WP2 : GI social and economic issues

'*Sharing knowledge session*'

Origin products and Geographical indications in developing countries:

What is happening?

CIRAD Team

Plan

1. OP to RGI's in developing countries: Why ?
2. OP + GI's in developing countries: Diversity factors
3. On-going experiences in developing countries: heterogeneous justifications, markets and stakeholders
   - Tequila case (Mexico)
   - Coffee (Costa Rica)
   - Rooibos red tea case (South Africa)
4. Conclusions

1. From OP to GI and RGI in the developing world: Why ?

- An accelerated widening and protecting process:
  - regarding countries ....
  - regarding products ...

- *But :*
  - still a very unequal North-South balance
  - Southern Europe : « berth » and référence

'*Products x Place x People*' linkages: worldwide evidence

- Multiplicity and anteriority of « Origin products » throughout the world : Africa, Asia, Latin America
- National markets : Origin = 'proxy' for trust
  - *Vietnam : 265 « local specialty products »*
- International markets : place sometimes means more than provenience.
  - *Case of Coffee : Origin = 'proxy' for aroma, non-standardized quality attribute. Defines premium*
- New : recognition RGI + institutionalization PGI

GI recognition and protection: Why?

1. Ancient : specific economic stakes for export products
2. Recent: liberalization and DE-protection process
   - WTO (2000 and 2006 deadlines)
   - « Fame without protection » = risks !
   - Frauds and usurpations
   - Intense regional names trademarking in EU-US-Jap
3. Global markets : strategic identity advantage
   - Aiming at premium specialty markets
   - Mainly export-oriented
4. Recent rural policy interest
   - Govts ; NGOs ; ..Communities?

.. But does not concern *all* OP.. Diverse strategies

RGI x Developing countries: strong political and institutional involvment

- Significant DC participation in WTO GI negociations
- Stake: reciprocity : international recognition of their GI
- Debates on additional protection :
  - not a North-South, rather a « new » vs. « old world» divide
  - *Example Basmati Rice*

No standard model regarding RGI protection schemes

- WTO : « freedom of implementation ». No obligation of positive protection.
- GI in TRIPS: predominance of Intellectual property definition and paradigma
  - NOT on quality insurance, nor on collective agreements
- Suspicion about EU-centered tool: less and less true !
- Diversity of GI implementation worldwide:
  - ... Negative ?
  - ... Positive ?
- National level : determines GI legitimacy and conditions for sucess.

2. OP and GIs x developing countries : an overview of their diversity

- Question is no longer WHETHER RGIs are growing wordwide, but HOW?
- Which actors, which rules ?
- For which stakes /objectives and with which effects ?

RGI in developing countries : heterogeneous stakes / justification

- EU: 4 GI justification structures, from counterfeiting to biodiversity (Sylvander et al. 2005)
- In developing countries, either /and :
  - Reappropriation of usurpated or trademarked geographical names
  - Improved access to markets, mainly external
  - Biodiversity conservation tool
  - Traditional knowledge and communities
  - Collective initiatives for rural development
- Several aspects simultaneously –potential conflicts ?
- IP aspect first – less on values and rural development

OP and GIs in developing countries: heterogenous actors

- Individual, collective, firm, NGO and mainly state-driven initiatives
- Strong states x weak states
- Varying role and recognition of Producers' and interprofessional organizations
- Local, national and international supply chains

North – South dissonances :

- The role of producers' organizations
- Consumers' expectations
- Guarantee systems
- State capacities (and of institutions at large)

(Casabianca, 2002)

3. Three exemplary cases

1. Tequila (Mexique)

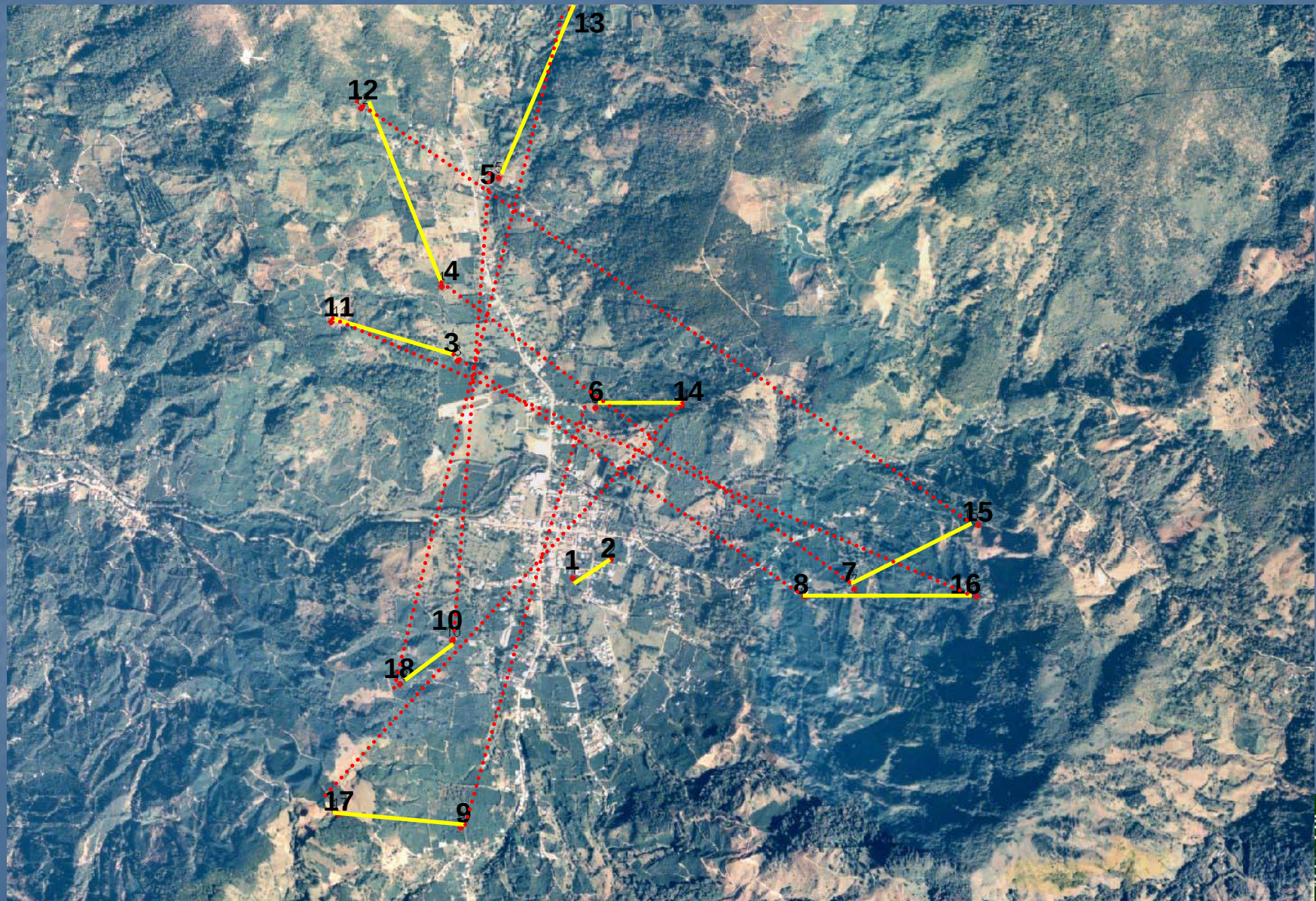
- Justification
  - Lisboa Arrangement, 1958
- Market:
  - x 8 in 20 years ; export boom
- Production Rules
  - Norm (1949), PDO (1974) and adaptations
  - Bottling still outside PDO area
- Institutions and governance
  - Consejo Regulador: distillers
  - 4 companies : 4 = 67%
  - Crisis : agave disease ; 2 scénarii

2. Café (Costa Rica)

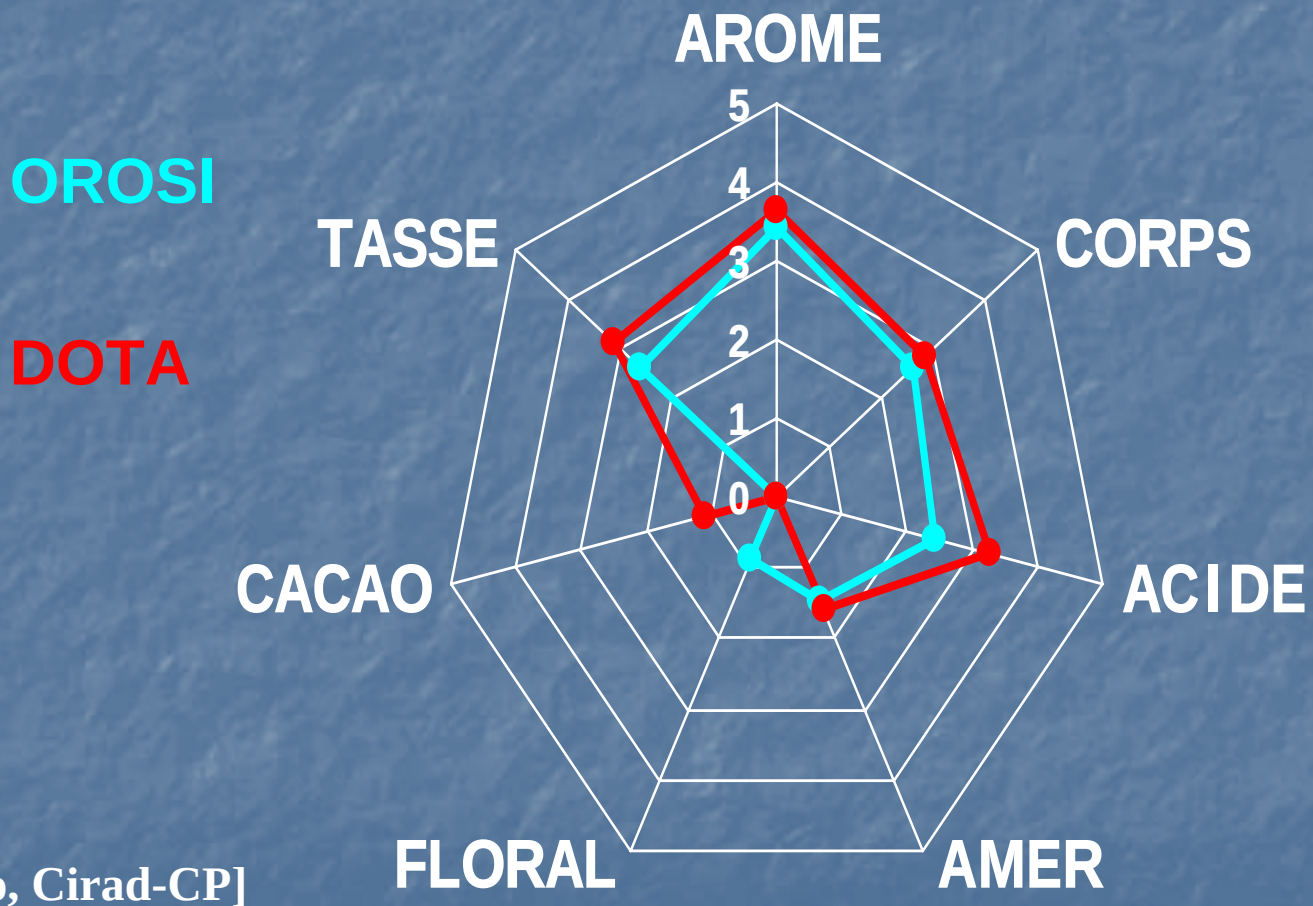
- World: overproduction, price collapses, specialty premium, differenciation strategies
- RGI: the most sustainable differenciation ?

- Costa Rica: National Rule (1950's) vs/ Frre Trade Agreement
  - RGI justification : keep the premium
  - Market = export
  - Rules and institutions : 2 co-existing approaches
    - « Country GI » – like Colombia
    - « Terroir approach » : Dota and Orosi

Environmental criteria for PDO area delimitation in Dota



Product typicity

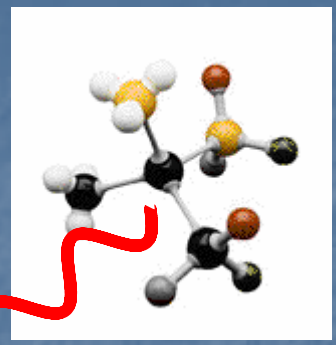


[J.Avelino, Cirad-CP]

Product

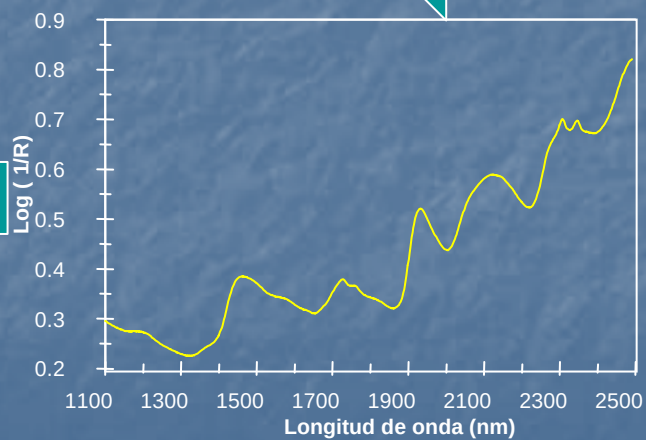
Chemical components
Ex : Cafein

Chemical bindings



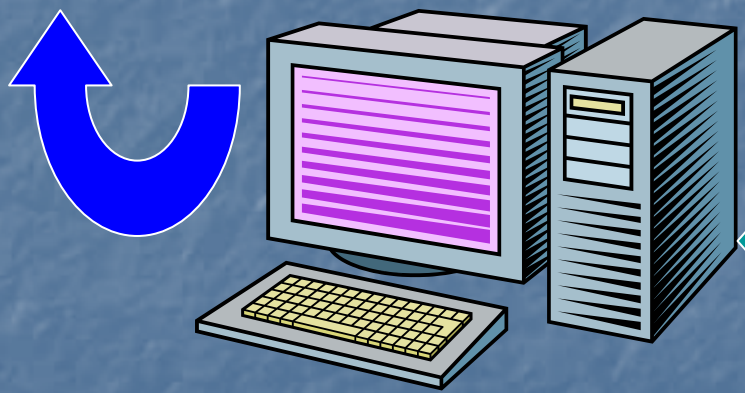
Infrared Light

Absorbed energy



NIRS

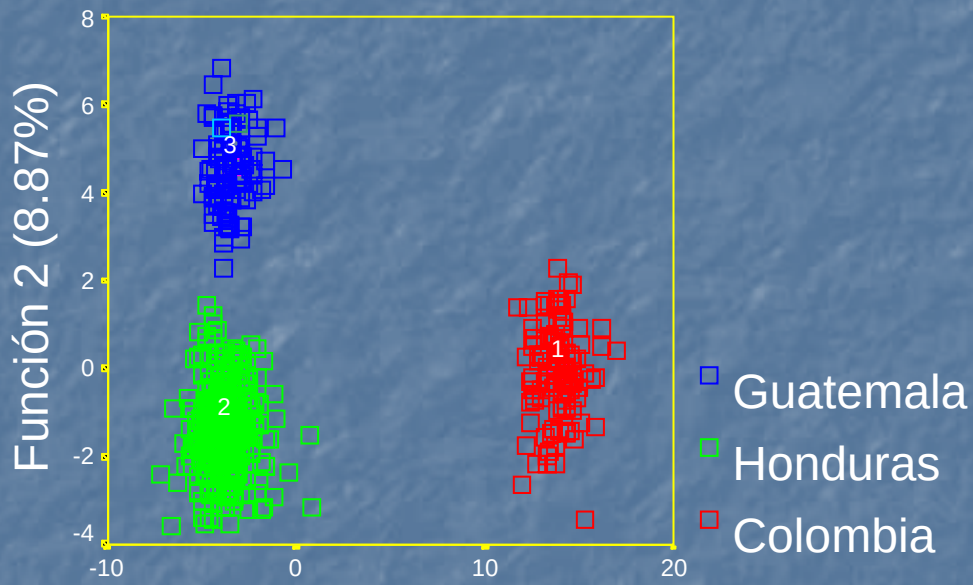
Qualitative Analysis
Quantitative Analysis



Comparaison avec bases de données spectrales interprétations / predictions

Control mechanisms : Chemical trace

Fonctions discriminantes canoniques



Función 1 (91.12%)

Resultats de la classification					
	Classes prévues				To
	PAYS	C	H	G	
N° de echant.	C	112	0	0	11
	H	0	320	0	32
	G	0	0	98	9
100.0% des échantillons classifiés correctement.					

F. Davrieux CIRAD-CP

3. Red herbal tea: *Rooibos* (South Africa)

- Justification
  - Endemic species within '*fynbos*' ecosystem
  - Cancelation of Trademark (USA)
- Market boom exports 60%
- Structure
  - 1 dominant enterprise (previously public)
  - 3% small producers
- Collective rules ?
  - Only according to external and internal threats

4. Conclusion

- for EU :
  - May 2005: Colombia Coffee
  - Management of extenal Gis
  - Governance ? equivalence
- for devping countries :
  - Potential even for subsistence economies
  - Strong impetus
  - Negociation of symbolic value
  - Stakes open
- national and international governance ?