphins Project on European GI, Strengthening International Research on Geographical Indications (www.origin-food.org) is a UE funded project (2006-2008), which addresses GI in the global market as a global issue.

SINER-GI project follows three main objectives

- To understand what are the conditions for successful GI qualification. Indicators considered to assess success deal not only with stable and profitable position on the market, but also with positive impacts on local/national economic, social, health, environmental public issues.
- To understand what are supporting policies and collective initiatives to this purpose, trying to identify criteria for transferability of GIs good practices
- To address these issues considering several scenarios regarding the international trade regime

The methodology of the project followed three main steps.

STEP 1: Case Studies

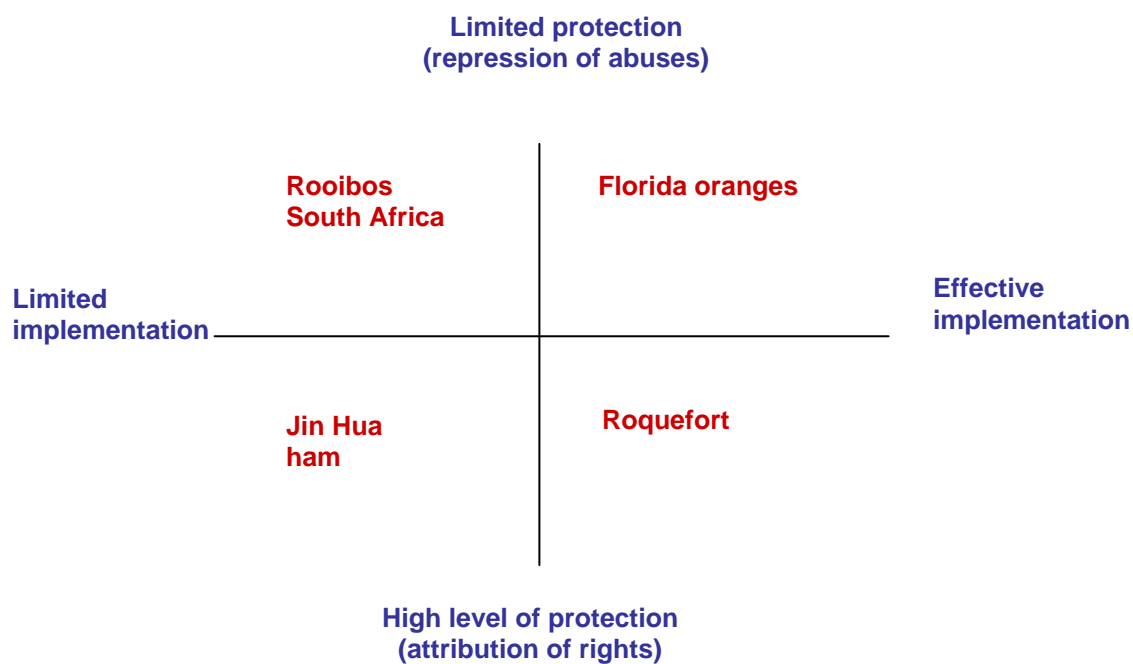
The first step of the research work was to build up methodology (WP1-WP4) around the concept of GI system defined as “the set of actors who are effectively engaged in creating value and improving the strategic marketing position of the GI product by spontaneous individual or organized collective action, and those who are engaged in the activation and reproduction of those local resources (natural resources, knowledge, social capital) which make the GI product specific”

Several dimensions of GI systems were analyzed: the market structure, the supply chain organisation, the stakeholders and policies supports, the system management and governance, the technology and product qualification procedure...

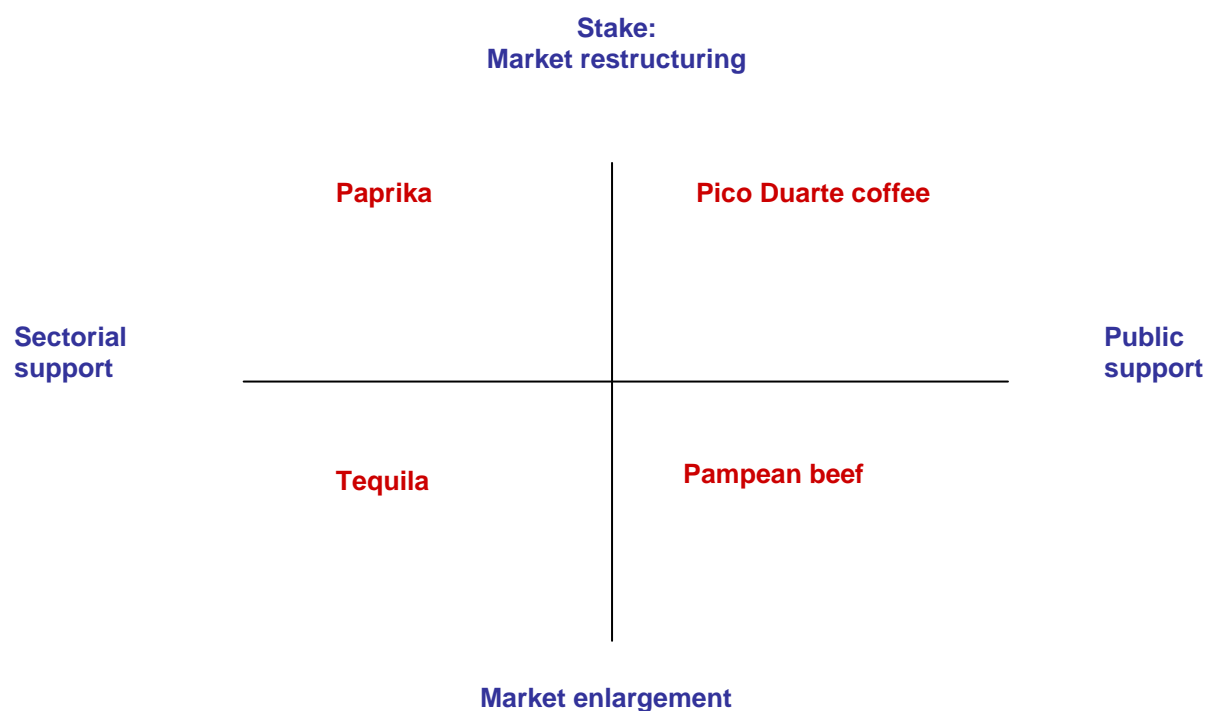
An inventory of GIs in a large set of countries has been carried out, resulting in a product database composed of 60 cases, accessible on Siner-gi website.

Then, 12 case studies have been implemented by field works from June to October 2007.

Sampling strategy: *legal and institutional framework*



Sampling strategy: *Market stakes and support policy*

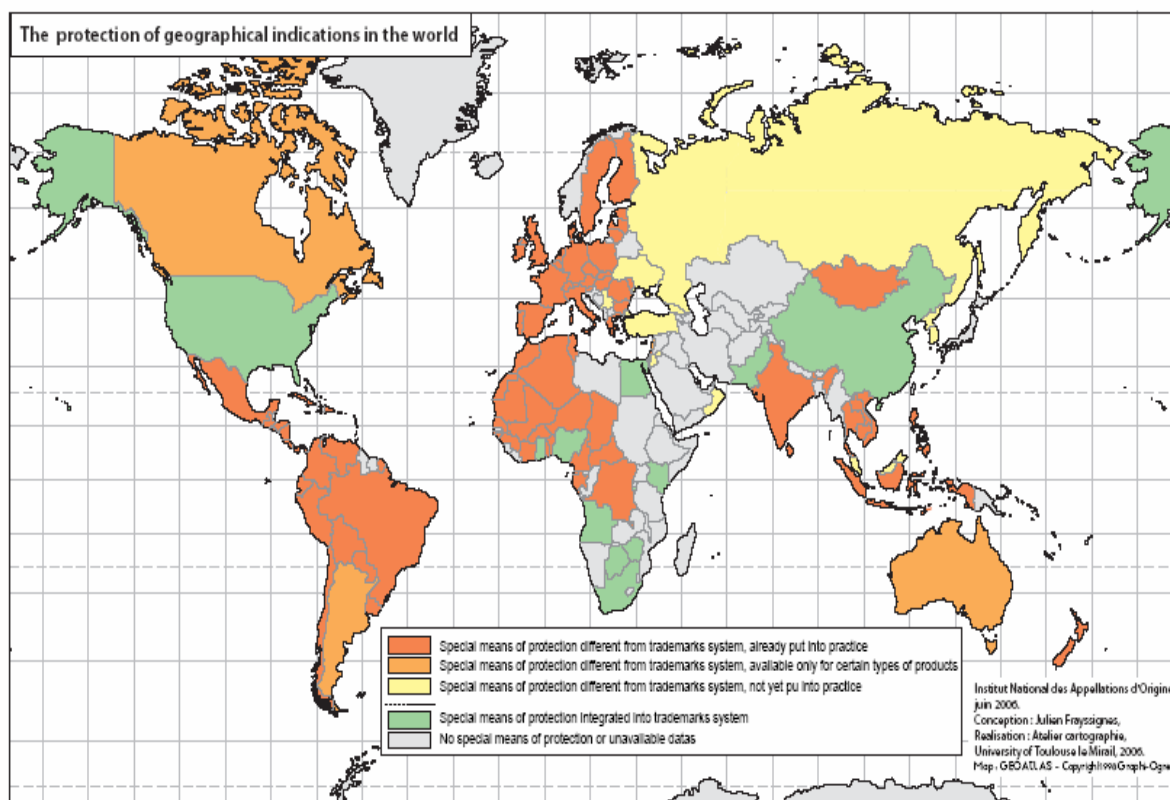


Case Studies result: Typology of GI systems

Recognition Policy	Rural development policy	Market strategic stake
-----------------------	-----------------------------	------------------------

		Restructuring	Enlargement
P1 : High and effective protection	public or NGO support for Rural Dev.	Melton Mowbray pork Pie	Roquefort
	sectorial support (firms)		Tequila
P2: High protection, limited or no implementation	public or NGO support for rural dev.	Pico Duarte coffee Kajmak cheese	
	sectorial support	Paprika	Jinhua Ham Pampean Beef Blueberry Lac St Jean
P3: Protection through trademarks / effective	public or NGO support for rural dev.		
	Sectorial support		Florida oranges
P4: Protection through trademark system: limited	public or NGO support for rural dev.		Rooibos
	sectorial support	Chontaleño cheese	Basmati rice (Pak.)

Siner-GI Case studies and legal situation of GIs in the world (2006)



STEP2: Forecast methodology: GI future

To contrast different aspects and trends according to the **new international trade regime**, we consider **three scenarios**. These scenarios concern **the position of origin (GI) as a marketing tool in a complex global market universe** in which private and public standards play an important role in the dynamics of markets:

- **Convergence on GI visions and “origin” as integrator for different quality attributes (organic, fair trade...)**
- **Divergence on GI visions and “origin” weakening as market sign**
- **Plurality of GI visions and of quality schemes and forums**

STEP3: Comparative Analysis Methodology

A comparative analysis methodology allowed to identify different types of geopolitical contexts, through the diversity of the protection schemes and support policies; and different types of GI systems/markets, through the diversity of economic trajectories of the GI systems (success/failure). Then was showed the variability of the impacts according to the scenarios, the contexts, and the GI systems.

**Economic issues: adding value, market power and sharing
benefits along the food chain**

Opening contribution to economic issues session

Barna Kovacs, Corvinus University of Budapest (Hungary)

Dear Mr Boutrif and FAO staff, Dear Mr. Allaire and SINREGI Project associates,

It is an honour to be the Chairman of the first session, thank you very much for inviting me and giving me the opportunity to lead the session.

As the first session is called: 'Economic issues: adding value, market power and sharing benefits along the food chain' my task would be to chair and help the debate on the economic issues related to the GI and agro-food sector developments.

As the two organizations' -FAO and SINER-GI- approaches will be presented, they will hopefully guide us towards some common points, which could help the United Nations in developing its programs in the future.

As an agricultural economist coming from Central Europe, Hungary, let me share with you some interesting aspects, basically some experiences concerning the agro-food sector developments in the last 17 years, which –if I may say so- represented the greatest change in the history of this region. The experiences gathered from the transition period in the Central and Eastern European countries could help the FAO to develop its projects in some other regions of the world.

I would start with an assumption: today most of the agricultural economists that worked and are still working with the CEE countries started to have a new approach towards agricultural economics when their views are compared to the beginning of the nineties. At the beginning of the nineties it was clear: the "switch" from a centralized economic system to market economy must be achieved and as soon as possible. The mistake - the problem- was that nobody knew how to make the change, just the objective to be attained. The economists defined the measurements: fiscal discipline, redirection of public expenditure, tax reform, interest rate liberalization, competitive exchange rate, trade liberalization, and liberalization of inflows of foreign direct investment, privatization, deregulation and secure property rights without putting the question how to implement all this.

The economic reasoning in the early nineties was based on neoclassical economics and documented as it has been termed by the Washington Consensus. It can be shown that the discrepancy between expectations and reality as well as the evolution of institutional economics has challenged economists.

In the last years a two-fold process took place in the Hungarian agro-food economy. One of its components was the adaptation of the modern market economy conditions; the other is represented by the process of European integration. This dual approach makes it impossible to analyze in detail its each and every economical aspect and consequently neither to adopt the best decisions on this basis. The Geographical Indication research was one of the forgetful aspects of the agro-food sector.

Several factors legitimize the topicality of the subject. Firstly, such are the questions raised by the accession of the country to the European Union, above all the issues related to the competitiveness and future of Hungarian agriculture and food industry. The viability of the small and medium-size enterprises in the agribusiness is also debatable. If one adds to this the unsolved problems facing the population, which earns its living from agriculture in the economically underdeveloped areas, it becomes obvious that the research on the affected agricultures' market position (both its obtainment and maintenance) could have been belonged to the category of nowadays' most urging issues.

The case of the Hungarian paprika spice, from Kalocsa and Szeged regions as GIs will be presented during the seminar and it will be demonstrated that some important aspects of the Hungarian agriculture were not tackled at the right time. A few thousand families could be -hopefully- saved from bankruptcy if the issue of GI would be raised on the level of public policy makers, if the access to information and access to "rules" would be more comprehensive and univocal.

In underdeveloped regions there is a need for rules and institutions before the system can be modified, or in other words the economic system has to be changed together with the institutional setting. It is important to have time for answering basic questions, such as:

- How is this added value shared along the food chain? Do local producers benefit from the added-value?
- Do local producers develop or reinforce their market/bargaining power?
- Who is in capacity for scaling up and who is excluded from it?
- Do GIs create added value, how, how much?
- Is the added value linked to the type of product and diversification strategy?

I hope we will have a fruitful debate and a successful session.

FAO Case studies: Evidence on Economics Aspects

Emilie Vandecandelaere, FAO-AGNS

As regard the economic aspects, case studies provide with preliminary elements about price and markets, justification of the link between product and origin and links with other quality related schemes.

Economic objectives

The studies reveal three main motivations from producers to get better income:

- To differentiate a “commodity” (or reinforce the origin reputation) on international markets (e.g. Coffee, Cacao...)
- To maintain a market: to defence of the reputation, to prevent from usurpation for local products (Lemon, Cotija and Turrialba cheeses, Chivito Neuquen, Safran...)
- To access new markets (Balkans, Safran).

GI process can be part of a broader marketing strategy, especially in big organisations or a tool among other to differentiate the product. Other objectives can justify the launch of the process, they will be analysed within the rural development part.

Price and markets

It is difficult to estimate at the beginning of a process the direct and precise impact on price as there are multiple and linked factors. Nevertheless studies show that price increase is related to better bargaining power. In some cases, adding value on the product can be very important, according to the type of market, especially with direct selling. We could observe according the case: increasing sells and prices (Cotija cheese), exclusivity selling (Cacao Chuao), development of new products (White Giant Maize), direct access to urban markets (Limon de Pica), or access to new markets like “nostalgic” and tourism markets (Cotija cheese).

Definition of the product

As regard the link to the “terroir”, that is the complex interaction between the local natural and human factors, different difficulties arise.

First, difficulties can come from the specificity and its justification. Different degrees of differentiation and levels of justification among the case studies exist. This justification is important as it is the basis for legitimacy and protection, and there is a need for technical and scientific studies.

Secondly, it can be difficult to reach a common definition of the product. According to the local production system, definition of the product can differ, for example between handicraft and industrial process, and the final definition, if there is just one, needs to be adequate for all... The product can be different along the year, as regard seasonality with variations in the qualities and volume. In some cases, the traditional product for local market is different from the one for export. Therefore, there is the question of one (with minimum common standard) or different specifications.

In the same view, it can be difficult to define the name for the product. The delimitation of the geographic zone is complex in order not to exclude producers but keeping coherence as regard the production and/or process zone (in some case, there is import of raw material from outside). Case studies show a great variety of sizes and with not always continuum, allowing the inclusion of all producers. Sometimes, the name is not obvious, depending of the possible gap between the reputation (or potential one) and the effective geographic area. Some geographic name can be already somehow generic, being used for other similar products outside the area. In some case, the traditional product exists in neighboured countries...

There is no general rule on what should be the specifications, but a general principle observed is the importance of meeting (a) common and consensual definition(s) for the product, knowing that the evolution of the specifications is still possible.

Other food quality schemes...

Generally, the quality process involved other related quality aspects. The quality linked to geographical origin process is often linked to other safety or quality schemes. We found that promotion of specific quality is an incentive to improve food safety aspects and implement a quality/traceability system. Specifications often include criteria linked to good agricultural practices or HACCP for example. Therefore specifications are a way to ensure food safety through adequate practices, in this sense they allow to upgrade a product between traditions and innovation.

On the other hand, products can be promoted thanks to other complementary specific quality schemes such as organic and fair trade.

The chain aspects

As regard the local chain value organisation, we noticed two stages:

1. Before the official recognition, this stage consists in upgrading and applying for a seal. The processes differ between the cases, some showing interesting examples of collective actions to define specific quality (for example organoleptic characterization by producers committees, participative meetings between breeders and traders, drafting committee...)
2. After the official recognition and registration, that consists in managing the seal: few cases were in this stage and most of them, there were some proposals but not an effective working regulatory body. In particular, except in the case of Colombian coffee, based on a former and strong organisation and traceability system, there are difficulties to define the roles and implement auto control by the local organization.

Difficulties to implement the local organization can arise from different levels. As regard the horizontal links, that is the relationships between producers themselves, there are sometimes tensions between “big” (industrial) and “small” (craft) producers who don’t always have the same interests. As for vertical relationship along the chain value to market the product, in most cases there is a lack of involvement of the other levels in the food chain, especially traders and distributors since the early stage of the process. Failing this, it is possible that traders will not see any interest in segregating products under the specific quality label from generic commodities.

Regarding support relationships, or territorial links, we noticed a quite important involvement of local or external actors (local authorities, NGOs...), that is important a good start if this support doesn’t create dependency and allows appropriation by local producers of the process. In this view, the role of leaders and nucleus to motivate the others was highlighted.

The local organisation is essential for the success in the two stages of implementation and management, in particular:

- To ensure the appropriation by local stakeholders, especially when the initiative is coming from external support relationships.
- To avoid exclusion and risk of private monopoly according to the type of specifications. In this view, the role of a participative process and assessment of specifications by public authorities is very important.
- To develop direct marketing as it is a general common objective, even though a lack of marketing and strategic skills.
- To define and implement a system to ensure conformity to the specifications (autocontrol, verification).
- To foster bargaining power and income distribution.

Conclusion

To reach economic sustainability, it is important to meet consumer's demands, in combination with the producers willingness to preserve the characteristics of their production. Different success factors can therefore be listed:

- existing reputation and specificity linked to the geographical origin,
- local dynamics (existing collective actions even in other fields help),
- horizontal/vertical/territorial linkages (participation of all stakeholders: territorial and chain value members)
- alliance of national/local institutions, research-development and cooperation, technical and financial support
- mixing traditions and innovation to meet the current needs and demands
- cooperation between regions and actors, exchanges of experiences and knowledge

As a consequence, support could be provided at the national in order to help identifying the potentials (reputation, specificities, market studies) and raise awareness of producers on their valuable quality products and at local level to facilitate the elaboration of the specifications (and delimitation of the area) with a participative and pluridisciplinary approach and technical support (studies, collective definition by taste characterization, exchanges of practices...).

Business Models to Enhance Farmers' Access to Markets for High-Value Certified Products

Emmanuelle Le Courtois, Pilar Santacoloma, Eva Gálvez and Florence Tartanac, FAO-AGS

Background

The study aims to undertake a comparative appraisal of business models (BM) that enhance small-scale farmers' participation in markets for high-value certified products (HVCP) with specific quality attributes.

The methodology used consisted in a literature review on the definition of BM, followed by the elaboration of conceptual framework useful to analyse a selection of case studies from different FAO divisions. The case studies covered the following three markets for HVCP in Asia, Africa and Latin America:

- Organic certified products (6 cases)
- Good Agricultural Practices (GAP) certified products (3 cases)
- Products with geographical indication (8 cases)

Defining the concept

From the literature review two main points are highlighted: firstly the concept is hard to define for researchers, and secondly the range of definitions is mainly provided by private sector literature particularly related to e-business. Recently, Shafer et al (2005) & Osterwalder (2002) finally tried to reach consensus by summarising the most relevant definitions:

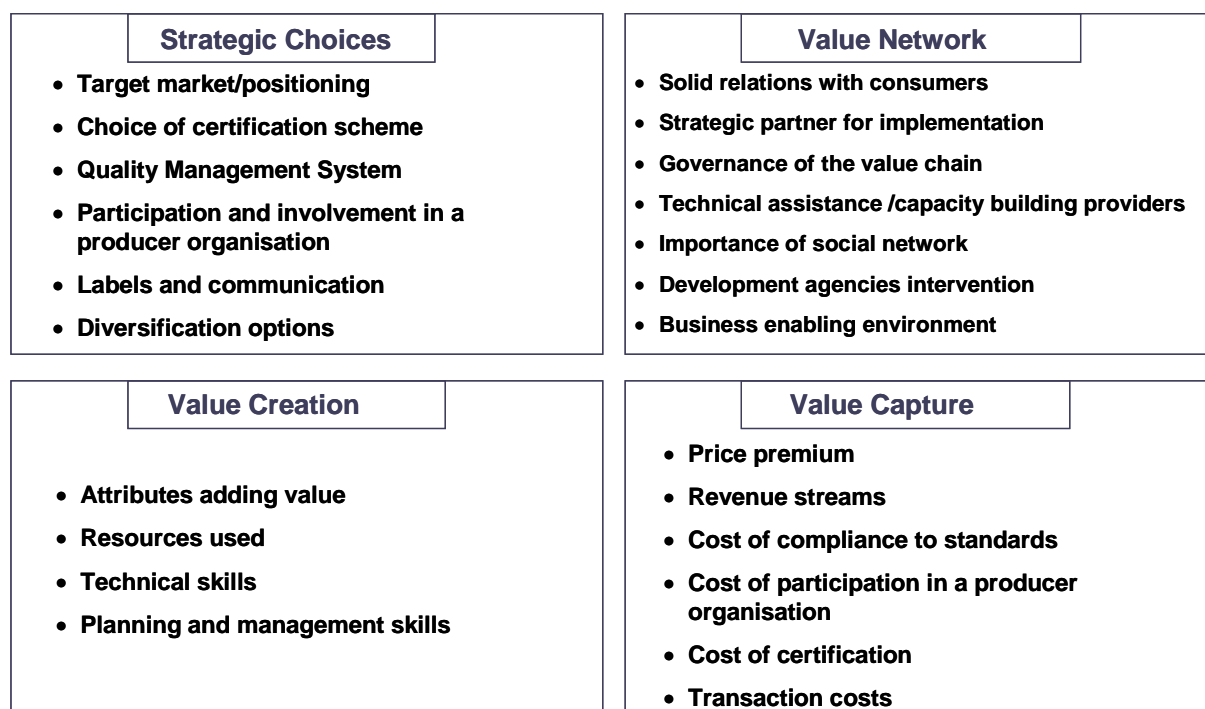
On the basis of their research, the following definition is proposed: a Business Model is a tool describing the way a business operates, through a conceptual framework, including the following components:

- Strategic Choices: marketing and structural
- Value Network: network of partners
- Creation of Value: assets and social capital
- Capture of Value: financial aspects

The hypothesis

- Participation in markets for HVCP represents a good income generation opportunity for small farmers. However, in order for them to access these markets, there is a need for specific BM.
- These BM may be different for each certified product, but they must have common features. It is possible to learn from each BM in order to identify success factors at the farmer level.

The conceptual framework



Success factors

After analysing each case study using the conceptual framework, the following key success factors were identified, which also apply to GI certification processes.

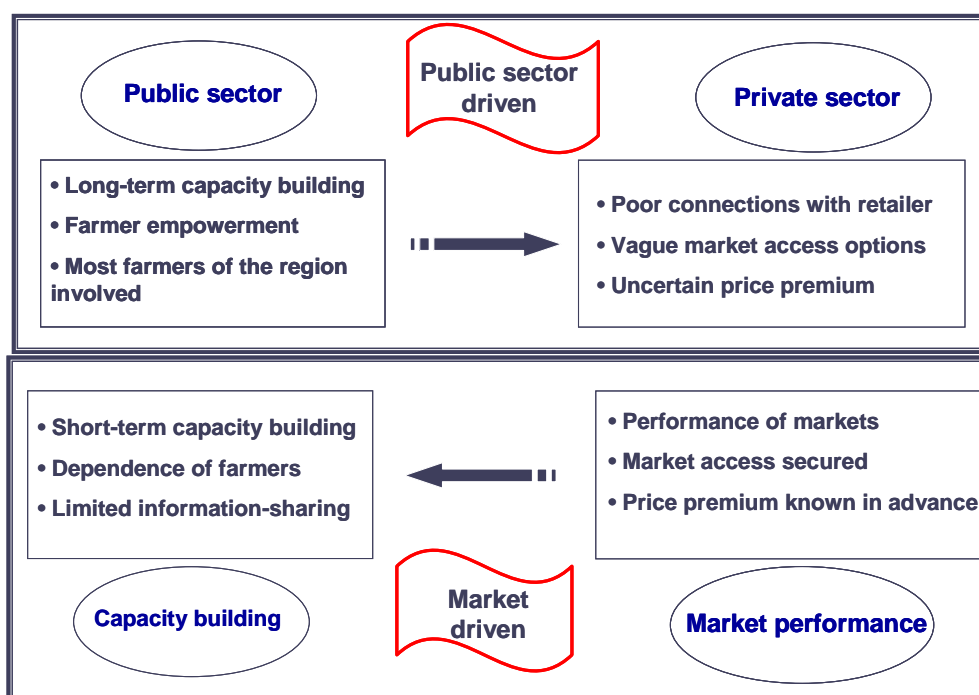
- A market clearly identified is necessary in order to insure that the product is eligible for a GI, and is recognised by consumers. A market study can facilitate the feasibility of marketing issues.
- Having well organised producers is key for the sustainability of income generation and maintaining the GI.
- Participatory process: involving producers in the certification process and standards setting procedures is crucial to avoid exclusion of producers, to make sure the intensification/ industrialisation of production is limited, and to limit costs of compliance to standards.
- The involvement of marketing intermediaries in the GI certification process is important to gain their support when developing market access, and differentiation at the point of sale. This is critical to try and change the power positions in the value chain.
- Institutional support at national and local level during and after the certification process is both needed to develop a GI and maintain it in the long run. GI certifications needs legal protection and regulation, as well as local support for implementation and promotion.
- Incorporation of new systems of quality and safety is important to sell high value products and homogenise the quality among producers for better marketability.
- Farmers need to explore options to reduce costs through group certification and other cost-efficient schemes.

Success Factors in GI products

<ul style="list-style-type: none"> • Market clearly identified • Having well organized producers is key for sustainability 	<ul style="list-style-type: none"> • Involvement of marketing intermediaries and retailers in the process • Participatory process • Institutional support at all levels
Strategic choices	Value Network
Create value	Capture value
<ul style="list-style-type: none"> • Capacity building for managing the GI in the long run • Incorporation of new quality systems to increase chance of successful market access 	<ul style="list-style-type: none"> • Group certification and other cost-efficient schemes

The main models

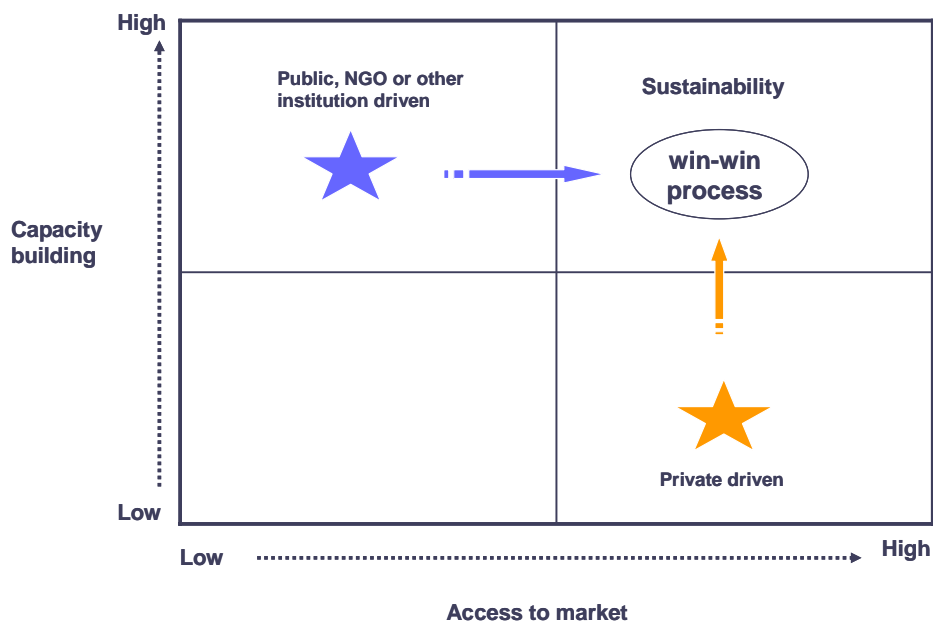
Two main models have been identified, based on the type of actor driving the certification process: the private sector or the public sector.



In general, the driver models tend to differ on the basis of two features, the capacity building and the market reality. Public sector driven processes show efforts to provide long term capacity building, encourage farmer empowerment and try to include most farmers of a region in their project. However, performance on markets is more challenging as the connections with retailers are poor, the market access is sometimes unrealistic and receiving a price premium is rarely assured. On the other hand, it tends to function in the opposite way within private sector driven processes. The capacity building activities are centred on a particular set of skills relevant for the current project, farmers easily become

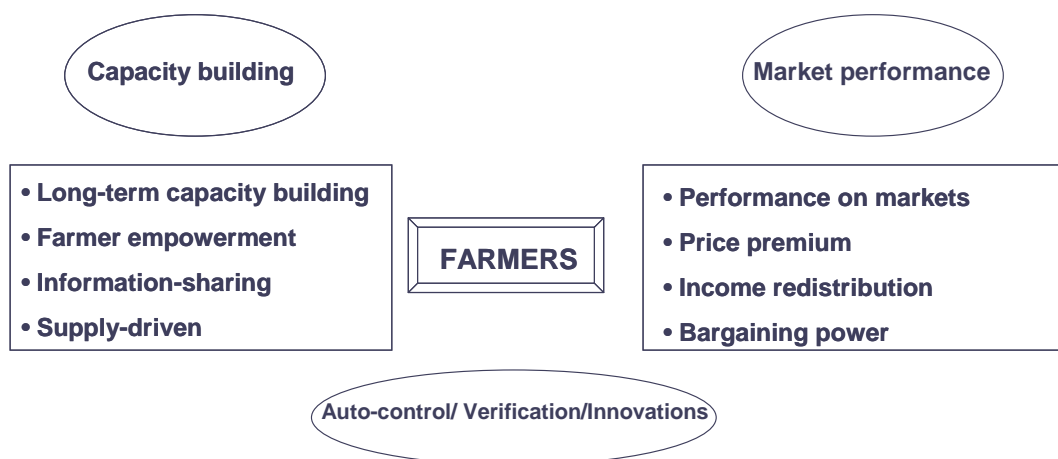
dependant of the company, information sharing is limited and farmers are left without resources when the company withdraws from the project. On the other hand, the market access issues are more positive, as products reach their target market and maintain access to it (as long as farmers are affiliated with the private actor), and the price premium conditions are advantageous.

Therefore the objective would be to reach a win-win situation that is sustainable for all parties.



Question for debate

The main challenge is then to reach the win-win situation by achieving the right mix of public and private sector efforts to obtain long term capacity building AND market performance.



Kraljevacki Kajmak case study

Marguerite Paus and Magali Estève, AGRIDEA (CH)

Case presentation

The Kraljevacki kajmak (kajmak of Kraljevo) is produced in the region around Kraljevo, in Serbia. It's a dairy product, made by the fat layer, created when the milk is boiled and then cooled down. Around 600 small producers and 2 dairies (in 2007) provide around 300 tons estimated to be produced in the Municipality of Kraljevo and marketed (the home-consumption is not estimated). 35% of the production is sold in the region, 65% sold outside in Serbia (Belgrade etc.) and other Balkanic countries

Protection schemes

Kraljevacki kajmak is not protected, nevertheless there is an initiative led by a local NGO working on the protection of the Kraljevacki kajmak as a protected designation of origin.

The Intellectual Property Office of the Republic of Serbia is in charge of Geographical Indications issues. The scope of application of the provisions on appellations of origin of the Law concerns all goods. During the examination of requirements for the registration, the IPO of the Republic of Serbia asks for the opinion of the competent authority (Ministry of agriculture). There is no opposition procedure before the final registration. There is no certification body for PDO / PGI in Serbia.

Motivations and stakeholders

Small producers of kajmak (household production) are motivated by better prices, transparency in the distribution of the value added and stability of prices. Moreover, they are under pressure regarding the implementation of sanitarian regulations, and are looking to gain a negotiation power (to discuss with vet authorities) by gathering themselves.

Traders are looking for high quality and long-term distribution channels. They are potentially in conflict with small producers, although being commercial partners.

The local NGO IDA aims at providing benefits in terms of rural development by supporting the local initiative of kraljevacki kajmak producers. They are playing the role of facilitator, notably by organizing meetings.

The Ministry of agriculture is financially supporting the NGO IDA, with the objective of providing an example of GI registration in order to promote the GI system.

Impacts of the GI system / protection scheme on sustainability / economic effects

At the level of producers, several aspects have to be pointed out:

- for producers who deliver milk to dairies that produce kajmak, there is no particular premium in the production of kraljevacki kajmak in comparison with other artisan kajmaks. Premiums seem to be more linked to the outlet and the number of intermediaries than to the origin. We suspect that the Kajmak sold in Zlatibor (and under this name) is mainly coming from the region of Kraljevo. Kraljevo does not seem to be attractive enough and is interchanged with Zlatibor which is trendy and well-known.
- producers with a high quality of milk (fat level) might be able to get a better price by delivering the milk to the industry (when industries have techniques to analyse the quality of the milk),
- if we examine the household production, the remuneration of the kg milk by producing kajmak is sometimes as small as by delivering the milk. It means that if the producers are selling their kajmak at 2.8 euros/kg, they are not doing any financial benefits, on the contrary if we consider the energy and the hard work involved in the production of kajmak. Many producers (in particular in the mountainous areas) stopped the production of kajmak, because it was not profitable enough in

comparison with the price of the milk. 260 DN/kg (3.3 euros/kg) is the limit under which producers are losing money twice in comparison of milk delivery. On the other hand, it can be profitable to produce kajmak at the household level, if the price of the kajmak is higher than 4.5 euros/ kg.

At the consumer level, the valorization of the kajmak doubles, according to the place it is sold (from 4.1 euros/ kg on the green market in towns far away from Belgrade and not touristic, to 8 euros / kg on the green market in Montenegro in summer!)

The effects of the protection of the Kraljevacki kajmak are mainly expected in terms of:

- higher prices to producers,
- transparency in the margins,
- stability of the prices and markets

Present effects in marginal areas (processing / retailing and development) are not convincing. The Kraljevo Municipality is not considered as “marginal area”, nevertheless there are lateral valleys in the mountains that can be considered as marginal places. A protection could revival the production in mountainous areas, in combination with a higher price to producers that could give them an incentive to continue the production. This issue is not consensual, since it depends if the mountainous areas are going to be included and if it makes sense for them to market their kajmak as kraljevacki kajmak.

Rural tourism develops in the Kraljevo Municipality (crossroad position) and some actors in tourism have already very well understood the synergies that are possible with traditional food.

Impacts of the GI system / protection scheme on sustainability / social effects

Many social aspects are linked to the artisan kajmak in general and not to the kraljevacki kajmak in particular, nevertheless there are some specific effects that are interesting to point at.

Artisan kajmak production decreases the (general) consumer' trust in food. This is mainly due to the fact that some incidents appear following non-hygienic repackaging and transport. Kajmak is made with boiled milk and the contamination at the farm level should be quite easy to eliminate (clean hands when removing the fat layer). Re-packaging and transport are more problematic, and a better traceability throughout a collective action and a protection should improve the practices.

Social and cultural identity is already very high, as kajmak (in general) as is it a traditional product associated to know-how. A protection of the kraljevacki kajmak could increase the self-esteem of producers (public recognition of their knowledge).

Farmers' integration is related to several aspects:

- in general, to sell kajmak on green markets is creating social links (much more than to sell milk to the dairy)
- for the particular case of kraljevacki kajmak, there is a farmers' integration with the emergence of agro-cluster and then the initiative to protect kajmak. The network is increasing and expected to increase further: enlargement and empowerment of the internal network (vertical cooperation) and external one (municipality, researchers etc.). Moreover the initiative is expected to provide better conditions to small producers so that some of same can continue their activity (kajmak is an important additional income for some small producers).

The question of gender; however it is an important issue in the case. Indeed kajmak production is exclusively a female production (at household level) whereas trade and dairy production is more a male business.

Exclusion issue has to be taken into account. Like other qualification process, the protection of kraljevacki kajmak might lead to two exclusion issues:

- exclusion because of geographical delimitation (mountainous areas, villages at the Kraljevo Municipality boarder)
- exclusion because of the definition of a code of practices (limit artisan/ semi industrial practices, definition of traditional process, composition of the final product etc.)

Impacts of the GI system / protection scheme on sustainability / environmental effects

At the time being, environmental issues are not the main stake in the case of the artisan kajmak production. Livestock activities are made in an extensive way. Nevertheless the environmentally friendly type of production might be under pressure due to structural changes (intensification, yield increase, etc). As example, some producers already shifted to Holstein breed. For that reason, critical points have to be fixed in the code of practices in order to maintain these positive effects and increase ecological awareness.

Comparison with other cases - initiatives

The kraljevacki kajmak case study is complex due to several aspects:

- no clear geographical limits,
- typicity of the process difficult to defined in comparison with other Serbian artisan kajmaks, nevertheless it is a real Geographical Indication because of the long tradition in the region and the reputation associated to it,
- changes in the supply chain (re-structuration, sanitarian norms etc.),
- numerous small producers

Trends and perspectives: GI system (value chain structure/technology/market)

Hygienic requirements are an important pressure. Within three years, important changes in the processing units structures are expected (small households to middle size dairies). A network with the institutions could be established, in particular with the sanitarian inspection to collectively negotiate the implementation of sanitarian regulations. In a later stage, relations with academics who are working on elaborates are a possibility, as well as the building of a cooperation with the vet Institute for the question of internal controls?

The structure of the supply chain is changing quickly. The main driver of these changes is the implementation of sanitarian norms. As it is easier to fulfil the norms in the production of milk than in the production of kajmak (separate room), many milk and kajmak producers have already switched to the production of milk only. With these changes, the role of traders and big farmers is increasing in the supply chain, throughout a new activity: production of kajmak in small scaled dairies. This underlines the need of having them strongly involved in the registration process. Former traders know the market and the quality that is expected by retailers and consumers. Moreover they are now producing consequential quantities.

Whenever the product is going to be registered, the “by-product” that could gain in importance in the coming years: the white cheese has to be taken into account. Should it be included in the code of practices? Or separately defined and protected?

Trends and perspectives: GI protection schemes (organization and political strategies)

Building up a collective action is a long-term project and require energy and patience to go through potential conflicts. A regional strategy has been chosen to promote the kajmak and to increase the awareness of both the producers and consumers toward kraljevacki kajmak and the PDO in general. However, there is a vagueness about the concepts “branding” and “geografsko poreklo” and the awareness of a need of collective action is not shared equally among actors.

Whenever the new law is going to be used, for the Kraljevacki Kajmak registration or for any other product, clear procedure and accurate rules for the registration will be missing. A coherent national procedure will probably be defined, opening the possibility for opposition. Furthermore, there is a problem of overlapping between the products registered under the former law and products that will be registered in the future. Older protected products should may be examined and reregistered following the new law requirements and procedures.

As another aspect of the GI protection scheme, the current law does not regulate the Geographical indications controls and certification and there is no consideration of adaptation when looking at the sanitary requirements. This is a difficulty that has been met formerly in EU countries and is also encountered in new EU member countries. Common national guidelines for the local institutions in charge of the controls and certification are a core step to implement in order to set up an efficient GI protection scheme. Competences between the Ministry of Agriculture and local control institutions will probably have to be more clearly divided.

There is almost no consideration for the sensory evaluation in the protection scheme, where as it is an important part of the certification procedures when looking at wines in Serbia. Tasting could be included in the registration procedure.

Brazilian Pampean beef Case study

Claire Cerdan, Cirad (F)

The stakes of the case-study

The “*Carne do Pampa Gaúcho da Campanha Meridional*” or “*Pampa Gaúcho da Campanha Meridional Meat*” has been protected as a recognized Geographical Indication since December 2006 by the Brazilian National Institute of Industrial Property (INPI). The interest for this case derives from several aspects: the national characteristics of Brazil and its international position in regards with GI; the kind of product –bovine meat- and its relevance at the regional level; the collective experience which has been deeply studied.

First, Brazil is becoming an agricultural giant. The strong and powerful agribusiness sector tends to confirm its globally competitive commodity status, and expanded into one of the world's biggest exporter of many agricultural products: orange juice, meat (beef, poultry and pigs), soybeans, sugar, coffee, tobacco... Brazil has become a very active player in world trade negotiations, assuming leadership of the G20 along with India and largely defending agribusiness interests. It has successfully challenged both the US (cotton) and the European Union (sugar) positions within the forum of the WTO.

Nevertheless, the Brazilian “agro” sector is divided by a tension between its “commodity vocation”, reinforced by an explosion of world-wide demand for a wide range of agricultural commodities, especially from China, and the possibilities which the “quality turn” may offer. Previously the “quality turn” option was receiving support from the segmented markets and more demanding market access requirements of the Northern economies, but presently, the main incentives from the North are linked to agrofuels investments, leading to an enormous expansion in sugar-cane plantations and oils-for-diesel crops. To date, Brazil remained neutral in the WTO dispute on GIs between the European Union and the United States and Australia. But agribusiness representatives look with mistrust on strengthening Brazilian GI legislation, focusing on its negative impacts for a range of products that are currently marketed in the country using GI names with the addition of an “a type of” qualification. Therefore, GI-based development strategies are today still ambiguously positioned in Brazil.

Second, this case study deals with beef meat, an important product in international trade and for the economy of South America (especially for Argentina, Uruguay and Brazil). These 3 countries can be considered as the world production pool for beef meat. In addition, a worldwide reputation has developed for high-quality meat from Argentina and Uruguay, based on British breed cattle and “Pampean” native pasture. Pampas are the natural permanent meadows which cover a large part of Uruguay, Northern Argentina, and the southernmost part of Brazil. Brazil, with a total herd of 208,8 M. animals, became in 2005 the biggest meat exporter in the world. During the last ten years, this country made an important effort to increase the number of animals, especially with Zebu cattle (*Bos indicus*), introduced to Brazil in the last century. These animals adapted quickly to Brazil and in a short time, populated large areas in Center-West (*Cerrados*) and Amazonian regions, considerably improving Brazilian beef cattle breeding. To date, Zebu cattle represents 80% of the Brazilian cattle. Indeed, most of the cattle production in Brazil today takes place under tropical conditions. In the two southern Brazilian states of Santa Catarina and Rio Grande do Sul, however, where climate is more temperate, cattle are primarily of European breeds or crossed with zebu breeds, either for dairy or beef production. Malafia and al (2007) underlines that Brazil has a great diversity of “*breed, systems of production, sanitary conditions at slaughter and marketing forms*”.

However, in a context where meat beef is still considered as a commodity, the southernmost state of Rio Grande do Sul (RS), accounting for the fourth beef production in Brazil, is enduring difficulties. The access to national and international markets is hindered by high production costs when compared to others regions such as centre-west (pre-amazonian) region and by low levels of coordination within the supply chain. In addition, the RS region faces a new agricultural dynamic with the expansion of soybean and exotic paperwood monocultures.

According to Malafia (2006), this southern region still presents specific advantages: “*The region of the Pampas has many strategic resources, a privileged ecosystem, an European cattle genetic base, a meat production process based on raising animals outdoors on grass, satisfactory animal welfare for slaughter, extensive native grasslands, tacit knowledge of producers, culture and tradition of the people (the Gaúcho)*”. The *Gaúchos* form a well identified social and cultural group. Their culture developed from a rural way of life and environment revolving around cattle and horses. These two important assets greatly shaped every aspect of their lives, from their clothes (*bombachas* – trousers), their games, and their food – through an elaborated and specific way of cooking meat (*churrasco* – barbecue, *carreteiro* – meat cooking within rice), of conserving meat (*charque* – sun-dried beef cured with salt).

Third, the case of the registration process and the protection of an Indication of Source (IP) for the meat produced in the Southern meadows of the Brazilian Pampa, borderline with Uruguay and Argentina, sheds light on how actors and institutions (SEBRAE in this case) in Brazil are interpreting the GI concept and its potentialities. The main difficulties and expected potentials impacts can be identified. The case study has a qualitative nature due to its descriptive approach and to the fact that this GI initiative is very recent. The project “Meat of the *Pampa Gaúcho da Campanha Meridional*” was established in 2004, through a partnership between private and governmental organizations and with the leadership of farmers from the Pampean region. The objective of the project was to differentiate their product and improve its quality in order to compete on the national and international markets. In Southern Brazil, the good quality of beef meat produced on the natural meadows of this borderline region has been recognized for a long time and identified under a name of “*meat of the border*”. The registration of the product as an Indication of Source (one of the options open in Brazil for the registration of GIs) is quite recent (December, 2006). Therefore, it is not possible to estimate the impacts of the GI system on socioeconomic or environmental effects. Still, some interviews with stakeholders were conducted to evaluate the potential impacts expected, and to identify some unexpected impacts which are already appearing.

This case study analysis focuses on 3 hypotheses:

- H1: Brazilian Pampa beef is a collective initiative based on European market anticipation and national market segmentation (differentiation process based on British breeds and pasture feeding which is a marginal production in Brazil).
- H2: The way the GIs rules have been constructed and defined implies strong effects on producers selection/exclusion, which could make the label less attractive.
- H3: Yet, the GI label could have some positive potential impacts (environment preservation, supply-chain organization, increased credibility of GI).

In a further step, the main results of this case study will be compared with the results of the Argentina Pampa beef case study.

Normative framework and the emerging profile of GIs

In line with its previous membership of international agreements on GIs and of its adherence to WTO/TRIPS, Brazil adopted legislation on Geographical Indications in 1996. Brazilian legislation, it should be noted, covers both products and services. It defined two types of GI: one is the Indication of Source (IP) and the other the Denomination of Origin (DO). The latter requires that the qualities of the products/service in question be due exclusively or essentially to the natural or human geographical environment. The former stipulates that the geographical origin be renowned as a source of some of the characteristics of the products or service in question, without further specification.

The National Institute for Industrial Property (INPI) defined the requirements for registering GIs through the Normative Act 134 in 1997 and the Resolution 75 in 2000. In 2005, Decree no 5.351 from the Ministry for Agriculture (MAPA) created a department of Intellectual Property (DEPTA) and within this, a unit to promote and accompany GIs. This GI initiative took place in MAPA, a Ministry identified with agribusiness and large scale farming, rather than in the Agrarian Development Ministry (MDA), responsible for agrarian reform, family farming and rural development.

Beyond the GI legislation, several initiatives have emerged locally with the support of different Federal bodies dealing mostly with small-scale rural activities : Agrarian Development Ministry (MDA); Environment Ministry (MMA) which develops territorially-based policies in relation to conservation

areas, to the protection of genetic resources and traditional knowledge; and SEBRAE, the Brazilian organization for the promotion of small and medium enterprises, which stimulates the association of GIs with the more entrepreneurial farm sector in order to exploit niche markets. As we will see, *Pampa Gaúcho da Campanha Meridional Meat* is heavily dependent on SEBRAE's initiative.

Brazil remained neutral in the WTO dispute on GIs between the European Union and the United States and Australia. But some agribusiness representatives look with mistrust on strengthening GI legislation, focusing on its negative impacts for a range of products currently using GI names with the addition of an "a type of" qualification (for example: *queijo tipo parmesigiano*). Such mistrust was sharpened in the wake of the EU-Mercosul negotiations. At best therefore GIs may be seen by agribusiness as a possible strategy within the "turn to quality" (Lima, 2005). The coffee IP "Cerrados coffee" developed in the State of Minas Gerais by CACCER cooperative, is an example of a business initiative that has identified the value of a GI for upgrading its market access into the US and Japan.

A brief overview of the GI currently registered at the federal level (Wilkinson & Cerdan, 2007) concludes that GI-based development or competition strategies are therefore ambiguously positioned between the agribusiness sector - eager to confirm its globally competitive commodity status as the granary of the world - and the family farm sector, equally determined to consolidate family farming as a viable alternative agrifood model and the basis also of territorial development strategies. Both sides, however, in practice are also pushed in the direction of origin-based quality products by different market pressures and stimuli.

Beef meat in the Brazilian Pampean region

Beef production in the Brazilian southern region presents some specific characteristics related to the land, the cattle breeds and the breeders.

This case study deals with the South-Western part of the state Rio Grande do Sul, where the Pampa ecosystem can be found in Brazil. This landscape covers approximately 157,000 km² as far as Brazil is concerned. This natural meadow is constituted by a large variety of gramineae, set on low hills (called *coxilhas*), quite similar to what exists beyond the border in Argentina and in Uruguay. Given its grassland characteristics, the Pampa territory has been devoted to extensive cattle breeding since the beginning of European colonization (XVIII century). According to Felippi (2001), the Pampa region has maintained a low level of economic diversity, with a strong dependency upon the production of cattle and rice. Its land distribution pattern is very unbalanced. Many farming units in this area are larger than 1000ha. This economic structure based on large production and a tradition of extensive cattle breeding has not changed significantly over the last centuries or decades. The production of dry meat declined during the XXth century, while soybean and rice cropping appeared and expanded, but this never questioned the supremacy of extensive cattle breeding in this area.

However the importance of this large scale is all relative. Recent studies highlight the importance of the family breeding in this region (EMATER, 2006). Most of the time, small scale farming systems are spread around the largest units, in the most fragile areas (weak or light soils). According to Ribeiro (2001), small scale family breeders would have approximately 100 ha, keep almost 150 cattle and sheep. They represent an important percentage of the breeders in our case study region (70%). This sector is quite unknown at the state or federal level, and suffers from an important lack of financial, organizational and technical supports. Main problems faced by the small-scale farmers are related to cattle breeding technologies, handling of native or improved pastures and lack of market informations.

In regards to genetics, the *Campanha Meridional* region, as it is known, borders Uruguay. At the beginning of the 20th century the cattle in Uruguay and Argentina were distinct from the Brazilian ones; they were of European breeds. The contact between the farmers from the Pampean regions of Uruguay and Brazil and the good quality of the grass allowed for the introduction of European cattle breeds in the Southern most part of Brazil. Most of the cattle in the state of Rio Grande do Sul currently belong to the genetic group *Bos Taurus taurus*, known as European cattle, and *Bos taurus taurus* x *Bos taurus indicus*, known as *Cruzas*. Few studies describe the domestic animal genetic resources in the southern Brazil. According to Cardellino (2000) in the region comprising the states of Rio Grande do Sul, Santa Catarina and Parana "almost 50 p.100 of the beef cattle in the Southern region is a European-zebu mix of non-defined breed (SRD = sem raça definida). The rest are more or less defined European breeds, European x zebu crosses of defined breed composition, some pure

zebu, and some composite breeds". Nabinger (2006) studied cattle raised for consumption in Rio Grande do Sul. He found that 35% of the cattle farmers interviewed raised "general breeds", 45% raised specific mixes of Zebu and European breeds, and only 20% raised pure breeds (9,8%) or mixes of European breeds (10,2%).

As we will see, these characteristics implied difficulties when producers define rules and the GI code of practices. Therefore, this study will attempt to evaluate who the main benefited groups are within the cattle breeders (social impacts) and what kind of environmental impacts could appear.

The case study: Pampa Gaúcho da Campanha Meridional Meat

Main objectives and actors

The GI was created following the marketing of the brand "South Brazilian Beef" that took place in 2000 in the state of Rio Grande do Sul, mostly by SEBRAE. In 2000 this program allowed institutions (SEBRAE), agricultural unions (FARSUL), and cattle farmers to participate in prominent international conferences such as SIAL or the Anuga fair. These different experiences as well as visits at GI experience in France and in Europe convinced the farmers of the *Campanha Meridional* region to attach more value to their beef through a GI.

The main motivation for the farmers was to distance themselves from the Brazilian norm of intensive production of beef (quantity vs. quality) by stressing their proximity to the famous beef of the Argentine Pampean region.

The SEBRAE role in this GI system is important to emphasize. This Brazilian organization, for the promotion of small and medium enterprises has large resources and an extensive national network of staff. In the '90s, it made a turn to the rural sector and is currently very active in the promotion of alternative special quality markets: organics, fair trade, Slow Food and GIs. SEBRAE has published a book specifically on GI's and another with the instigating title: *Moving Territories* which also includes a chapter on the concept of *terroir*, indicating the priority which it is currently giving to strategies based on origin products. For SEBRAE, this case was considered as a pilot experience. Its main objectives was training its staff, learning how to do a GI demand visiting others experiences and foreign countries, conceiving methods to promote GI in Brazil. In just a few years, this institution participated in the World-wide ORIGIN Assembly, supported the first GI beef meat, published and distributed 10,000 guides on "Geographic Indications", for the SEBRAEs Units of the whole Country. Today, SEBRAE continues supporting the pilot experience (Pampean Beef) and developing new GI projects in this RS State such as Candies of *Pelotas*, Rice of the coast and leather of *Vale dos Sinos*.

The federal university plays also an important role. According to researchers involved in the GI project. This initiative was an opportunity to design, with local communities, new answers against the degradation or disappearance of native pastures. It should be noted that native pastures have been decreased around 126,000 ha per year between 1970 and 1996, and 352,000 ha these last ten years (Nabinger, 2007).

There are 6 stages to this project: (1) learn how to do a GI request (visit and discuss with INAO in France), (2) conduct a historical research on the origins and the connection to territory of the meat from the *Campanha Meridional*, (3) choose the name of the product, (4) define the zone of production and the code of practice, (5) An association was formed to submit the report to the INPI (6) Since the acceptance in December 2006, the association is responsible to recruit new members to the project.

The historical report conducted by the UFRGS collected a number of elements that showed the connection between the product (meat and meat products) and the geographical location. The sources used for this research included: reports from historians, travelers, romance novels, tales, poetry, newspapers and technical magazines, pictorial sources and interviews with cattle farmers and researchers of the history of the *Campanha Meridional*.

The delimitation of the area was not an easy task to accomplish. The technicians first wanted to certify the meat from the state of Rio Grande do Sul, before realizing that the diversity of the vegetations, soil, and breeds made their attempts much harder. The first difficulty was to define the criteria of identification and delimitation of the zone of production. Three criteria were selected: pasture feeding tradition, presence of British breed, characteristics of the meadows that would benefit the development

of the British breeds (type of soil, quality of the grass, floristic composition). The UFRGS first developed an important bibliographical research (zootechnical and botanical) supported by cartographical data from a georeferencing company. 11 types of soil were considered suited to the production of high quality meat. Following this research, a small team made up of 2 researchers, 2 members of the agricultural union (FARSUL), 1 member of SEBRAE and 1 meat producer went to the fields to verify the exactitude of the criteria. This part of the research was important for the supporters of the research who wanted to “*delimit an area that couldn't be called into question afterwards*” (Vitrolles, 2007). Special attention was paid to the relationship between the soil composition, floristic composition and the quality of the grass. In fact, in the south of Brazil there are what is called *campos limpos* (clean fields) and *campos sujos* (dirty fields). *Campos sujos* are characterized by savanna, with trees and shrubs and a variety of taller grasses that promote the development of ectoparasites. These criteria explain why the geographical area of the GI does present complex delimitations.

Another interesting theme is the choice of the name. The GI producers demand their membership to the *Pampa Gaúcho*. Aware of the commercial interest in this source, they also wanted to use this denomination to characterize their GI. On the other hand, knowing that this choice of the name *Pampa* would be prone to polemic with their Uruguayan and Argentinean neighbors, the meat producers took the precaution of over-qualifying the name of the GI in specifying the micro-region of the source of the meat (Vitrolles, 2007). This is where the name Carne do Pampa Gaúcho da Campanha Meridional comes from, which they justify noting that “*In the Campanha Meridional region, we can find the best natural grass of the Pampa Gaúcho*” (Apropampa, 2007).

Description of the product and analysis of its code of practice

The code of practices was defined and proposed by a group of 15 producers and supported by the SEBRAE and researchers from university. It defined six requirements to produce the GI: delimited area, cattle breeds, animals feeding, animals staying in the area 12 months before the slaughter, traceability, and animals' characteristics. The GI delimited area includes 13 municipalities. Animals must be European breeds, either Hereford or Angus or their hybrid. The herds are exclusively fed on native pastures (*campo nativo*) or improve native pastures. Cultivated winter lots are authorized whereas cultivated summer lots are not. Grains complementation is prohibited in the last year before the animal's slaughter. Moreover, animals must remain free all the year. The code of practice defines a set of norms for slaughter, which includes the age of the animals (42 months maximum), the rank of fatness in the meat (3 mm minimum), the conformation (convex) and the weight (from 180 to 230 kg according to the sex and age) of the carcass. Included in the Code of Practice, traceability seems very important. The animals' monitoring system has to be established for each animal. The meat traceability and GI certification is the basic part of the whole process of GI Brazilian Pampean Beef production and elaboration. The number of the animal is written on the tag of each piece of meat containing a GI.

Only three cuts, “the most distinguished cuts”, can be sold under the GI label: *picanha*, *maminha* and *entrecôte*. The characteristics of the meat after slaughter refer to its color, fat and the texture of the product. The other cuts are sold in the general market. Meat from animals under 24 months must be of “rosy” color with white fat and fine texture. Meat from animals between 24 and 42 months must be of the same color and texture but with a creamy color. The meat with the recommended amount of fat is of moderate intramuscularly marbling.

The project is quite recent but lessons could be drawn. The code of practices for the Brazilian GI “*Pampa Gaúcho da Campanha Meridional Meat*” was created for a potential future market: the European market. The methods of production appear rather distant from the local realities and are difficult for all farmers to follow, especially for local family breeders which are, to date, excluded from the group. The criterion of the breed is an example: according to the code of practices, only pure British breeds are allowed. But, as discussed, some of the producers do not have livestock of pure Hereford or Angus breeds, and renewing livestock takes years; at least 3 generations of animals before they can be considered pure bred. Currently, producers have difficulty slaughtering 50 animals per week; their meat is only sold in one specialized store in the capital city of Porto Alegre. These difficulties could make the label less attractive.

Ten months after the official recognition of their product as a Geographical Indication, farmers still do not see a profit from the valorization of their meat. SEBRAE continues to offer financial support to the

organization. Because of these difficulties, the members of the association actively seek new members to make their organization more credible, develop the GI and produce more.

General considerations from the case study

At a national level context

The Brazilian legal framework was recently put in place and suffered a necessary adaptation of norms and rules of operation. The absence of GI public policy with clearly defined objectives and directives, the misunderstanding of GI concept by Brazilian consumers and stakeholders did not help first initiatives. The latest followed the institutional instruments creation and accompany their “grinding period” (adjustment).

The national situation is characterized by a lack of coordination between the different institutions in charge of GI regulation, support or promotion (especially INPI, MAPA, SEBRAE). This coordination is considered essential due to the lack of consensus on the notion of geographical indication between private producers and public policies. Therefore, the authorities have to take control of these issues by putting in place specific policies of assistance.

The explanation of the main issues and steps taken for certification in Brazil help us better understand how the notion of geographical indication is employed in the country. Up to now, three distinct justifications can be identified. **Food safety and the search for competitive advantages in foreign markets** is the first one. In order to comply with new requirements of foreign markets (Europe and United States), Brazilian producers organized GIs (Pampa Gaúcho Beef, Coffee from the Cerrado). In these regards, geographic indications are concerned with issues of food safety, traceability and the opening to foreign markets. Their regulations are concerned with the use of tools and methods to control the quality in the agro-industrial sector, as well as traceability of products from the producers to the consumers, or the integrated fruit production. The traditional aspects of these products are not always clear. **The search for alternate markets and the promotion of family farming** is the second justification. It centers on offering distinctive products, innovating in the use of local resources and ways to sell their products. **The protection of local customs and skills and the preservation of biodiversity** is the last one. It is concerned with the conservation and valorization of the customs of the native populations.

At the moment, the definition of the notion of geographic indication is often confused with the notion of indication of source. Many products were proposed under this confusion. They are more connected to a reputation, a local recipe, a skill, than with a strong connection with the land or a product. The first GI initiatives are also highlighting an important gap between the IP and DO. The Indication of Source only refers to notoriety. It does not require any specification for tradition, history or know-how. On the contrary, in the DO case, producers have to demonstrate the strong connection between human factors, natural environment and the product with deep scientific studies. At this time, the IP seems to be overindulgent and accessible while the other one – the DO is very exigent. This would be turning the transition from IP to DO very difficult. To date, none Brazilian product was registered with DO.

The current model is full of imperfections that will be worked out with new experiences and products. At the moment, a national clear strategy on GI is needed, improving the coordination between the main GI promoters, defining clear policies on GIs, specifying the different laws and instruments for origin products protection and promotion. It is also a question of legitimizing the handicraft than the territory (*gaúcho* product, *sertanejo* products, etc), converging on the ideas of sustainability, the environment, and artisanal and social issues.

At product (case study) level

The GI process, one of the first in Brazil, can be considered as a collective learning process for the stakeholders, as well as for Federal bodies. Actors could change or improve their production practices, realizing the importance of qualities and specificities of their own product or its social and environmental impacts. The federal bodies could identify some critical points and lacks in the GI legislation or GI instruments.

Today, this experience is facing difficulties related to the **exclusion** of the important part of the

region's breeders due to the code practices exigencies, and to the very small quantities (<50 animals/week), which does not help producers to consolidate their market positions.

However, our fieldwork shows that this project led to a better recognition of the cattle breeders, the safeguarding of the *Gaúcha* culture and an emergent role of the stakeholders in the debate on the territorial development.

Another difficulty is related to **the control**. To date, the respect of the code practices is controlled by the APROPAMPA association (animal's arrival at the slaughter-house, carcasses certification by veterinary). There is no external intervention to validate and check the application of the production rules regulated by the GI code of practices. Furthermore, it is quite difficult to control the respect of the rules of the code of practices in cattle breeding product case. According to Prache (2005), organoleptic control is important to emphasize: sensory characteristics of origin products are not easily located without experts. But, it is not a jury of experts which "will confirm" the typicity of a product, but well, the "memory carriers" which know what is the "expected typicity".

Today, the MAPA and its specific bodies are controlling sanitary aspects. There is no federal body in charge of GI control. With the recent recognition of Brazilian GI products by EU (*Vale do Vinhedos* wine), the MAPA started to assume new function warranting GI systems.

A questionable legitimacy? Beyond these difficulties, the legitimacy of this case study is quite questioned for several reasons: first, it is difficult to justify why and how a small group of 50 producers can appropriate themselves the name of the *Pampa Gaúcho da Campahna Meridional*, which represents a large region populated by many others breeders. Secondly, it is particularly difficult to justify the relation between a meat product or its derivatives and its origin. Several Scientific works highlight difficulties to recognize the typicity of the meat due to several factors, whose the main are: a great heterogeneity of the meat in the same animal, a multiplicity of quality appreciation forms (from the animal alive to the piece of meat in the butchery), a dispersion of the knowledge among different stakeholders.

In regards to **environmental impacts**, the case appears interesting. The GI allows preserving native pastures which rarefy in the *Brazilian Pampa Gaúcho*. It could help to fight against the reforestation phenomenon and allow producers having a new consciousness about the importance of environmental preservation. Even if their perception is related to a marketing strategy, this case could supply the debate on the durability and the territorial development in the area.

This experience seems to have a broader effect on the beef production in the region. Actually, others quality programs have been started. One example is the *Carne Pampa* project of the Brazilian Hereford and Bradford² breeders association. Initiated this year by slaughterhouses, it stimulates the use of Hereford and Bradford genetics, paying better price to the breeders. This program joins others initiatives such as Angus or Hereford and Bradford Programs, Origin Guarantee Carrefour program, present in Goiás State and the south of Brazil, "Anonymous Gourmet".

This case study is **an original and innovative step at the regional level**. It can be stressed that stakeholders contribute to define what good quality meat is. This is quite important considering that the region has developed a worldwide reputation for high-quality meat.. We suppose that this case could foster the creation of references across Argentina, Uruguay and Brazil, countries that are recognized for their good flavor and very tender meat, but that did not define how to produce good quality meat and how to protect it.

However, this case is also a marginal process in Brazil and at regional scale: 42 producers among the 4,859,865 censused in Brazil (Censo Agropecuario, 1996).

² Bradford : cross between Zebu and Hereford

Rooibos Case Study

Estelle Biénabe, Dirk Troskie,

Cerkia Bramley, Maya Leclercq

Cirad (F), Western Cape Dppt of Agriculture, University of Pretoria (Sth Africa)

This presentation deals with the case of one of the most emblematic South African candidate for a Geographical Indication (GI), the rooibos. Rooibos is an herbal tea made from *Aspalathus Linearis*. It only grows in the Cedarberg region of the Western Cape Province and the high lying areas in the southern parts of the Northern Cape Province in the fynbos biome in South Africa. It is also only processed in this region and is known as a specific product from South Africa. Rooibos is the Afrikaans word for 'red bush'. It has become a popular tea worldwide, especially appreciated for its polyvalence and health benefits.

With the increased international demand for rooibos tea, some producers feel there is a threat of possible delocalisation of the production outside the country. Another more immediate threat arose with the registration of trademarks on the name rooibos by different companies in different countries. This resulted in a major legal battle in the United States that made rooibos famous. The term 'rooibos' was registered there as a trademark in 1994 by a South-African company to draw profit from its exclusive rights in marketing rooibos under this name in the United States. In 2001, the company has assigned its trademark to its US agent. Rooibos Ltd, assisted by the South African Department of Trade and Industry (DTI) and the Western Cape Government, contested this registration for more than 6 years and had to spend almost 6 million Rand (750.000 euros) in legal fees, before they achieved an agreement with the agent, which recognized officially in June 2005 the cancelling of its registered trademark. As a result of this big incident, the South African Rooibos Council was established to represent the whole industry and act as a vehicle for collective action. One of its four strategic objectives is to protect the rooibos name for the industry. To this end, a Task Team consisting out of a representative from processors, marketers, commercial farmers, emerging farmers and from the NGO environment was appointed by the industry in 2006. It is actively supported by researchers, among which are those reporting this case study, from the Western Cape Department of Agriculture (Provincial Department), the University of Pretoria, the CIRAD and Cape Nature (the Nature Conservation Parastatal of the Province). At its most recent meeting the decision was taken to activate the legal proceedings to ensure the appropriate local protection and a local Law Firm was mandated accordingly.

Although South Africa has a *sui generis* system for GI in wine and spirits (Act 60 of 1989), it only provides minimal protection for non-wine and spirits GI as required under South Africa's international obligations. South Africa complies with the TRIPS provisions through a combination of consumer protection and unfair competitions laws and its trade marks registration system (Bramley & Kirsten, 2007). The official South African international position regarding GI is fairly negative. However, this position is in the process of being eroded as a result of increasing examples of usurpation abroad. The most prominent and influential of these examples (but not the only one) is that of rooibos, which is considered to be part of the South African patrimony, with a significant part of South African people aware of the legal battle that took place in the USA.

The promotion and development of a specific system of protection for non-wines and spirits products is currently being debated in the political arena (Department of Trade and Industry), driven by the agricultural departments of four provinces (Western Cape, Eastern Cape, Northern Cape and Kwazulu Natal), and now taken over at the national level by the National Agricultural Marketing Council. It is envisioned that a *sui generis* system would be a tool for valorising localised productions and improving underprivileged communities' livelihoods. The most advanced initiative at the industry level and the only case that has formally taken steps towards developing a GI in South Africa is that of rooibos that is to a certain extent playing a role of pilot case to see how GI could be developed in South Africa and a role of model that may be followed by other industries. The industry is playing the role of lobbying

towards the government and in particular the DTI for the development of an appropriate institutional framework.

Traditionally gathered in the wild, rooibos is nowadays mainly cultivated. Through a fermentation process, rooibos gets its characteristic red colour, its distinctive flavour and sweet aroma. It has a long history related to a specific territory: the processing stage still mainly relies on traditional methods, which trace back to the Khoi and San populations over 300 years ago. Rooibos cultivation practices have been developed over the last century by the different settled populations. Rooibos cultivation is now strongly associated with the landscape of the Cedarberg region and is a key element of its identity. Rooibos has become a South African heritage. Different qualities of rooibos tea are attributed to different soil and climate conditions, with some areas recognised for their better quality.

Primary production involves between 300 and 450 farmers, both commercial farmers (about 97% of production) and small-scale. Areas under cultivation ranges from a few hectares to over 5 000 hectares per farm, but these large-scale producers, are in the minority. Most of the small-scale farmers are members of two cooperatives that grow, process and market rooibos mainly for the fair trade market. Rooibos processing is dominated by 8 large companies mainly located in the Cedarberg production zone that collect and transform rooibos, and sell it to intermediaries who market it. Among these processors, Rooibos Ltd³ detains 75% of market shares, dominating in particular the national market through National brands group. The turnover of the rooibos tea industry was estimated at 180 million Rands in 2004 (corresponding to 22.5 million euros). The export market represents more or less 60% of the production against 40% for the domestic market.

Rooibos is sold pure or in blends. The deployed qualification and certification strategies are diverse: fair trade, organic farming, 'wild rooibos tea'. These strategies can support strong differences in prices paid to the producers: in 2005, Rooibos Ltd, which production is mainly conventional (only 15% organic) paid 1,9 € for 1 kg of dried Rooibos while the Wupperthal cooperative, which production is all organic and valorised through fair trade channels, paid 3€ per kg . But this diversity concerns primarily the export market and is restricted to small niche markets. Most of the export (over 90%) is done in bulk.

In addition to the protection of indigenous names from usurpation, the debate and initiatives over GI have been driven by biodiversity and environment protection stakes. In the case of the rooibos industry in particular, where the evolution of the production practices constitutes a strong stake from an environmental point of view especially as a threat to biodiversity, these two approaches are contributing to the development of the GI process. Issues are raised due to the expansion of the cultivation area and to the intensification in practices. In addition to the development of biodiversity best practices, the core biodiversity elements are being incorporated into the product specification for rooibos.

Furthermore, the sustaining increased demand and lack of common quality standards on rooibos gives rise to opportunistic behaviors both from South African processors and traders - who need to create their space in a market strongly dominated by Rooibos Ltd - and from European buyers, on export tea quality. The subsequent risk of degradation of quality, and thus of loss of reputation, is perceived as an important threat by some actors. Furthermore, with the dynamics of innovation in the industry and the huge product range (not only the blend herbal teas but also cosmetics, soft drinks...), it also becomes more necessary for the commercial viability of the industry to make sure that it is rooibos that is used. With the expansion and opening of new markets, need for standardization becomes critical. But with more than 90% of the production sold in bulk and the European market being dominated by a few international tea brokers from Germany, control on overseas markets is very difficult.

Another challenge relates to the equity issues and the relations between resource poor farmers and commercial farmers with the power in the industry captured by the elites. Even if some resource-limited small scale farmers have succeeded in better penetrating markets through alternative marketing channels, their equity participation is still not secured inside the industry, due mainly to their financial and land constraints and their small volume of production with respect to the big companies. Their positioning in the fair trade market could be challenged by the recognition of large rooibos plantations as fair trade certified. Rooibos constitutes the main resources of these two communities of

³ This company results from the Rooibos Tea Control Board, created in 1954 that was the only actor in processing and marketing rooibos until the 1990's. In 1993, it was voluntarily dismantled and its assets were shared among the producers who founded Rooibos Ltd.

small-scale farmers. With the support of NGOs, they have been integrating almost all the steps of the supply chain, producing high value products and creating jobs. They have recently inaugurated a 'rooibos heritage route', a touristic route based on the idea of the touristic wine routes, some of these routes being famous in the Western Cape. This initiative has been developed by these two communities; and questions arise as to how it will be articulated to the rest of the industry, in which individual touristic strategies have been built around rooibos (e.g. guest houses advertising being rooibos farms and organising visits of the tea court), but not yet a collective or territorial one.

Therefore, different collective and territorial issues are becoming important at the rooibos industry level, especially on the need to codify practices. The recent idea of developing a GI has appeared to constitute a relevant framework for discussion and negotiation around these issues. Interestingly, many of these issues arise with the expansion and development of the industry whereas many GIs in Europe have been set up to protect specific declining industries.

If the GI strategy appears as an interesting perspective for the rooibos sector and is currently being defined through a consultation process based on the GI task team, it will clearly depend on the evolution of the legal framework. Two options arise: i) GI remaining protected as collective or certification trademarks and thus being primarily based on initiatives from the industries, with questions related to international recognition and to the public good dimension; or ii) GI benefiting from a 'sui generis' system with public interests probably being fostered and better capacity to international recognition.

Beyond the protection of rooibos is the increased awareness that the broad diversity of indigenous products could be lost if no public, collective and proactive action were undertaken.

The originality of this case can be summarized in the following points:

- a highly specific plant mainly cultivated but also still harvested from the wild;
- GI reflection is developed after other qualification devices have been put into practices and thus, GI specific stakes and roles, and possibility for complementarity, can be better defined and/or more delimited;
- The dual features of the agricultural sector characteristics of South Africa that can challenge collective action and enhance the need for devising inclusive devices;
- the linkages with the policy process around GI engaged by the four provinces departments of agriculture, and supported by the IPR DURAS project.

PDO Wine Labels: Quality Signals or just Noise?

Maria L. Loureiro, University of Santiago of Compostel (Spain)

Summary: Designations of origin are proliferating in the Spanish wine market. The present paper assesses how the presence of different levels of name protection (protected Designation of Origin (PDO) and Designations of Origin (DO), mainly) affect the pricing of Spanish quality wines. The results obtained show that only PDOs and some domestic DO with a certain reputation for quality carry a price premium. Results and conclusions can be useful for the wineries considering the use and introduction of new DOs.

(See detailed slides presentation on SENER-GI, www.origin-food.org or FAO-AGS, www.foodquality-origin.org)

Discussants Comments – Economic Issues

Dwijen Rangnekar, CSGR/Law, University of Warwick (UK)

Some General Comments

For the most part, the different presentations are case studies; thus, there are some methodological issues in terms of comparability of approach and comparativeness of results and conclusions. This would suggest a certain need to consider developing a theoretical overview which guides revising the case studies. On the other hand, the FAO work has useful elements of a potential methodological approach to case studies. As such, some of the Sinergi case studies also suggest a shared approach (e.g. Rooibos); however, this can be more strongly emphasised.

One suggestion for a shared methodology and a possible theory for GIs could consider the evolutionary economics as guide. In particular, their emphasis on a sectoral approach to the study of technology, technical change, and innovation/appropriation is well emulated in the case study approach evident here. Equally present are a set of similar questions being pursued in the different case studies. A possible next step is to step back from the rich empirical analysis and to explore possible patterns within the case studies. For instance, as most products have multiple supply channels, are there any patterns observable in the distinct channels, i.e. the short (direct to consumer) or the long (retail, wholesaler) and export channels? Equally, is there anything to be learned at the level of product categories: do dairy products raise particular issues that are unique to them in comparison say to other products? The latter would help elucidate sectoral patterns – if any exist.

The remainder of my comments pertains to the three broad themes of regulation/re-regulation, organisation and coordination, and marketing.

Regulation

The different presentations make us aware – and rightly so – that the introduction of GIs and the process of securing protection are inherently an attempt at *re-regulation*. In all cases there is evidence of an established cultural repertoire and the more recent introduction of laws concerning GIs as raising opportunities to *re-regulate*. No doubt, the case studies highlight this in different ways and with different levels of emphasis. There is a vast literature – much within the project and its predecessor, Dolphins – on issues concerning *re-regulation*. Thus, for example, the artisanal and heterogeneous nature of many GI-potential products raises problems for regulation (see Kajmack; FAO case studies). Then, there are seasonal issues in the production process that prompt a certain level of variability.

The process of regulation – and its impacts – is also noted in the case studies. One striking theme is that of exclusion. This may occur in terms of the organisation to secure protection or/and as well through the specifications (e.g. Pampa). One puzzle not adequately noted in terms of *re-regulation* and the specifications is what economist might consider as the general duality: low standards/high volume/low price and high standards/low volume/high price. It would be useful to see how this broad tension – and others – actually plays out in terms of *re-regulation* and the establishment of legal codes through the specifications of a GI.

Of use may be seeing relevant literatures on codes and standards, such as in the case of organic, fair trade and HACPP.

A final theme here, which also relates to the next theme, concerns the different actors that get involved. The case studies repeatedly take note of a variety of 'external actors', which include European/British supermarkets (Pampa beef), external funding agency (Kajmack) and a wider institutional mix that includes universities and civil society organisations (FAO case studies). It would be useful to unpack the role of these different actors – in particular, through their different interests, agendas and power. It is not easy to accept the view that all actors share identical notions of the GI-product, its cultural value, its economic potential and the multiple notions of authenticity. Thus, at the end of the day, certain actors might have greater influence in shaping the process of *re-regulation* and setting new standards of authenticity.

Organisation and coordination

These case studies and the wider scholarship in Sinergi (and Dolphins) have amply demonstrated the collective action problems associated with re-regulation on account of GI-registration. And, there is ample literature on issues of prisoner's dilemma, the role of collective/public institutions and clubs. Some of the case studies also note the role of particular actors in bringing together the disparate interests of others. A theme that might be fruitfully explored is how the process of coordination and organisation in getting GI-registration might also lead to re-organisation of supply chains. In this respect, I am reminded of how particular actors at specific points in the supply chain begin at seeing GI-registration as an opportunity to either forward/backward link. Some elements of this exist in the case studies, such as some small Kajmack producers (particularly households) being economically forced into (near exclusive) milk production. Other patterns are observable in the Rooibos study and in the FAO case studies.

A related theme noted in the case studies is the important mediating role of third party certifiers. This question of credibility is not only for consumers (and marketing) but also for making a larger number of producers participate within the GI-club. The Pampa beef example notes issues concerning self-regulation. The Kajmack notes of issues of other certifying standards for the product. The presentation on Spanish wine draws in issues of excess information – and whether there are any economic returns.

Marketing

Despite any allusions to the contrary, these case studies and the research broadly conducted here are wedded to a certain economic logic: rural development and valorising the country side. It would be useful for a more self-critical engagement with these notions of rural development, valorisation and translating cultural values into economics. This may be difficult in the present circumstances as the research and approach is somewhat hostage to the logic of research funding and the politics of the agencies that provide financial support. However, the scholarship here does demonstrate – in different measures – an awareness of the role of particular actors/stakeholders. For instance, that different stakeholders hold different perceptions of how the product should be 'developed' (e.g. Rooibos; Pampa beef). Acknowledging these problematic and divergent notions of 'development' would be enriching and would also bring out the tensions between actual stakeholders located at different points in the supply chain. Finally, a more nuanced approach to examining how cultural values might translate into economic returns would be useful.

A common theme across many of the studies concerns the information asymmetries in the market between buyer and seller. This is a useful way to visualise the role of labels – and also to explore what might be an optimum label, if ever there was something like that. A couple of points on labelling are warranted. Foremost, a label is primarily useful in *distant* markets – either where the supply chain is long; thus, dislocating the consumer from the producer or where the consumer is *culturally* distant from the producer. The distance – geographical or cultural – warrants the need for a third party certifying agency establishing the authenticity of a product. Naturally, the way the label gets constructed and represented is a play with our many sensibilities and prejudices; thus, the need to deconstruct some of the notions of authenticity and origin.

The presentation on Spanish wines is particularly educative in terms of the economic impacts of labels and acute product differentiation.

Geographical Indications - Approaches and Value for Developing Countries

Daniele Giovannucci, ITC

The concept of 'local' is increasingly the focus of the discussion on topics as diverse as biodiversity conservation and global trade. As 'local' becomes more important, what is the role of Geographical Indications of Origin (GI) and how do they function in developing nations? This new United Nations International Trade Centre-funded document offers an overview of the various uses and the pros and cons of GIs, distilling lessons from a review of nearly 200 published documents and nine original case studies.

Key Findings and Main Conclusions

GIs are not an easy panacea for the many difficulties of rural development. They are however, a unique and powerful tool that can potentially offer considerable benefits in developing nations, when well managed. The negative aspects associated with GIs are often the result of poor planning and inadequate governance structures.

On the positive side, for producer regions, GIs convey unique characteristics that allow products to distinguish themselves and escape the commodity trap of undifferentiated products trading primarily on the basis of price. The unique aspects that emerge from the *terroir* and the associated traditional methods of production and processing can offer a valuable competitive advantage that is difficult to erode. The institutional structures or agreements inherent in many GIs can also contribute to competitiveness by reducing transaction costs among supply chains and improving collective action.

GIs offer specific business development benefits since they can:

- Affect not only local producers but also entire supply chains with interactions and benefits among traders, processors, retailers, and exporters as well.
- Foster clustering and rural integration by promoting compatible products and services such as tourism at the regional level
- Offer improved market access and increased incomes

GIs are often in alignment with emerging trade demands for quality, traceability, and food safety. They typically, though not always:

- Apply some credible standards
- Tend to be traceable
- Are renowned for their particular quality

GIs have developmental characteristics.

- Some GIs have demonstrated the generation of increased and better quality employment.
- For rural areas, GIs can provide part of the tangible structure for affirming and fostering the unique socio-cultural features of a particular place and the products or services it produces.
- Benefits may accrue to communities as GIs can reward the holders of indigenous knowledge or traditional and artisanal skills as valued forms of cultural expression.
- GIs may also provide a measure of protection for the intellectual or cultural property of a particular group or place.

- Since GIs intrinsically emphasize the local, they can also serve to value the land and its particular agro-ecological characteristics that are the source of a product's unique character.

In these many ways GIs can serve as useful conceptual frameworks to drive an integrated form of rural development that includes more than economic considerations.

But there are notable difficulties with GIs as well. GIs are not a viable option in many areas whose products or output lack distinguishing characteristics. It is quite possible that low-quality or the poorest producers may not benefit at all. Without adequate governance structures, the economic benefits of GIs are not necessarily spread across the supply chain and dominant parties will take a large share of the benefits. In some cases developing countries squander limited resources to establish inappropriate GIs that can have considerable costs while many do not achieve their potential. Furthermore, success on a large scale is often measured in decades and requires patient application and sustained commitment of resources.

Four components that have emerged from the case studies and literature review as being essential considerations for any successful GI:

1. *Strong Organizational and Institutional Structures* to maintain, market, and monitor the GI.
The complex process of identifying and fairly demarcating a GI, organizing existing practices and standards, and establishing a plan to protect and market the GI requires building local institutions and management structures having a long-term commitment to participatory methods of cooperation.
2. *Equitable Participation* among the producers and enterprises in a GI region
Equitable is here defined as the participating residents of a GI region sharing not only costs and benefits but also the control and decisions about their public assets. Since benefits of GIs diminish when they are captured by a few elites, issues of equitable participation among the producers, enterprises, and regulators in a GI region are critical to consider, though not easy to accomplish.
3. *Strong Market Partners* committed to promote and commercialize over the long term.
Many of the GI market successes are the result of a long-standing popular product and long-term and consistent promotion and commercialization by strong market partners dedicated to developing the GI as a brand.
4. *Effective Legal Protection* including a strong domestic GI system.
In addition to the initial establishment costs, many successful GIs report considerable expenses to defend them. These expenses cover the ongoing monitoring and enforcement in relevant markets to reduce the likelihood of fraud that compromises the reputation and, in some cases, the validity of legal protection overseas.

Though much of the available evidence is positive, overall, our review of the many published and unpublished studies on the topic makes clear that we still know little of the experiences with GIs in the more than 100 developing countries where the scope for their development is considerable. If indeed, developing nations are to avoid the difficulties and reap some of the many types of benefits that accrue to existing GIs, then we will need an even better understanding of how GIs work and do not work.

Institutional and legal framework: need and governance

Implementation of the TRIPS Agreement and legal diversity

Erik Thévenod-Mottet, Agridea (CH)

The TRIPS requirements and their implementation.

GIs are defined in the TRIPS agreement and are not to be confused with indications of source. Art. 22, 2-3-4 and Art. 23 describe the legal protection which is only absolute for wines and spirits. Currently, very complicated and confused debates are taking place at the WTO about the role of the public authorities and the definition and recognition of GIs. In the Siner-GI project, a typology of the different legal and institutional contexts has been attempted.

Distinction product / GI.

Origin product (OP) have a specific link with the territory and are characterized by different key elements. GI products (GIP) are all the Origin products that are designated or labelled with a GI (be it a geographical name or not). The main difference between a GIP and a OP is the fact that a GI is used to designate the product. Recognized GI products (RGI) are GI products which are protected by specific legal means of protection (e.g. PDOs and PGIs). Problems can arise concerning translation, transliteration or homonymy issues.

Geographical origin and specification.

The effectiveness of the protection of a GI is linked with the definition of the product that can benefit from the GI.

Associated characteristics

Associated characteristics can be seen through different aspects: shape, package, label. Erik Thévenod-Mottet gave several examples.

FAO case studies: Evidence on Institutional issues

Emilie Vandecandelaere, FAO-AGNS

From case studies and regional seminars in Latin America and in the Mediterranean, some general lessons and more specific regional aspects could be drawn.

Situation in Latin America

The legal and institutional framework is being implemented in relation with the international conventions or Agreements related to intellectual property (Paris, Madrid, Lisbon, ADPIC). A regional agreement exists for Andean countries, in which the Decision 486 deals specifically with geographical indication. Definition of GI in Latin American countries are generally very close to the one of TRIPS Agreement.

GI is mainly perceived as an intellectual property tool: procedures exist for registration but not always with supportive policies and related tasks to contribute to rural development (specifications assessment, follow up, control, certification, information to consumers). This can explain difficulties at local level in managing the IG registered.

Nevertheless, issue of GIs as a tool for rural development is gaining importance within the concerned and related institutions, governmental or non governmental (intellectual property, agriculture, trade...).

In this view, discussions with the regional workshop participants showed that the regulatory framework could be completed, regarding:

- the intellectual property protection with an adequate system of certification (or verification) and control (or auto-control)
- the coordination between sectors (IP, trade, agriculture...), each one being complementary regarding their competences, and better representation of all stakeholders
- the link with the local: top down or bottom up/ public-private?
- GIs' potential for rural development with policies and support

Situation in the Mediterranean (North Africa and Middle East)

The institutional organization for food and agricultural products is generally in process (being more recent than the one for wines). The legal frameworks generally include competition rules, trademark and special protection. A register exist of which is in charge either intellectual property (Turkey, Jordan, Lebanon) and/or agriculture ministry (Morocco, Tunisia).

GIs are perceived as a tool for rural development and there is an integrative approach to implement the system. For example, often there is a national commission is in charge of the assessment of GI request, gathering representatives of different sectors (Morocco, Tunisia, Jordan). The GI scheme is coordinated with other quality labels, and information to consumers is taken into account. Some guidelines are drawn to help producers in their request (model for Code of Practice in Tunisia).

Situation in the south Eastern European countries (case studies)

Information was collected through three cases studies made in Serbia, Bosnia Herzegovina and Former Yugoslavian Republic of Macedonia (FYROM).

The institutional framework is often complex due to the history of countries, and with former legal frameworks renewed with the application countries to EU (Serbia new law in 2006; Bosnia Herzegovina: IP law in 2002; IP law in 2004 and PDO-PGI regulation in 2004; FYROM: IP law in 2002, revised in 2004).

There is a similar model in the three countries, based on a *sui generis* system:

- Definitions of concepts are similar to EU but systems differ;
- IP office manages the register, Agriculture ministries showing more and more interest
- Applicant can be an individual or a firm, an association, an Industry Chamber, the State or local authority
- No opposition procedure at the registration
- Code of practice (specifications) not made public to third parties and consumers
- Certification by the State who gives the right to use the GI. Low level of delegation of competences to the producers (control, definition of specifications)

Conclusion

Through these three regions, we observe internationally a trend to protect quality linked to geographical origin under Intellectual Property, as following the TRIPS Agreements. It is then a recent development (compared to European countries), without previous experiences, but going quickly! IP laws are established but time is required to implement institutional framework integrating the different national objectives and tools for rural development.

GI framework can be very complex, due to multidisciplinary aspects (legal-IP, agriculture, rural development, food technology, mixture of local competition and cooperation,...) and multilevel coordination (national/local with intermediaries). GI can be considered as a tool whose effects depend on the vision and policies to foster or not its capacity to contribute to rural development. That's why it is even more core challenging in developing countries, where there is less resources and capacity to strengthen the institutional framework.

Based on discussion and studies, some support would be useful for:

- sharing methodology, experiences to better know GI tools and analysis of impacts (social and economic) especially at regional level;
- implementing complete and adapted systems (assessment, registration, protection, information) with synergies between IP-trade-Agriculture for food and agricultural products.
- raising awareness of farmers and officials on value of GIs;
- managing the complexity and taking into account all the potentialities for sustainable development (economics, environment, social, cultural) with coordination and networking between sectors, institutions, public-private, local/national;
- facilitation of third countries recognition (import and export)

The problematic of certification and control for GIs

Rainer Bächli, IMO Switzerland

Rainer Bächli presented evidences on certification of eco-friendly products and social accountability experiences from IMO activities in 100 countries around the world

When certification is needed?

Certification is **needed** if a product shall be marketed on a regulated market. It makes a link between a project and a standard.

When certification is beneficial?

Certification is **beneficial** if it adds additional value for the buyer (trusts that the product really is organic).

Partnership in Quality

Certification is partnership in quality development that mirrors the achievements of the operator. But certification can't be seen as consultancy nor product development. It is not police and power either.

Principles

- Responsibility reliable and trustworthy experts
- Qualification based on well trained and highly motivated professionals
- Performance, independent, unbiased and thorough
- Goals are sustainable and ethical practices

Group Certification

Groups vary in size from 5 to more than 35'000 farmers. They have an own set structure, a functioning management, and an Internal Control System (ICS). They take responsible actions.

Definition of a Resource and Area Management Plan

The approach consists of three steps.

Step 1: The Initial assessment consist in an analysis of the local conditions (information on the area, information on the products/species)

Step 2: Development of a site and product specific management plan, with integration of all actors involved

Step 3: Implementation and monitoring, including internal and external (audit) monitoring

Management Plan

Five different parts can be identified in the management plan.

1. Ownership, transparency and participation
2. Management of the area
3. Management of the products/species
4. Financial management
5. Auditing, certification and monitoring

Management of the Area has to refer to **identification, size, ownership, stakeholders, problem areas, and verification.** *“Conservation strategies must be developed in order to minimize the risk of a negative impact.”*

In the management of the area, identification of area is quite important. This step demand well defined area that means good maps, and includes: (1) borders of the identified area; (2) roads, infrastructure; (3) potential contaminations; (4) culture, history; (5) sociology, politics.

The management practices are based on adequate identification, resource assessment and monitoring of the target products. Several criteria are examined (1) product identification, (2) recipes, methods, (3) uniqueness, (4) sourcing, prices, (5) problem areas, (6) verification. The product should be unique, well to be identified and traceable

Definition of Production Practices is based on an Internal Production Manual that mentions:

- Product specifications
- Production methodology
- Verification parameters
- Membership participation
- Management responsibilities
- Monitoring system
- Documentation and Traceability

Management of products/species also deals with the question of resource access and benefit sharing. Different aspects are examined as compliance with national laws and regulations; informed consent given by the source community; resource access and benefit sharing agreements, or transparency and stakeholder involvement.

External Inspection of the Group

For an inspection of a group with Independent control System (ICS), the inspection focuses on the functioning of the groups own quality management and quality assurance system, i.e. on the ICS. A certain percentage of farmers are re-inspected by the external inspector in order to cross check the efficiency of the ICS.

Internal Monitoring

- Defining monitoring system
- Setting quality assurance parameters
- Training of auditors
- Training of administrative staff
- Setting financial conditions
- Time plan for implementation
- Monitoring implementation
- Check on corrective actions

External Monitoring

- Periodic visits to the production area
- Verification of the products and the production systems
- Monitoring of the functioning of the internal quality assurance system (methods, records, actions taken...)
- Interviews with stakeholders (collectors, authorities, other users)
- Product flow and traceability controls

Quality Assurance and Traceability

It is based on implementation of an effective and credible certification scheme based on responsibility and trust; and a decentralized traceability system based on an individual monitoring system in each operation.

Concluding remarks

The problematics of certification and control for GIs is a challenge in many countries and situations, because it is based on complex and requiring system of involvements:

- Definition of area and products
- High organisational requirements

- Participatory process (ICS, ABS)
- Management manual, defined procedures
- Professional performance and reliability
- Fair play and social accountability
- Transparency and traceability

Diversity of institutional framework for GI systems/markets according to the potential evolutions of the international trade regime

Gilles Allaire, INRA (F), Dominique Barjolle, Agridea (CH), Talis Tisenkopfs, University of Latvia

Diversity of the GI products

The products, markets and policy features concerning the GIs are fairly diverse:

- **types of products** bearing to origin or provenance
- **diversity of initiators / stakeholders** and their **motives**;
- **market structures** (monopolies, oligopolies, SMEs);
- **supply chain structures** (long/short, coexistence of large/small firms, etc.);
- **governance structures** (clubs, channel captains, interprofessional bodies),
- **consumer behaviours** (familiarity, local and remote consumers, generic or connoisseurs, etc.);
- **generic marketing systems** (firms selling both GIs and trademarks) / **specific systems** (specialized on GIs);
- **age** (novel systems / mature systems);
- **Policy/legal schemes**, legal instruments, enforcement devices, public or private schemes...

Generic versus specific systems

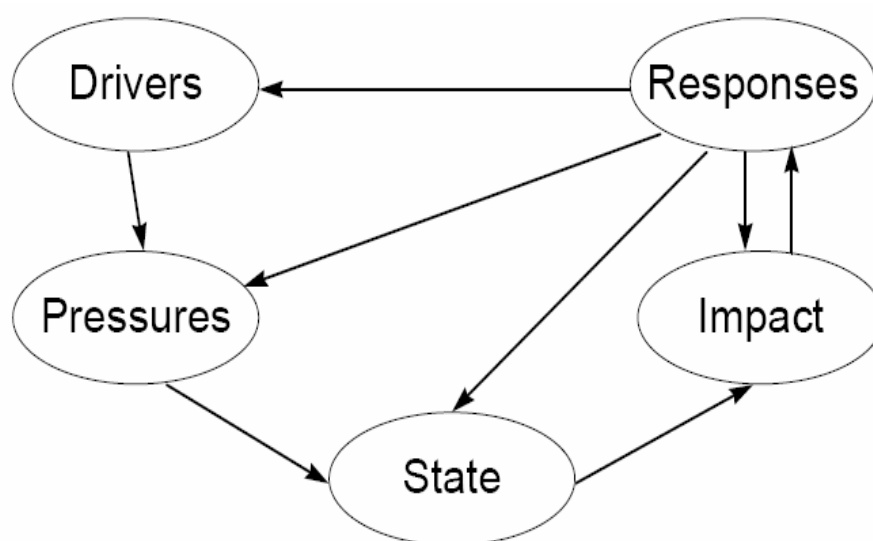
	Resources	Types of markets and marketing tools
Generic system	Generic knowledge : general standards (public)	General market: supermarkets, exports and long distance sales
Specific system	Cultural diversity, local knowledge, consumer knowledge and familiarity, loyalty and interpersonal links	Direct sales, “radical marketing”, community supported agriculture (box schemes)

Typology of the GI systems based on contextual variables

Protection Policy	Rural Development Policy	Market Strategic stake	
		Restructuring	Enlargement

P1 : Specific legal framework for GI <i>effective implementation</i>	public or NGO support for Rural Dev	Melton Mowbray pork Pie	Roquefort
	more sectoral support	<u>Tequila</u>	
P2: Specific legal framework for GI <i>non effective or no implementation</i>	public or NGO support for Rural Dev	Pico Duarte Coffee Kajmak	Jinhua Pampean Beef Bleuet du lac St Jean
	more sectoral support	<u>Paprika</u>	
P3: General rules on unfair competition, misleading of the consumers or on trademarks <i>protection effective</i>	public or NGO support for Rural Dev		
	more sectoral support		Florida
P4: General rules on unfair competition, misleading of the consumers or on trademarks <i>protection non effective</i>	public or NGO support for Rural Dev		Rooibos
	more sectoral support	Chontaleno cheese	Basmati

Systems/Schemes trajectories



The DPRSI model has been used as an analytical tool of the GIs systems and protection schemes trajectories.

Scenarios methodology: GI futures in the global market

Three scenarios have been built to contrast the new international trade regime trends

The scenarios concern the position of origin (IG) as marketing tool in a complex global market universe in which

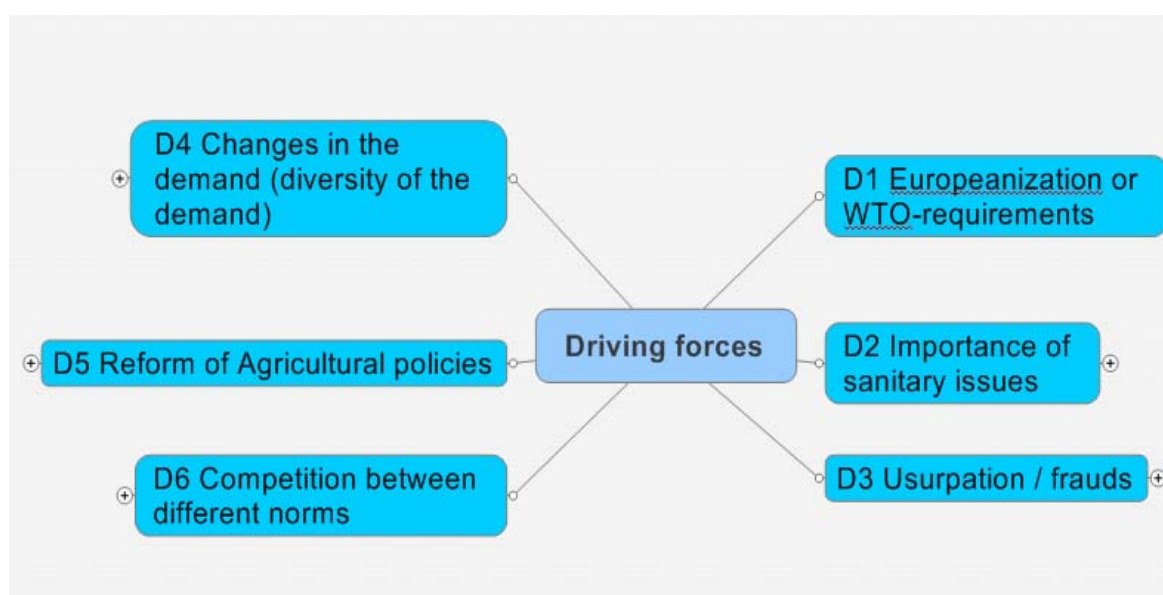
- IPR and norms play an important role
- Mix of private/public standards

- Role of supermarkets and multinational retail firms, integration of alternatives (organic, fair trade, herbal pills...)
- Diffusion of hygiene and health standards

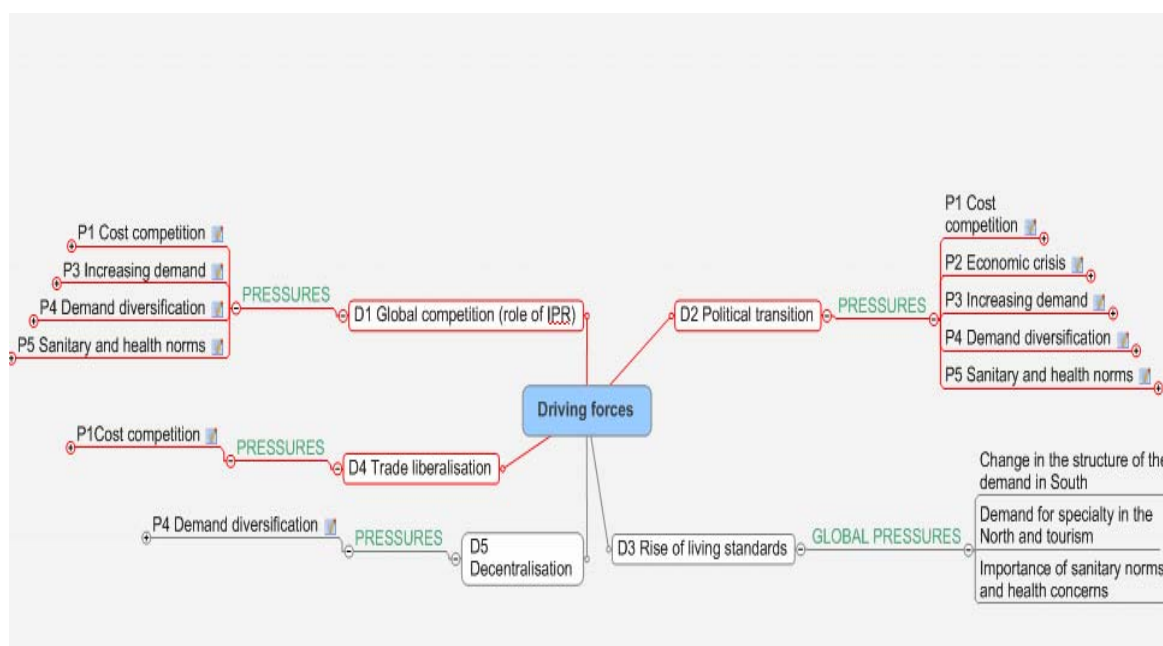
Scenarios concerning the position of origin (IG) as marketing tool are as follows:

- Convergence on GI visions and “origin” as integrator for different quality attributes
- Divergence on GI visions and “origin” weakening as market sign
- Plurality of GI visions and quality schemes related to origin (recognized GI, (organic, fair trade...) and Plurality of “quality fora”

Diversity of the institutional and legal frameworks for GI: Driving forces



Diversity of systems economic trajectories: Driving forces



Convergence

The **first scenario** corresponds to a growing role of the GI certification ("origin") benefiting from sui generis forms of protection and from policies promoting its use in the organisation of global markets.

Convergence supposes not only an international regulation (which is still in debate) but also a convergence of the representations of the value attached with origin within consumers, marketers and policymakers' visions. The main argument to support convergence is **durability of the protection**.

Divergence

The **second scenario** corresponds to a weakening of the GI recognition in the concrete organisation of large markets and of the influence/efficiency of the European quality forum.

The diversity of quality schemes leads to muddled standards and "quality crisis" (loss of premium).

Divergence will lead likely to a **global weakening of the origin signs significance** (an attached value) in front of the others specific quality identifiers as "organic", "fair trade", "biodiversity friendly" etc. In this scenario; private quality and control schemes are of huge importance. The main argument to support divergence is **positioning GI on high premium niche markets**.

Plurality

The **third scenario** corresponds to the permanence of the diversity of GIs visions and of qualification and regulatory forums in general. **It's a plurality of institutional quality forums and identifiers**. Contrary to the first scenario, the diversity of the GIs products and signs is not an obstacle for the market recognition (at different premium levels) because that diversity is integrated in a diversified but functioning signalling *pluralistic* system. Contrary to the second scenario, the third one leaves a room to the collective initiatives. In this scenario, media system is of huge importance. Relevant initiative groups are "hybrids", they include diverse forms of knowledge.

The main argument to support plurality is to **combine quality approaches in a sustainable development perspective**.

Contrasting the scenarios

	Convergence	Divergence	Plurality
Market vision	Globalization of GI concept (common understanding)	Dominance of private/collective standards	Globalization with market segmentations (regional quality forums)
Rules at international level	Establishment of public common rules for quality and origin	Some basic commons rules (hygiene standards) and IPR general regulation	Basic rules but open for regional/national adaptations and through collective initiatives
Institutions at national and local level	Able to implement international standards and rules in a convergent way	Regionalization of the policies Not able to converge in understanding and implementation of protection provision for GIs	Able to integrate and support different quality schemes toward different segments of consumers

Comparative Analysis Methodology

This methodology combines three types of variables:

- The types of geopolitical contexts: diversity of the protection schemes and support policies
- The types of GI systems/markets: diversity of systems economic trajectories (success/failure)
- The variability of the impacts (in a sustainable development) according to the scenarios, the contexts, and the types of GI systems.

Institutional / legal frameworks of GI protection schemes

Driving forces <ul style="list-style-type: none"> • Europeanization or WTO-requirements • Importance of sanitary issues • Usurpation (external) / frauds into the SC • Changes in the demand Agricultural policies Reform • Competition between different norms • Local knowledge or biodiversity conservation 	Pressures <ul style="list-style-type: none"> • Establishment (or modification) of laws or procedures for GI (at national or local level) • Missing or contradictory policies • Enforcement problems • Incoherence and/or inconsistency and/or conflicts • US influence • Europe influence
State <ul style="list-style-type: none"> • Lack of coordination between Intellectual property office and Ministry of agriculture (weakness of institutional coordination) Common place GI product • Heterogeneity of specific quality identifiers • Consumer interest in "terroir" products (<i>how to reach new type of demand?</i>) • Difficult appropriation of the GI concept • Failure of initiative groups • Conflicts between branding and GI • Lack of service resource (no national certification body for example) or lack of enforcement • Functioning implementation of GI scheme 	Responses <ul style="list-style-type: none"> • By actors mobilisation (coordination) : • •Empowerment of the GI network or formation of (new) initiative group(s)•By law modification (or enforcement) (code of practice and control issues) By market initiatives (diversification support tools) • By external expertise and funds

Main trends according to regional contexts: Eastern Europe

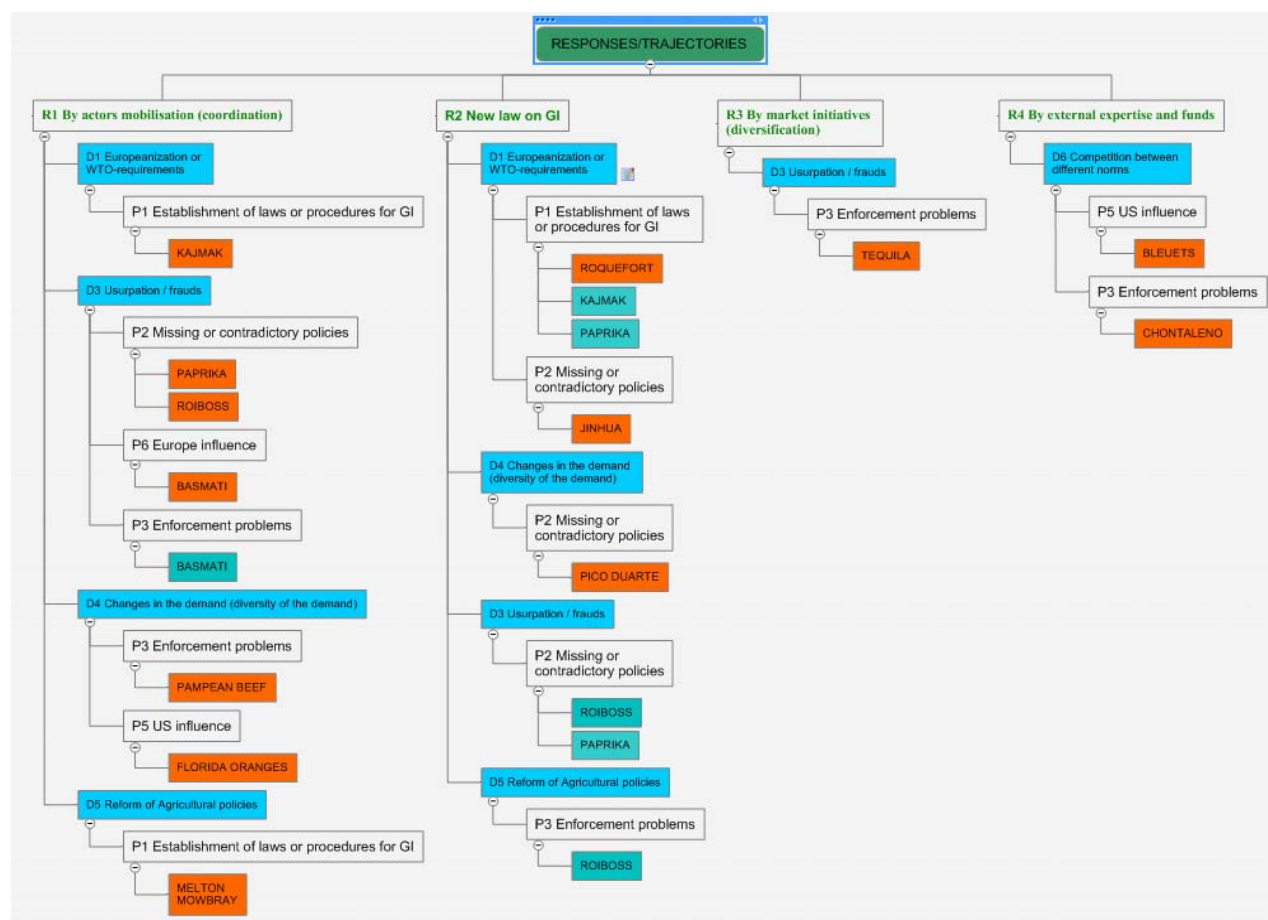
Driving forces <ul style="list-style-type: none"> • Europeanization or WTO-requirements • Importance of sanitary issues 	Pressures <ul style="list-style-type: none"> • Establishment (or modification) of laws or procedures for GI (at national or local level) • Enforcement problems <p>Europe influence (and support) on actors strategies</p>
--	---

State <ul style="list-style-type: none"> Weakness of institutional coordination Consumer interest in “terroir” products (<i>how to reach new type of demand?</i>)Difficult appropriation of the GI concept at different levels Failure of initiative groups Conflicts between branding and GI initiatives	Responses <ul style="list-style-type: none"> By law modification (or enforcement) (code of practice and control issues) By external expertise and funds By actors mobilisation (coordination)? By market initiatives (diversification support tools)?
---	---

GI Systems trajectories

Driving forces <ul style="list-style-type: none"> Global competition / quality norms harmonisation. Concentration in export market Structural political change Rise of living standard / demand for diversity and tourism (shift from domestic demand to more international) / access to European market Liberalisation (removing of the tariff / building up quality scheme to regain competitiveness)Decentralisation / reinforcement of local authorities / more role of horizontal government Biodiversity preservation International migration 	Pressures <ul style="list-style-type: none"> Rise of the prices of raw materials / productivity issues / competition costsCrisis in the valorisation of the product (loose in the premium, decrease of production volume) Increasing demand (crisis on the supply side) Demand diversification Importance of the sanitary norms New juridical framework
State <ul style="list-style-type: none"> Diversification of Business Model with the time Emergence of the supply chain (local to national or international) and scaling-up processIntensification of the level of raw-material and/or modernisation Muddled norms Quality heterogeneity 	Responses <ul style="list-style-type: none"> Innovation new products / new markets Innovation by intensification / modernisation Institutional innovation (define and/or clarify norms) Institutional innovation: horizontal coordination Institutional innovation: sectoral coordination

Market diversity: trajectories and actors' responses



Regional contexts and scenarios: Latin America

CONVERGENCE	DIVERGENCE	PLURALITY
<ul style="list-style-type: none"> Many GI experiences are in process Existing convergence (in TRIPs) for wines and spirit sectors (Tequila) 	<ul style="list-style-type: none"> It is the current scenario: <ul style="list-style-type: none"> Multiplicity of quality schemes and of GI approaches. Importance of private qualification schemes. No clear vision of what a GI is. There is a strong culture of trademark. Recent laws for GIs although there are currently no used. Use of geographical names as trade marks 	<ul style="list-style-type: none"> GIs are perceived as a marketing tool and for quality. There are interactions with sanitarian issues. Mainly certification marks but recent development of GIs-reservation of geographical names The most probable scenario is plurality because of the tension between the US and UE framework.

	<ul style="list-style-type: none"> • Divergence between national institutions. 	
--	---	--

Regional contexts and scenarios: Latin America

CONVERGENCE	DIVERGENCE	PLURALITY
<ul style="list-style-type: none"> • General “convergence” will be more favourable for established and large market GI systems 	<ul style="list-style-type: none"> • Favourable for export oriented sectors (private certification schemes) 	<ul style="list-style-type: none"> • Favourable for niche markets (domestic and international markets)
<ul style="list-style-type: none"> • Power close to processors... But large and even multinational firms: wine and spirit sectors, coffee) • Weak interest for domestic markets due to cost of certification and control 	<ul style="list-style-type: none"> • Power close to trader and large retail firms 	<ul style="list-style-type: none"> • Which part of the power to organized small scale producers? Citizen (NGOs)? Consumers? • Many GI initiatives are based on factors such as biodiversity, local culture and knowledge, and receive for that reason some support for the local, national, international institutions, independently of GI protection!

Conclusion

GIs schemes and systems are diverse but in a globalizing world where IPR and signs replace industrial norms...The role of the GI concept in the extension of quality schemes is an open question (while member states complain with WTO requirements...). It is a political issue (WTO) and a *market institutions* issue (scenarios). The main issue is how the multiplicity of quality schemes combine at several levels?

Protection of Geographical Indications - implementation of an adapted legal framework

Matthijs Geuze, OMPI

The Lisbon System facilitates the protection of a special category of geographical indications, namely “appellations of origin”, in countries other than their country of origin. Its product coverage is not limited.

The System is administered by WIPO and allows for the registration at the international level of appellations of origin of member States through the filing of a single application for registration at WIPO.

As any system for the filing and recording of IPRs, also the Lisbon System specifies a large number of substantive and procedural requirements.

Operation of the System requires formal examination by WIPO of applications received. These should contain the necessary data for individual member States to judge whether the subject-matter of an application actually meets the requirements for protection. Individual member States may refuse protection, if they so notify WIPO. Their refusal notifications should also meet certain requirements and will then be entered in the International Register.

There are also procedures for the recording of changes to registered appellations, such as invalidation of the effects of the appellation by a certain member State or modifications notified by the country of origin, for example, concerning the limits of the area of production, the holders of the right to use the appellation, or the legal basis for protection.

GIs in WIPO

- International Registration (Appellations of Origin)
- Technical Assistance to Member States
- Protection of Traditional Knowledge
- Symposia
- Standing Committee on the Law of TMs, IDs and GIs
- Arbitration (Domain Names)

Geographical Indications - subject-matter of protection

A geographical indication is used to demonstrate a link between the origin of the product to which it is applied and a given quality, reputation or other characteristic that the product derives from that origin. Thus, a geographical indication informs consumers of the uniqueness of the products derived from this link; but it will also represent the collective goodwill derived from this uniqueness. These two elements (“typicality” and “reputation”) determine the value-added of GI products.

WIPO Standing Committee (Document SCT/10/4, paragraphs 10-13)

- Quality (Document SCT/10/4, paragraphs 23-26)
 - legal criterion, allowing a product to be identified
 - qualitative link different for GI than for AO ?
 - disadvantage for countries whose GIs are industrial products ?
- Reputation (Document SCT/10/4, paragraphs 27-30)
 - history of the product
 - distinctive character of the product
 - consumer’s perception

- Characteristics other than quality and reputation (Document SCT/10/4, paragraphs 31-36)
 - natural and human factors (“terroir”)
 - any element that contributes to the typicality of the product

Link with the geographical origin

- explains the relationship between the geographical area and one or more elements of the definition
- Critical element for determining the delimitation of the geographical area

Some systems only require delimited zones to differ in geological terms from others

Definition – TRIPS: Geographical Indication

Indication which identifies a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin

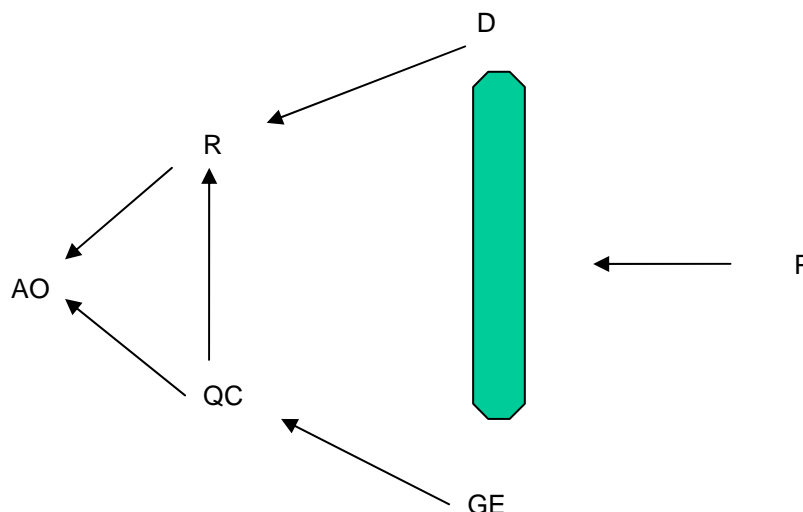
Definition – Lisbon: Appellation of Origin

The geographical denomination of a country, region, or locality, which serves to designate a product originating therein, of which the quality/characteristics are due exclusively or essentially to the geographical environment, including natural and human factors

“country of origin”

The country whose name, or in which is situated the region or locality whose name, constitutes the appellation of origin which has given the product its reputation

Lisbon system



Means of Protection

When comparing the wide variety of means of protection available in the world to protect geographical indications, four broad categories can be distinguished, as listed on this slide.

The first category mentioned - “laws focusing on business practices” - covers laws which, while not specifically providing for the protection of GIs, prohibit business practices which can involve the

misuse of GIs, such as laws relating to the repression of unfair competition or the protection of consumers, either in general terms or more specifically in regard to such matters as the labelling of products, health protection or food safety.

Trademark law provides two types of protection for GIs. On the one hand, provisions protecting GIs against the registration and use as trademarks. On the other hand, provisions protecting GIs by means of collective, certification or guarantee marks.

Special protection for GIs exists in different forms as well. There are laws providing sui generis protection for GIs that relate to products with specifically defined characteristics or methods of production and requiring prior recognition of a GI as a condition of protection. There are also laws providing special protection for GIs without specific definitions or prior recognition requirements.

International Protection of Geographical Indications

- Paris Convention (1883)
- Madrid Agreement (1891) (repression of false and deceptive indications)
- Madrid Agreement and Protocol (1891, 1989) (international registration of marks)
- Lisbon Agreement (1958)
- Bilateral Agreements
- TRIPS Agreement (1994)

TRIPS Agreement (1994) - WTO

- Incorporation of the Provisions of the Paris Convention
- Definition
- Norms for Protection
- Enforcement Procedures and Remedies
- Dispute Settlement
- Built-in Agenda
- Doha Declaration

International Registration of GIs

The Existing Systems: Lisbon and Madrid

Within the framework of WIPO, two international registration systems exist that make life easier for the protection abroad of intellectual property rights embodied in products deriving value-added from their geographical origin, namely:

- 1) the Lisbon System - specifically designed to facilitate the protection of appellations of origin for products with unique characteristics recognized as resulting from their geographical origin and forming the basis of the collective goodwill that their producers enjoy as a result of the reputation of their appellations of origin in their own country; and
- 2) the Madrid System - which provides the same facility for trademarks and which is also available in respect of collective and certification marks consisting of or containing a geographical indication.

Lisbon and Madrid, which both predate the TRIPS Agreement, have each been advanced as a possible model for the notification and registration system to be established under Article 23.4 of the TRIPS Agreement, but either appears to pose fundamental difficulties for a number of delegations. However, since these delegations would appear to belong to mutually exclusive groups, the question has come up to what extent perhaps the establishment of a link between Lisbon and Madrid could serve as a viable model in respect of geographical indications meeting the definition of Article 22.1 of the TRIPS Agreement. It looks worthwhile to consider this question a little more, in view of the use that is already being made today of the systems and in the light of the similarity of the formal requirements and other procedures that apply under the systems.

In this presentation, it is not my intention to address every detail of this question, but I will focus on three main features to be addressed if one were to pursue the establishment of any such link.

26 Member States

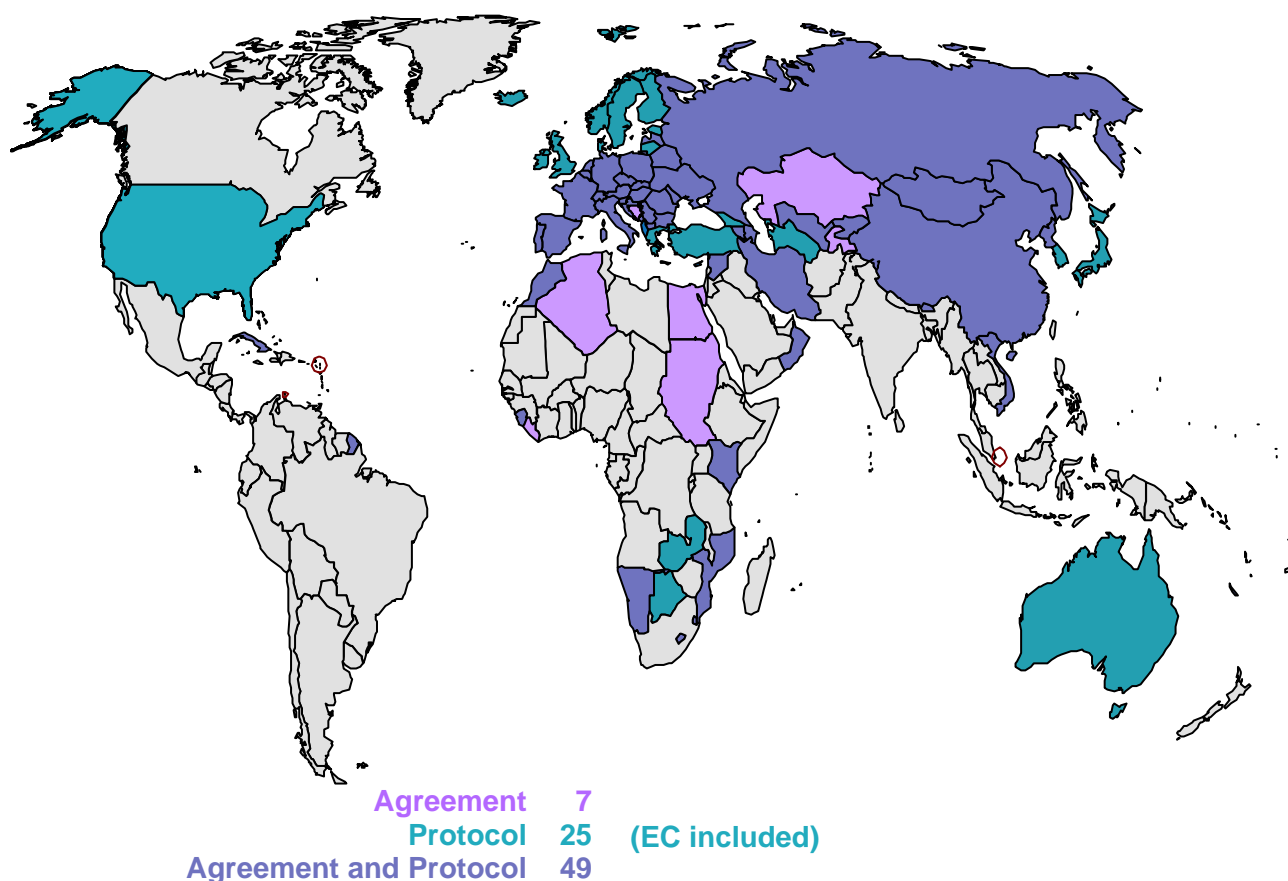
Africa (6): Algeria, Burkina Faso, Congo, Gabon, Togo, Tunisia

America (6): Costa Rica, Cuba, Haiti, Mexico, Nicaragua, Peru

Asia (4): Georgia, Islamic Rep. of Iran, Israel, DPR of Korea

Europe (10): Bulgaria, Czech Rep., France, Hungary, Italy, Moldova, Montenegro, Portugal, Serbia, Slovakia

Madrid Union: 81 members



Substantive Requirements

In order to qualify for registration at WIPO, an “appellation of origin” must be recognized and protected in the country of origin in accordance with the definition of Article 2(1) of the Lisbon Agreement. Under Article 2(2), country of origin means “the country whose name, or the country in which is situated the region or locality whose name, constitutes the appellation of origin that has given the product its reputation”.

This condition implies that the appellation of origin should be protected in its country of origin as an “appellation of origin”, which, in accordance with the Lisbon definition, means as a geographical name known in the country of origin as the name of a geographical area (country, region or locality) serving to designate a product that originates therein and meeting certain qualifications. Such *ex ante* recognition of the name may have been formalized by virtue of legislative or administrative provisions, a judicial decision or registration. The manner in which recognition is formalized is determined by the domestic legislation of the country of origin.

The area of production of the products protected by the appellation must be specified in the application.

Legal Effect

An appellation which has been the subject of an international registration is ensured protection in each member country which has not issued a refusal.

Member countries that have received notice of the registration of an appellation have the right to refuse its protection in their territory. Any such declaration of refusal has to meet two requirements. The first is a time requirement: the refusal has to be notified to WIPO within a period of *one year* from the date of receipt by the country in question of the notice of registration. The second is a requirement regarding content: the declaration of refusal has to specify the grounds for refusal.

When WIPO receives a declaration of refusal within the prescribed period from the competent authority of a member country indicating a ground of refusal, the declaration will be entered in the International Register and published in the Lisbon Bulletin. In addition, the declaration will be notified to the country of origin, which should in turn communicate this to the interested parties concerned, who may avail themselves of all judicial and administrative remedies against the refusal as are available to nationals of the country that pronounced it.

The international registration of an appellation assures its protection, without any need for renewal, for as long as the appellation is protected in its country of origin.

Nevertheless, where the effects of an international registration are invalidated in a member country and the invalidation is no longer subject to appeal, the country concerned shall notify WIPO, which will enter the invalidation in the International Register and send a copy of the notification to the country of origin.

Lisbon: 884 registrations - 810 in force

• France	508	• Algeria	7
• Czech Rep.	76	• Portugal	7
• Bulgaria	51	• Tunisia	7
• Slovakia	37	• DPR of Korea	4
• Hungary	28	• Peru	3
• Italy	28	• Montenegro	2
• Georgia	20	• Moldova	1
• Cuba	19	• Israel	1
• Mexico	11		

FAO's Legal Advisory Work: Basic Principles and How They Apply to GIs

Daniele Manzella, FAO

What is the Development Law Service?

A group of 8 legal specialists providing Member Nations with assistance in upgrading national legal frameworks in the areas covered by FAO's mandate.

Guiding Principles

- Balancing of interests
Equity and sustainability concerns, food and ecological security, individual and collective rights
- Involvement of people
Decentralisation of authority and empowerment of local actors for decision making, resource management, and benefit sharing
- Ensuring enforceability
Realistic laws, socially acceptable, financially bearable, and institutionally enforceable
- Compliance with international law
Conform national legislation to international/regional principles and requirements

How do those principles apply to GIs?

- Balancing of interests
Transparency in titularity of applications, delimitation of area of production, accuracy of product description
- Involvement of people
Role of local producers and professional associations in the development of application packages
Contain certification and other administrative costs
- Ensuring enforceability
Effective system of control and enforcement (e.g. accreditation of certification bodies)
Clear rules in cases of conflicts with TMs
- Compliance with international law
Bilateral negotiations with EU Commission

Methodology

- Good law making require a multi-disciplinary approach (collaboration between legal experts and national/international specialists)
- Countries can learn a great deal from each other (national projects in the same region, regional projects)

Forthcoming projects

- Morocco (*Reconnaissance de Signes Distinctifs d'Origine et de Qualité des produits agricoles et des denrées alimentaires*)
- Tunisia (*Appui au développement et à la mise en place d'un système de contrôle des produits de qualité liée à l'origine*)
- Jordan (*Strengthening the implementation of food quality linked to geographical origin schemes*)

The situation in the three Countries

	<i>Scope of the main law in place</i>	<i>Objectives of the subsidiary legislation</i>	<i>Policy context</i>	<i>Institutional set up</i>
<i>Morocco</i>	(* draft law) AOPs, IGPs and LAs	- Establishment of the National Consultative Commission - Procedures for application, evaluation, registration - Commission's internal guidelines	Sustainable agricultural development	Department of Agriculture, National Consultative Commission, IP Office, control and certification organizations
<i>Tunisia</i>	AOPs and IGPs	- Procedures for application, evaluation, registration - Control and enforcement system	Diversification of agricultural production	MoA, National Consultative Commission
<i>Jordan</i>	GIs	Not envisaged as the law needs amendments (or reformulation) in order to establish the coexistence regime with collective TMs	Counterbalance to WTO-driven liberalization impacting on small producers	IP Office (Ministry of Industry and Trade), National GIs Commission (not operative yet)

Content of forthcoming legal assistance

- Morocco (drafting of regulations accompanying the law on *signes distinctifs d'origine et de qualité des produits agricoles et denrées alimentaires*)
- Tunisia (drafting of regulations accompanying the law on *appellations d'origine contrôlée et aux indications de provenance des produits agricoles*)
- Jordan (amendments to the law on geographical indications)

Discussants Comments – Institutional and legal Issues

Christoph Spennemann, UNCTAD

According to Christoph Spennemann, Legal Expert at the United Nations Conference on Trade and Development (UNCTAD), successful marketing of GI products requires elaborate legal and administrative frameworks, resources, expertise and political commitment. Domestic legal frameworks should take account of a country's economic policy goals and industry infrastructure; a country's legal traditions and international commitments; as well as the existing institutional framework.

(See detailed slides presentation on Siner-GI, www.origin-food.org or FAO-AGS, www.foodquality-origin.org)

**Rural and sustainable development: the impacts of quality
linked to geographical origin schemes implementation**

Geographical indications and nutrition

Barbara Burlingame, FAO

Intergovernmental Working Group on Plant Genetic Resources

It provides guidance on how to best support countries, on request, to generate, compile and disseminate cultivar-specific nutrient composition data [includes conventional nutrients, bioactive non-nutrients (phytochemicals, antioxidants, etc.), and contaminants], as well as indicate the relative priority of obtaining cultivar-specific dietary consumption data, in order to demonstrate the role of biodiversity in nutrition and food security.

Conference of the Parties: Decision VII/32

Noting the linkage between biodiversity, food and nutrition, the conference requests FAO and IPGRI to undertake a ***cross-cutting initiative on biodiversity for food and nutrition*** to work together with relevant organizations, in order to strengthen existing initiatives on food and nutrition, enhance synergies and fully integrate biodiversity concerns into their work, with a view to the achievement of relevant Millennium Development Goals.

Rationale

- Wild species and infraspecific biodiversity have key roles in global food security;
- Different varieties (***and same varieties with different GIs***) have statistically different nutrient contents;
- Acquiring nutrient data on existing biodiversity needs to be a prerequisite for decision-making in GMO work;
- Nutrient content needs to be among criteria in promoting food biodiversity (***and in promoting GIs***);
- Sample and generate nutrient data for wild foods and cultivars
- Compile these data comprehensively (***including GI***), systematically and centrally, and disseminate widely;
- Include biodiversity (***and GI***) questions and/or prompts in food consumption surveys;
- ***Stratify sampling for composition & consumption by GIs (ecosystems)***
- Acquiring nutrient data and intake data for varieties (***and GIs***) is essential in order to understand the impact of biodiversity on food security.

Food Composition Data

Subnational and community levels: Similar calculations can be made to provide estimates of the distribution of nutrients within a country. These findings can indicate actual or potential nutritional problems. Such studies are often critically important for developing countries that have diverse geographical regions.

Objectives in sampling: All foods are biological materials and exhibit natural variations in composition...variability as it relates to factors such as season, geography, cultivar and husbandry...The combined protocols— that is, for sampling and analysis – should also ensure that the representative attributes are maintained in the portions taken for analysis.

Geographical samples, Major sources of variability in nutrient composition: In a single country there may be a wide diversity of soil and climatic conditions, resulting in significant variance in food composition. For these reasons, geographically-specific data may be presented in the database as a supplement to nationwide and/or regionwide averages... Stratification by geographical area may be useful even where there are no known significant regional variations.

International Rice Commission recommendations

The International Rice Commission 20th Session recommended that:

- Member countries should promote the sustainable development of aquatic biodiversity in rice-based ecosystems and policy decisions and management measures should enhance the living aquatic resource base.
- In areas where wild fish are depleted, rice-fish farming should be considered as a means of enhancing food security and securing sustainable rural development.
- Attention should be given to the nutritional contribution of aquatic organisms in the diet of rural people who produce or depend on rice.

The International Rice Commission 21st Session recommended that:

The evaluation of the composition and consumption of rice cultivars should continue for the development of food biodiversity indicators to guide agro-biodiversity conservation and human nutrition. Improving the evidence base:

- Climate affects nutrients;
- Soil composition affects nutrients;
- Pasture composition affects nutrients in meat;
- Ecosystems and nutrition
- Terroir, tradition, human inputs...

Questions

- Do GIs contribute to preserve biodiversity (endemic species, adapted specific race or species...)?
- Is the contribution to local resources and environment linked to the economic impact?
- Is there differences in the efficiency of GI systems (all types) between marginalised areas (ex: mountain, scarce or endangered resources, low yields, isolation...) and non marginalised ones (high agricultural resources)?
- Do GIs contribute to improve local identity and social cohesion of producers and local population?
- Do GIs contribute to develop other local economic activities?

Evidence on Rural and Sustainable Development

Emilie Vandecandelaere, FAO-AGNS

Case studies provided with elements about effects on rural and sustainable development through social and environmental dimensions of the local process.

Objectives of promoters

Alongside with economic objectives mentioned earlier, objectives of promoters concerned rural and sustainable development with following motivations:

- Preservation of biodiversity and environment, in relation with specific local varieties or breeds.
- Traditions, know how and cultural assets preservation, especially in marginalised areas where the living ways are very specific as for breeders in mountain areas or women roles (Cotija, Turrialba, Neuquen, safran...),
- Improvement of living conditions and maintain of rural population, especially in isolated areas (desert for Pica Lemon, Mountains for Neuquen, Cotija, safran, valley of Arriba,)
- In some cases, the project was also supported in the framework of the implementation of pilot cases at national level (Turrialba-Costa Rica, Giant Maiz-Peru)

Links with other activities: tourism

Promotion of quality product linked to geographical origin can favour development of other rural activities, in particular related to tourism with which synergy can be created. Indeed, tourism is based also on the valorisation of local resources (natural, cultural) and importance of the identity.

Different aspects of tourist activities were observed in the case studies:

- Traditional tourism that contributes to the reputation of the traditional product, as an example the Valley of Urubamba, promotion of Cusco Maize in relation with Inca history;
- Development of tourist activities and job creation, as an example the development of the Park of Coffee, the coffee fair, and related agritourism in the case of Colombian coffee, or development of agritourism in the case of safran in Taliouine,
- Development of tourist markets: festival, product fairs and direct selling (Cotija, Turrialba, Livno cheese, Uzice ham, Safran....)

These aspects can reinforce or create rural activities, diversification, and employment.

Environment and biodiversity

Specificity of quality products linked to geographical origin relies on local resources and raw materials. Awareness of this link is a factor for sustainable management as specifications contribute to maintain sustainable practices on local resources and their elaboration raised awareness of producers on the environmental challenges (Maize, Pica, Safran, Livno...).

In numerous cases, genetic resources are specific of the geographical area, and their preservation contributes to biodiversity:

- Preservation and promotion of specific varieties (Cacao, Cusco maize,...) and local races (Neuquen) adapted to their environment
- Preservation or recuperation of landscapes, pastures and their biodiversity (Neuquen, Livno,...)

Generally, environment and biodiversity preservation are not a primary objective of producers, but an important consequence thanks to the specifications.

Moreover, quality linked to geographical origin appears as a tool from the production side to contribute to sustainable management of areas with ecologic interest, as for example Unesco biosphere in the cases of Souss Madra (arghan oil and safran) and Livno Polje (Livno cheese).

“quality is a social construction”...

As regard social aspects, process towards promotion of quality linked to geographical origin is based on a territorial organisation that contributes to reinforce social links through creation of social/professional networks and strengthening of the local associations/cooperatives.

In all cases, we observed an increase of producers self esteem through the focus and valorization of their products, culture and way of living (fairs, Prizes, international recognition ...) and even a “territorial esteem” when all inhabitants can take part of it (as an example in the Neuquen case, some “school talent show” were organised to elaborate the logo...).

The process can also contributes to maintaining local population and alongside to preserve a “way of living” in marginalised areas (Cotija, Turrialba, Neuquen “criancero”).

Finally, as traditional products or production methods often required work of women, the process is also a way to promote gender equity.

Nevertheless, social aspects can be weakened when the recognition is delayed creating demotivation. About possible exclusion, these study cases didn't point out some aspects, but but possible gap between leaders and followers.

Conclusion

The link between the product and the territory is the potential for rural development, especially for marginalized areas where constraints can be turned out as assets. For areas of special ecologic value, promotion of quality linked to geographical area can be a contribution from the production side to manage sustainable development. Promotion of traditional products is a way to preserve non-standardized food products and the socio-ecological system associated, to maintain population and activities in rural areas.

Nevertheless, it is important to recall that this type of quality is not for all products neither everyone: there is a need to check the potentialities: reputation (market), capacity to move forward... Moreover the modalities of the process will determine the real contribution to rural and sustainable development. That's why it is important to look after:

- Specifications of the product: providing with guidelines for sustainable management of local resources and valorisation of traditions could be helpful for producers
- The participative way of definition and management of the process with vertical and horizontal relationships, involving all the territorial actors in the process (public actors as for the “public good management”, and other interested actors, e.g. school, tourism....

For research, impacts on biodiversity and diversified diet and nutrition should be analyzed further, especially in developing countries.

Quality Products Linked to Geographical Origin: A Strategy for Development in Mountain Regions?

Alexia Baldascini, FAO

Why mountain matter

Mountains are essential to our health and well-being. Mountains provide most of the world's freshwater, harbour an extraordinary variety of plants and animals, and are precious reservoirs of biological diversity for food, medicine, timber and recreation. Mountains are also home to at least one in ten people with diverse cultures that are rich in traditions, knowledge and languages. One opportunity to improve the livelihoods of mountain people and protect mountain environments is provided by the promotion of quality products linked to geographical origin.

The case of the cheeses of the Savoy Alps

A number of cheeses of the Savoy Alps have obtained EU labels on quality related to geographical origin, including Abondance (AOP), Beaufort (AOP), Chevrotin (AOP), Emmental Savoie (IGP), Reblochon de Savoie (IGP), Tome des Bauges (AOP) and Tome de Savoie (IGP). Several studies carried out on the economic, environmental and socio/cultural impacts of these schemes have shown that: i) the annual income of households in the Savoy Alps participating in the geographical origin schemes is considerably higher than the income of households in other mountain areas not covered by the schemes and is comparable to income of households living in the lowlands (who do not face constraints faced by mountain farmers); ii) the schemes have contributed to the conservation of traditional breeds of cows (e.g. Abondance, Tarine, Montbéliarde) and goats (e.g. Alpine goat), as well as conservation of mountain pastures and grasslands (conservation of local flora and fauna), conservation of mountain landscapes (resulting in reduction of avalanches) and conservation of microbial organisms in the cheeses; iii) the schemes have contributed to the conservation of ancestral production techniques and traditional tools and materials.

The case of saffron from the Anti-Atlas mountains of Morocco

Saffron is an expensive high-value spice produced in the Provinces of Taroudant and Ouarzazate, in Southwest Morocco. Given that saffron from this region is of very high quality (as confirmed by a number of laboratory tests carried out in France and Italy), that it is intimately linked to traditional production and processing techniques of the berbère culture, that the existence of well-functioning village associations is an indicator of collective action, that there are several local institutions (governmental and non-governmental) supporting this value chain and that a law promoting labels on quality linked to geographical origin has recently been approved by the Moroccan parliament, the development of an appellation of origin for this product has the potential to produce positive economic impacts (increased revenue for producers), environmental impacts (conservation of flora and fauna on saffron land) and social impacts (participation of youth and women groups and establishment of linkages between producer groups of the two production areas Taliouine and Tazenakt).

A number of challenges (including cost of geographical origin scheme for producers, compatibility with other quality schemes, low number of cooperatives, absence of inter-professional union and possible conflicts between two producing areas) will be addressed by an FAO project (2008- 2009), which aims to build capacity of producers and supporting local institutions to improve production, processing and marketing of saffron.

Empirical evidences on rural development impacts

Gilles Allaire, INRA (F), Dominique Barjolle, Agridea (CH), Talis Tisenkopfs, University of Latvia

Methodological considerations

Impacts are observed effects of the implementation of the Geographical Indication system / protection scheme in three main dimensions of the sustainable rural development: economic, social and environmental and partly also on human health.

Definition of the GI system

The GI system is the set of actors who are effectively engaged in creating value and improving the strategic marketing position of the GI product by spontaneous individual or organized collective action, and those who are engaged in the activation and reproduction of those local resources (natural resources, knowledge, social capital) which make the GI product specific”.

First case: established GI systems / protection scheme

The factors which are causing the impacts are always subject to be discussed. A lot of comparisons show the importance of general factors such political support or other policy concerns influencing the observed impacts. It is also difficult to distinguish what is caused by the protection vs. the GI system itself.

Assessments of impacts can be considered though:

- 2 main approaches
 - **Diachronic** (evolution between a certain period of time): difficult to get comparable data and historical data
 - **Synchronic** (comparison with and without GI between 2 similar products): difficult to get the data and to really achieve available comparison
- 2 different points of views
 - Based on **hard data** such as volumes / prices / number of employees, etc. (difficulty to collect the data and to identify the relevant indicators)
 - Based on **expert and stakeholders views** / meanings (stakeholders are in a position to support or not the initiative)

Three case studies are available in SinerGI, for this first case category: Roquefort (FR), Melton Mowbray Pork Pie (UK), Tequila (Mexico).

Second case: GI systems in progress

For this kind of cases, it's impossible to assess effective impacts; but only possible to identify and assess factors which would be potentially impacted by the GI system / protection scheme. These potential / expected impacts are often congruent with the main motivations of the initiators or the supporters of a GI system / protection scheme.

Eleven case studies are available in SinerGI, for this first case category:

- Rooibos (Plant, South Africa)
- Argentina B. (Beef, fresh meat, Argentina)
- Pampean B. (Beef, fresh meat, Brazil)
- Chontaleño (Cheese, Nicaragua)
- Pico Duarte (Coffee, Dominican Republic)

- Jinhua (Ham, pork, China)
- Basmati (Rice, India and Pakistan)
- Paprika (Spice, Hungary)
- Kraljevacki Kajmak (Cheese, Serbia)
- Bleuets du Lac Saint-Jean (Fruit, Canada)
- Florida Oranges (Fruits, USA)

Comparative overview among the case studies

A comparative tool has been built, consisting in the establishment of a grid of evaluation.

First, several items have been selected.

GI systems in progress

Expected / potential impacts

- Economic
 - Market stabilisation/increase
 - Price premium
 - Value added in the region
- Social
 - Local Employment
 - Empowerment
 - Cultural value / Tradition
- Environment
 - Local breed/variety
 - Extensive farming
 - Natural resources
- Sanitary / hygienic rules

Second, has been carried out an evaluation on the basis of the case studies report, in discussion by the responsible of the case study or its reviewer.

Assessment of the expected impacts

As there are effective GI systems, almost all the impacts are expected; but certain impacts are prevalent in the motivation of the initiators / supporters. A distinction between the modalities has been made:

- 0 corresponds to a not at all non-relevant item for the considered GI system
- 1 is a score when the impact is almost not expected
- 6 is the most dominant expected impact

Main conclusions

Impacts are mainly linked with economic or economic-related issues; but if the economic concerns are the only motives in the implementation of the GI protection schemes, there are some crucial risks.

- Risk of monopoly in favour of the most powerful actor in the GI system (Chontaleño), or unfair exclusion of certain actors (delimitation of the geographical area / technical constraints) (Tetovo)
- Risk of additional costs when small-scale farmers have to pay certification costs or to fit with new technical conditions (Kajmak), or when benefits (premium) are captured by out-of-area actors (Tequila)

There is also a need to consider seriously SARD concerns in defining the roles of the institutions to be involved (not only IP) and the procedures (public publication / opposition procedure). Otherwise, because a code of practice becomes mandatory for all the users of the name after the registration, there is a risk of serious loss of efficiency of other related policies

Needs for further research

On representativeness, there is a need of having the impacts assessment for a quantitative representative sample of GI systems (SinerGI data base and FAO case studies for example).

On best practices to enter and achieve a GI scheme. GI Product is not a novelty, but the collective organisation and the building-up of the rules are novelties (organisational innovation). There is a need for focused research about the role of various actors playing possibly an active role during the registration procedure

Conclusion

GI institutional legal frames are not SARD policies but IP-policies. But to achieve political goals regarding sustainable agriculture and rural development (SARD), it is necessary to have a comprehensive policy combining GI legal tool with other support policies.

The territorial level defined by the GI is sufficient coherent to host valuable SARD programmes.

Protecting and valorising GI systems in the light of rural development: Institutional settings and Policies

Andrea Marescotti, Giovanni Belletti, Angela Tregear and Filippo Arfini

Universities of Florence (I), Edinburgh (UK) and Parma (I)

The working hypothesis of this approach is to adopt a “non neutral” vision. The main questions are:

- To what conditions GIs protection schemes can be considered as a tool for valorizing GI products in the perspective of rural sustainable development?
- What are the roles public institutions can play? (Institutional settings and policies)

It's not a “normative” approach. No “prescriptions” will be provided on what is needed for enhancing GI roles in rural development, but individuation of some “critical areas” of GI products valorization processes and, as a consequence, *potential* areas for public intervention/support. It's based on the role of empirical evidences (SINERGI project and other).

The GI product

GI Products are goods as originating from a delimited territory where a noted quality, reputation or other characteristic of the good is essentially attributable to its geographical origin and the human or natural factors there.

The link between GI product and the territory is multidimensional and characterized (with different intensity)

- by the specificity of local resources used
- by the history and tradition linked to local population
- by the collective dimension: a common culture and a shared knowledge at production and consumption level.

The valorisation of the GI product (also by means of a «protection scheme») can have many effects on the territory (positive but also negative).

The support to GIs is not only a «private» issue regarding the firms involved in the supply chain, but also a public issue.

Rural development

There are different concepts of rural development around the world but with an important evolution of the concept. Definitions may stress:

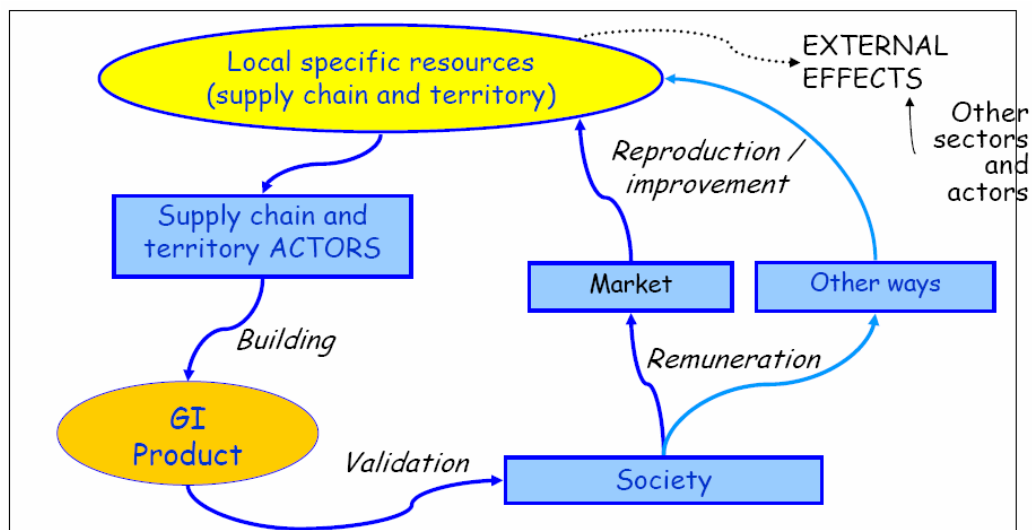
- Income and employment
- Diversification of agriculture in rural areas
- Acknowledgement of the role of local resources and endogeneity
- Links with the environment
- Social values: inclusion, equity ...

Sustainability is emerging as a central issue (also in SINERGI perspective): Economic, Social and Environmental sustainability

The «new rurality» is first of all the outcome of social dynamics: role of actors in the building of new networks (inside the rural areas but also in linking the rural area with the “external world”)

The virtuous circle GI Product – Rural Development

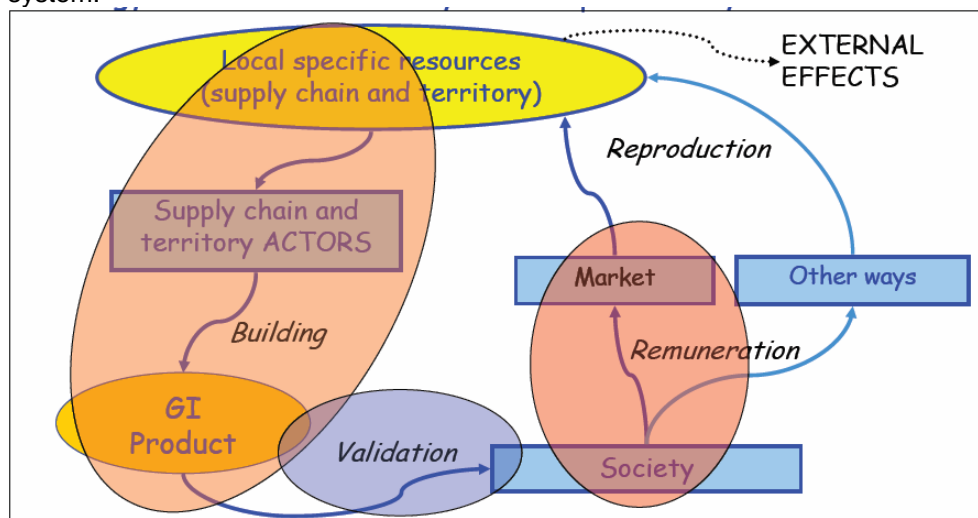
The valorisation of the ideal-typical GI product has many effects on the territory (inside and outside the local supply chain).



The effects of GI valorisation are not automatic: they depend on actors strategies (firms, organisations, institutions) that define the links between GI product, local resources and rural development.

The role of GI protection schemes

GI protection schemes are one of the many tools in the strategy. GI schemes modify the GI product system.



GI product valorisation initiatives and GI protection schemes can be conceived as policy tools for rural development

GI schemes: opportunities and problems

GI product characteristics		Potential Function	Potential pitfall
• Involvement of local actors		<i>Activation of Networking - Consciousness - information sharing</i>	<i>Possible Conflicts</i>
• Localised in less favoured areas • More labour-intensive • Small Medium Enterprises • Keeping people in agriculture and rural areas	→	<i>Economic and social development</i>	<i>Exclusions Difficult access Inequality in benefits distribution</i>
• Traditional farming and processing systems • Local breeds and vegetal varieties	→	<i>Amenities (eg landscape), Low pollution, Biodiversity ...</i>	<i>Overexploitation of local resources</i>
• Keeping local culture (gastronomy, traditions, lifestyles, etc.)	→	<i>Cultural heritage Food diversity</i>	<i>Commodisation</i>
• ...	→	<i>...</i>	

Can public intervention be justified in the light of rural development?

Two conceptions can be identified:

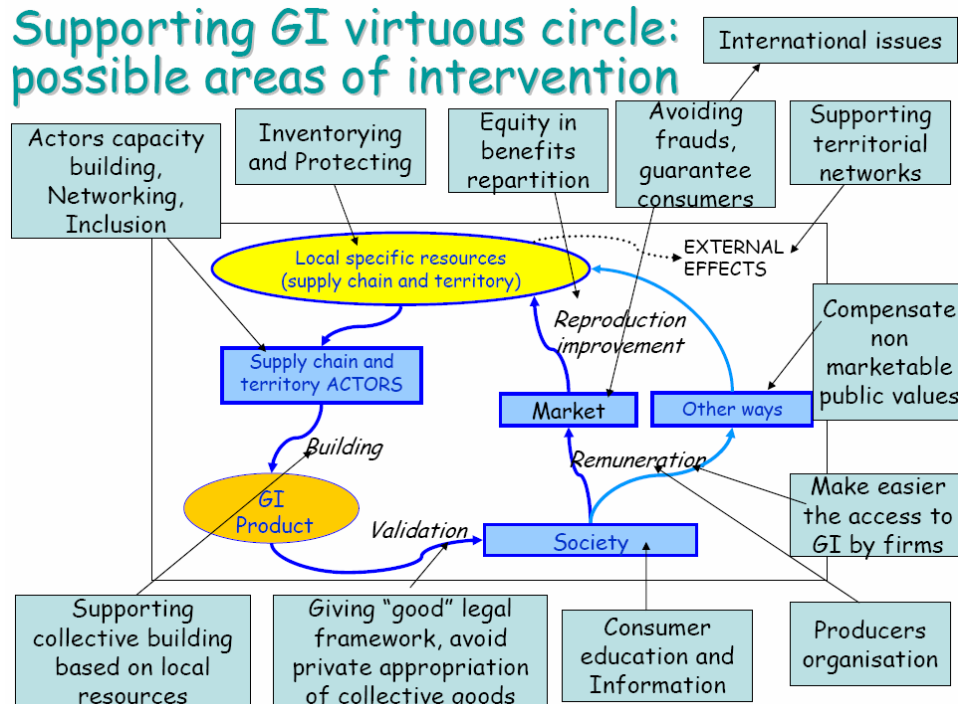
1/ "Neutral GI policy": Protecting names from abuses and usurpations in an effective way, so actors and market have to act itself. But neutrality seems to be a "chimera", E.g., how to evaluate oppositions in the registration process?

2/ "Proactive GI policy", accompanying the whole process. The first question in that case is about the legitimacy of this kind of policy regarding different national cultures, etc.

The second issue concerns efficiency and effectiveness questions. There is no direct link between tools and aims: final effects depend on actors' strategies and power distribution inside the local production system and along the supply chain

Lastly, which values should orient the public action? *Sustainability, Equity, Social inclusion, Income maximization or redistribution, Export markets access ...* There is a need for making them explicit.

Supporting GI virtuous circle: possible areas of intervention



Recommendations for Sustainable GIs

Factors of success in the light of GI systems sustainability:

- GI policy and legal framework: existence of a GI (public) comprehensive policy and clear and accessible legal protection regulation and control system,
- Rules-setting process: actors' active participation, product *proudness*, information, capacities, empowerment. Inclusion of the different stakeholders' categories involved. Conflicts regulation procedures
- Role of local resources: taking into account the need of protecting local (human and material) resources in the Code of Practices
- Organization and governance: network building, collective organisation with democratic participation rules, allowing regulating the evolution of the GI system (innovation and technology, market changes, new firms in the system)
- Horizontal-vertical distribution of the GI benefits: access to GI by firms, bargaining power inside the GI system
- Market: product's reputation, « real » link to territory, relevant markets
- Consumers and citizens: information and solidarity between producers and consumers (local consumers, distant consumers)
- Comprehensive strategy: GI legal (« formal ») protection to be seen as one of a set of tools to valorise Origin Products. Integration of different tools to attain the objective

Which kind of public intervention?

The legal framework concerning GI registration and protection is only a small part of the story. All the « GI product valorisation process » should be supported by public intervention in order to maximise positive effects and avoid pitfalls. Another question is to what extent should public intervention be « prescriptive »?

Lastly, public intervention can't be reduced to GI specific policies, and the question of the relevance of wider policies (non GI specific) is also to take into account: e.g. infrastructural and investment policies, trade policy, hygienic-sanitary rules...

Which kind of public intervention?

Setting up a good framework for GI products development is a complex and multidimensional matter. Different levels of intervention are at stake: National level (interested country), regional and local levels; but also external levels (e.g. technical cooperation: States or International organisations), EU level and international negotiations level. Different possible ways of intervention have also to be considered: direct intervention (by public administration); and indirect intervention (supporting intermediate institutions, as collective private organisations).

An example: Collective organisation in the management of the GI protected product

The GI protection is often supported by a collective organisation (not asked by the EU regulation): Consorzi di tutela, Consejos reguladores ...

GI Producer organisations have many functions

- Supporting firms in complying with Products specifications, allowing wider access to GI use (training, services ...)
- Supporting (or managing directly?) the control system
- Making collective promotional initiatives, collective trademark, foreign registration of the GI name
- Supporting interprofessional agreements allowing for a more equitable repartition of costs and benefits, and even managing production

GI producer organisations are representatives of different stages of supply chain and of different types of firms; and public institutions play different roles: public criteria for recognition, financial, technical and empowering aids.

Towards a « GI integrated policy »

Critical areas in the light of GI systems sustainability	Policy recommendations	ACTIONS				
		International GI negotiations	EU 510 implementation	EU and Member States / cooperation accompanying policies	National	Regional / Local
RULES-SETTING PROCESS	Allow participation of all categories of local actors in definition of common rules (Code of practice)		Asking for democracy in definition of rules. Verification of the effective participation in legal process of registration.	Support local government in the setting-up of the legal framework and/or implementation procedures	Publicity of registrations demands. Obligation for Public meeting for the discussion of Code of P. Regulating rights of opposition. Room for local authorities. Promote role of Interprofessional bodies as mediators in disputes.	Empowering of local actors. Giving accessible information Creating local forums for discussion about GI Encourage active participation of all kinds of producers
Xxxxxx	xxxxx					

Some final remarks

The role of public institutions (at different level) is much wider than making a (good) law: thinking local actors (not GI schemes) and valorisation process (not only GI official recognition) as focus of public intervention

The protection by means of a GI scheme is not always the best way of reaching some kinds of "public" aims (GI protection as weapon in the hands of the more powerful actors?)

There is a need for comprehensive policy, but:

- how to integrate different policy actors around the GI product policy?
- how to get the right mix of public and private initiative?

It seems important to give room to “low levels” of the public authorities, and take into account the role of devolution within common and shared principles

Assessment of GI public policies is a crucial question, but how to evaluate effects?

Relevance of geographical indications and designations of origin for the sustainable use of genetic resources – Findings and lessons learnt from developing and transition countries

Irmgard Hoeschle-Zeledon, GFU for underutilized species

The study which analysed 17 cases from developed and 13 cases from developing and transition countries found that challenges for GI implementation in developing and transition countries were much bigger than in developed economies due to the weaker institutions in these countries and the less obvious benefits. Therefore, any GI strategy should include strengthening of relevant national and regional institutions.

The biggest opportunities for these countries lie in:

- their existing cultural and biological diversity
- GIs linked to well managed production activities to promote conservation of the natural vegetation and ecosystems
- a strong link between the product and the culture to justify GI protection as tool for rural development even if there is no contribution to biodiversity conservation
- traditional knowledge that is key to food production to be used for GI development and thus prevented from bio-piracy
- combining GIs with other market incentives such as fair trade labelling and organic certification

The major pitfall may be:

- Linking GIs to a specific variety/breed as a response to productivity and market demands marginalizes other genetic resources
- formal and well disseminated knowledge and information about biological resources and cultural practices is often lacking particularly for underutilized crops and breeds
- GI as are only attractive for farmers who can produce surpluses to participate in market oriented activities. This is generally not the case with farmers that conserve and use underutilized genetic resources
- small producers are vulnerable in national and export markets for reasons of economy of scales
- distribution of economic benefits along the value chain not always fair and often there is a concentration of power within processors and distributors
- benefits generated by agro-industrial GIs may contribute to rural economy but not necessarily benefit small farmers and biodiversity conservation
- in the absence of democratic governance structures the value added by GIs may not be capitalized
- market segmentation that targets only high end niche markets may generate economic exclusions or inhibit access to nutritious and culturally valuable products by local or low income communities

The sustainable development aspects of GI protection

Maria Julio Oliva, ICTSD

María Julia Oliva from the International Centre for Trade and Sustainable Development (ICTSD) discussed the opportunities and challenges of using geographical indications (GIs) to advance the conservation and sustainable use of biodiversity.

Ms. Oliva noted that GIs have been identified in a variety of international discussions as a potential tool to contribute to protection of biodiversity and traditional knowledge. Indeed, the introduction and implementation of GIs may benefit biodiversity. Benefits from GIs for biodiversity may flow indirectly (through economic and social advantages for the region), as well as directly (through the recognition of the relationship between land, biological resources, and culture and the valorization of products based biological resources or traditional practices linked to those resources).

However, these benefits do not automatically follow the establishment of GIs. GIs, for example, are not necessarily linked to sustainable practices or knowledge. In fact, GIs may even have negative effects on biodiversity: Increased demand and the need to comply with market regulations has been found in some cases to lead to industrialization and higher environmental impact, and the focus on one variety or traditional use can be to the detriment of other components of biodiversity.

The important question thus becomes how to ensure that the potential biodiversity benefits of GIs are achieved and maximized. Ms. Oliva mentioned three areas to consider:

1. *Pre-existing conditions:* Before specific GIs are pursued, issues to take into account include the nature of the biological resources and traditional knowledge at stake; the local involvement, interests, and capacities; and the level of consumer interest in the area's environmental and human factors. In terms of the product itself, attention should also be paid to the degree of use of materials, components or derivatives of biodiversity and their link to quality and reputation of the product.
2. *Development of the GI:* In the constitution of a GI, efforts should be made to balance tradition and innovation; advance a consistent quality without requiring homogeneity; give preference to production methods that generate the lowest environmental impact; differentiate local, regional, national and export markets; and consider the ecosystem as a whole, as well as other traditional uses of the resources. In addition, it is fundamental to include environmental aspects in specification, as well as developing additional environmental goods practices.
3. *Supportive policies:* Complementary measures may be required to ensure the biodiversity benefits of GIs, including environmental impact assessments; broader biodiversity and sustainable development policies; transparency and public participation initiatives; and consumer awareness and information campaigns.

Of course, these additional considerations and measures introduce challenges for implementation. For example, given the abundance of certification marks and labels used to reflect environmentally-sound products (organic, fair trade, sustainable, ethical biotrade), can GIs really be useful as an environmental label? Concerns arise particularly in developing countries, in which broader economic interests may trump efforts to prioritize sustainability. In addition, the cost and difficulties of compliance and enforcement of GIs - already a significant hurdle in developing countries - may increase if environmental aspects add to the complexity of the GIs.

Nevertheless, given the significant potential of using GIs in the context of sustainable development, work should continue to include environmental considerations in the development and implementation of GIs. This presentation aimed to contribute to this work by providing some initial ideas on relevant challenges and opportunities.

Biodiversity protection and valorization, experiences from Slow Food

Cinzia Scaffidi, Slow Food

During these more than 20 years of activity Slow Food has got to define the idea of “quality” product with the three adjective of “good, clean and fair”. This means that a quality product must match at the same time all of these requirements:

- it must be good, in terms of taste
- it must be clean, meaning that it should not affect the environment, nor the health of who will eat it or has grown it
- it must be fair in terms of market, and social justice of the producers.

It has been said, in this meeting, that “we distinguish between mass product and quality product”: this may be important because it put on evidence, how the mass production, the industrial one, doesn’t need any link with a territory. More: the industry is disturbed by any obliged link to a place, a traditional process, etc. It only “uses” the idea of local, of territory when it comes about promoting, advertising, because the consumers receive a negative message from the idea that a produces is a “noland” one.

Now: how do the laws behave? They tend to twist, waving between the consciousness of the value of a place and the temptation of a market oriented attitude, which uses the Geographical Indications as empty labels, only aimed to obey the market orders.

Our experience with the Presidia projects (<http://www.slowfoodfoundation.com/eng/presidi/lista.lasso>) shows how the place is a central issue in the definition of excellence of a product, not only for the historical and productive links, but even for the mere individuation of a product to be part of one of our project.

When we talk of quality of a produce linked to a territory, we have to consider that the link is a very important part of the quality. And the local consumers and producers are the most trustable judges of that quality because they and only they have the parameters, the experiences and the terms of comparison needed to understand if a local product is good or not.

Some times the presidia products had problems with the Geographical Indications. Just to mention two opposite situations, problems can happen when there is no protection and when there is too much protection, or at least a bad protection, the empty labels we were talking about.

When there is no protection there is a risk, for the producers who start a success production of a traditional food: if it works, in terms of market, the industry will be very quick in launching a “trade mark” product with that name (but of course without those characteristics). In this case the winners are normally the lawyers: to recuperate a traditional name which had no protection and has been misused by the industry is of course possible, but very expensive. Often the local producers decide to renounce.

When the protection is badly built, as in the case of some DOP, discipliners do not respect the local and traditional way of production, and create a weird situation in which the ones who want to keep producing in the “true” way must choose between being in the DOP, without any possibility to distinguish their production from the industrial one, or being out of the DOP, meaning without any kind of promotion and protection.

The problem is that the GI should not become a brand! They have to help linking a product to its territory following the rules of consistency, and common sense.

When the GI become a brand, then we have the problems of imitations: if we could set up a shared system of GI, valid all over the world, in which all the GI could have the same level of dignity, because all the territories have cultures and products to improve and promote, there would be no meaning in imitating Parmesan or Camembert.

But if the Italian Bresaola IGP can be produced with Brazilian meat, where is the consistency, the promotion of the territory? Why the Brazilians should not learn how to make Bresaola from their animals and sell it under a similar name, if the Italian one has market success and no true protection?

The challenge is to create a tool which has to build standards but referring itself to a living system, which is – for its same nature – continuously changing; a system of standards which must defend diversity. It is not easy. But that is the central issue.

We are trying to get there with another project in defense of biodiversity, a vegetal open source where we want to describe landraces seeds from the genetic, gastronomic, ritual, historical and whatever else point of view. This project has been put recently on the web: www.granos.it, so that it can be shared and improved by an extended collaboration.

Maybe this way to proceed can be a model also for getting to a definition of GI than can match the needs of all the territories.

Linking GI animal products with local breeds

François Casabianca, INRA (F)

During the last years, we conduct a wide analysis in French GI on this linkage, in order to understand to what extent it could have some influence on the management of the breeds. As a matter of fact, more and more GI on animal products are mobilizing local breeds (when existing), a great part of cheeses and quite all the meat products. A PhD student of our unit has recently defended her thesis on that topic.

The main results show that several benefits can be identified as the increasing size of market of reproducers, an added value when selling them as certified animals. The image of the GI product is generally improved and the labels use very often the local breed as a testimony of the attachment of the product to the “terroir”. An increasing people are concerned by the future of the breed and able to give strategic orientations to the breed.

But, we also put in evidence that breeds and products, even being both local constructions, have two separate projects. As breed is more dedicated to the question of livestock systems, products are more embedded into supply chain and have to deal with market conditions. According the European regulation, there are possible conflicts of name, and in order to avoid any confusion between names of the breed and of the product to be protected by GI, local breeds had to change its name. This decision is easy to make when the breed is remained much localized (such as Maine-Anjou cattle breed renamed “Rouge-des-Prés” when Maine-Anjou became a GI) but in several cases, that is not so easy. Other possible conflict may appear when GI code of practices is introducing some constraints such as limitation of performances. No less than 3 French GI cheeses made such decision inducing some modification into the selection scheme and increasing the production costs. Moreover, farmers using traditionally animal from local population but outside of the collective management have to change their practices and must certify their animals if they want to produce into GI system.

This analysis, even based on developed country situations can give some relevant indication for a worldwide analysis. A breed, being a biological resource, is not a “natural” one: a breed is alive and not fixed for ever. It is necessary to consider biodiversity not only among the breeds but also within each breed. And a breed is always in evolution, it is a resource to be managed so GI system is not supposed to insure this management.

Two final recommendations

According to our experience, relationship between the two management groups (local breed vs local GI product) must be carefully checked, and some people acting in both groups are helpful for this. It should be encouraged to include explicitly representatives of the GI managers into the board of breed selection.

The main risk to avoid is an exclusive appropriation of the local breed by the GI system, generally more powerful and having more money. The local breed must keep its own project even if GI can give some help to do so.

Discussants Comments – Rural and Sustainable Development Issues

Laurence Bérard, CNRS (F)

The presentations of this session have put forward a lot of interesting remarks and thought. I will comment and stress on some of them.

Rural development is one of the three pillars of sustainable development, economic, social and environmental (including biodiversity). Rural development is also part of sustainable development. Those concepts are very broad, there are a lot of different conceptions and interpretations of rural development around the word.

Environment and preservation of biodiversity are not the main objectives of Geographical Indication but they can be a positive externality if the specifications are built taking into account this aspect. In France, some PDO clearly established the link; for instance the specification of Ardèche chestnuts PDO include 19 main local varieties and refuse to introduce hybrid varieties which would have moved chestnut grove from agroforestry to an intensive orchard system. The same remark can be made with the specifications of PDO Domfront perry (a cider made of pears) which strictly defines the traditional management of fruit trees and protects the local varieties of pears.

Mountain concentrates biodiversity and the promotion of specific quality products by GIs contributes to preserve mountain ecosystems and it has been shown that net income of GIs producers are comparable to farmers who live in the plains. We can talk about conservation of breeds when they are noted in the specification or of mountain pasture because it is still valuable to use it when the milk is valorised by a GI. Microbiodiversity linked to the cheese is another important point to underline. In this case, the protection of geographical origin allows to preserve extensive schemes of agriculture which has something to do with sustainable development. But sometimes, the profitability of GIs associated with the strong image of the mountain, attract opportunist agro-food industries which may have an effect on the supply chain. Image of origin-based products is often easy to manipulate, specifically for mountain areas. And some actors of rural development work on a satisfactory use of this “status-enhancing mention”.

Generally speaking, geographical indications can be built in very different ways, depending on the motivations of the initiators and supporters, and specifications are the core of the GIs approach. Extremely strong economical links may entail a situation of monopoly in favour of the most powerful actor in the GI and exclude small scale producers and craftsmen, specifically when there are technical constraints associated to additional cost of certification. When specifications do not contain information which are really linked to the specificity of the product, the protection is weak and GIs have nothing to do with sustainable and rural development. In other cases, strong expectations exist, as for the Hungarian paprika, with different kinds of issues. Most of the time, there are different scenarios to build specifications and the choices which are to be made bring about more or less exclusion. This is another big issue of the protection of geographical indications; which very often have something to do with culture, through knowledge and skills. But GIs can also lead to a virtuous circle, having a real impact on the rural development when the codification of the link between local resources and GI product is well done. In this case, GI is a good tool for rural development.

Public intervention, supporting collective building based on local resources, can be justified in the light of rural development, but taking those remarks into account, which values should orient the public action? Those interventions are expensive; are they conceivable for the developing countries? Protection can be a weapon in the hand of the most powerful actors. Successful implementations of GIs may become an economic mechanism which excludes the poorer producers, they can also lead to a homogeneity of products and processes and generate negative impacts on biodiversity. Challenges for GIs implementations in developing countries are greater than in developed countries. This concept is new in former, and the situation is evolving very fast due to globalisation in a very positive context. Finally, in Europe a GI is the result of local power games and lobbies, because the applicants are always the producers. But it does not always seem to be the case in developing countries, where the state can have this function. Moreover the nature itself of the productions is also important, who takes advantage of GIs on export products as complex as coffee or cocoa? All the countries are setting up

their legal framework under our very eyes, as for Morocco where the distinctive seals of origin and quality have been approved by Parliament very recently.

But GIs are not the panacea, they are difficult to build, expensive, and other means to valorise localized products exist as Slow Food shows with the Presidia, and they must remain complementary to the GIs.

It has been spoken of “territorial esteem”, along with self esteem of the producers through the focus of local resources. It is an important notion which has something to do with the preservation of way of living and rural population, products which make sense in a local culture and which are linked to local food habits.

To conclude, one must never forget that GIs are closely linked with local culture. It is for this reason that an anthropological approach is so important to understand the content of a link to a place and what kind of information must be taken into account. A well conceived GI, which really pays attention to the identity of the product, is an efficient tool for rural and sustainable development. GIs allow to think agriculture in a different way, which respect cultural biodiversity, but the compliance with the different international rules is very difficult to obtain - particularly sanitary requirements, food safety standards and the certifications which result in a lot of exclusion.

PARTICIPANTS LIST

Nom	Institution/Organisation	Email
Allaire Gilles	INRA	allaire@toulouse.inra.fr
Arfini Filippo	UNIPR	filippo.arfini@unipr.it
Bächi Rainer	IMO	rb@imo.ch
Balling Richard	Ministry of Agriculture in Bavaria	richard.balling@stmlf.bayern.de
Barjolle Dominique	AGRIDEA	dominique.barjolle@agridea.ch
Belletti Giovanni	UNIFI	giovanni.belletti@unifi.it
Becaria Simone	Slow Food	s.beccaria@slowfood.it
Bérard Laurence	CNRS	laurence.berard@ethno-terroirs.cnrs.fr
Bordoni Paul	GFU for Underutilized Species	underutilized-species@cgiar.org
Carrozzino Vincenzo	Ministry of agriculture and forestry policies	v.carrozzino@politicheagricole.gov.it
Casabianca François	INRA	casabianca@corte.inra.fr
Cerdan Claire	CIRAD	Claire.cerdan@cirad.fr
Cerjak Maria	Croatia	mcerjak@agr.hr
Favero Klenize	UFSC	Pimentel@reitoria.ufsc.br
Fouks Véronique	INAO France	v.fouks@inao.fr
Galtier Franck	CIRAD	galtier@cirad.fr
Geuze Matthijs	WIPO	Matthijs.Geuze@wipo.int
Ghizzoni Ludovica	ITC, UNCTAD/WTO	ghizzoni@intracen.org
Hoeschle-Zeledon Irmgard	GFU for Underutilized Species	i.zeledon@cgiar.org
Kovacs Barna	Corvinus University of Budapest	barna.kovacs@uni-corvinus.hu
Loureiro Maria	University of Santiago of Compostel (Spain)	maria.loureiro@usc.es
Marescotti Andrea	UNFI	andrea.marescotti@unifi.it
Oliva Maria Julia	ICTSD	mjoliva@ictsd.ch
Olivas Caceres Ester	ORIGIN	info@origin-gi.com
Paus Marguerite	AGRIDEA	mpaus@ethz.ch
Rangnekar Dwijen	University of Warwick	d.rangnekar@warwick.ac.uk
Sautier Denis	CIRAD	sautier@cirad.fr
Scaffidi Cinzia	Slow Food	c.scaffidi@slowfood.it
Scaramuzzi Silvia	UNIFI	silvia.scaramuzzi@unifi.it
Spennemann Christoph	UNCTAD	Christoph.Spennemann@unctad.org
Thevenod-Mottet Erik	AGRIDEA	erik.thevenod@agridea.ch
Teuber Ramona	Justus-Liebig University Giessen	Ramona.Teuber@agr.uni-giessen.de
Tisenkopfs Talis	LU	talis.tisenkopfs@lu.lv
Wallet Frédéric	INRA	fwallet@toulouse.inra.fr
Zecca Francesco	Ministry of agriculture and forestry policies	f.zecca@politicheagricole.gov.it

FAO		
Boutrif Ezzeddine	AGND	ezzeddine.boutrif@fao.org
Vandecandelaere Emilie	AGNS	emilie.vandecandelaere@fao.org
Tartanac Florence	AGST	Florence.tartanac@fao.org
Galvez Eva	AGSF	eva.galvez@fao.org
Manzella Daniele	LEGN	daniele.manzella@fao.org
Baldascini Alexia	FOMD	alexia.baldascini@fao.org
Santacoloma Pilar	AGSF	pilar.santacoloma@fao.org
Poisot Anne Sophie	AGPP	anne-sophie.poisot@fao.org
Burlinghame Barbara	AGNA	Barbara.burlinghame@fao.org
Egal Florence	AGNP	Florence.egal@fao.org
Grouwels Sophie	FOEP	sophie.grouwels@fao.org
Albert Janice	AGND	Janice.albert@fao.org
Amado Blanca	FOEP	blanca.amado@fao.org
Jénin Léa	ESTM	lea.jenin@fao.org
OSullivan, Gerry	FIIU	gerry.osullivan@fao.org
Lecourtois Emmanuelle	AGSF	Emmanuelle.lecourtois@fao.org
Liu Pascal	ESTT	pascal.liu@fao.org