Conférence publique

« A quelles conditions les produits sous appellation d’origine (AOC, IGP…) contribuent-ils au développement ? »

Agropolis, 6 – 7 September 2006

Les Indications Géographiques dans le monde : principaux enjeux

B. Sylvander and G. Allaire

(INRA – Toulouse)
Conférence publique

« Under which conditions may Geographical Indications be in favour of the development? »
Agropolis, 6 – 7 September 2006

GIs in the world: main stakes
B. Sylvander and G. Allaire
(INRA – Toulouse)
Plan de la présentation

- Introduction
- 1. Overall Context
- 2. Definitions
- 3. Diversity of OP/GI systems and protection schemes
  - a. Product and actor’s networks
  - b. Market rules and market patterns
  - c. Typology of GI systems
  - d. Polity and policy networks
- Conclusion
Introduction: are GIs development tools?

Public policies: two approaches

1. GIs belong to the TRIPS, nothing more
   - Players have the freedom to use them or not / to interprete them
   - No voluntaristic policy

2. Or GIs are part of a voluntaristic rural development policy and / or resource preservation policy
   - Preserve the traditional know how (*Fin gras Mezenc*)
   - Preserve the genetic resources (« biopiracy ») (*India*)
   - Root the activities in the land (*Comté, F*)
   - Maintain / develop the SME (*Charlevoix Lamb ?*)
   - Generate collective action (*Koura Olived oil ?*)
   - Fight against usurpations / imitations / counterfeiting (*Charlevoix Lamb, Melton mowbray pork pie*)

Adapted from Sautier (2005)
The actor’s networks

- They may have certain of those objectives
  - Protect the know how, preserve the genetic resources, root the activities in the land, maintain and develop the SME, fight against usurpations / imitations / counterfeiting *(adapted from Sautier et al., 2005)*

- They may have other ones
  - Improve access to domestic / international markets *(Mexico)*
  - Protection against market fluctuations through segmentation *(Coffee ?)*
  - Marketing tool towards consumers : generate trust
  - More generally : develop individual / industrial strategies *(Charanda, Mexico)*
The public policies

- In the second approach (voluntaristic): long lasting evolution of justifications, different according to national contexts:

- Four public justifications for GI protection and promotion
  - 1. Organisation of the competition
  - 2. Agricultural market’s control
  - 3. Rural/local/regional development
  - 4. Resources preservation (natural and cultural resources)

- Differences in the history and among the national contexts

Sylvander et al. 2005, 2006
Questions

- Those objectives and tools are linked with very different actors
- Are they contradictory?
  - Room for everybody? All kind of strategies?
  - Necessity to fight in order to promote a specific model?
  - Room for convergence? How?
- Effectiveness of the protection on Sustainable development?
- The SINER-GI project is dealing with those questions ([www.orgin-food.org](http://www.orgin-food.org))
1. Overall context

- “Liberalization” of trade is not completed!!
- Intellectual property rights (IPRs) and Standard Setting Organisations (SSOs) play news and important roles in market regulation under a new international trade governance (or regime)
- *Globalization*: changes within the world’s economies
- *A market for standards* is growing (definitions, inspection, protection) : “fora”
2. Definitions

“Geographical indications are, for the purposes of this Agreement, indications which identify 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.”

- Very generic term “indications”
- Many possible tools:
  - PDOs-PGIs, GIs,
  - but also Trademarks, Collective Trademarks, Certification Trademarks
- So there are:
  - A pragmatic issue: which types of goods are concerned
  - An institutional issue: which types of identifiers are concerned
2. Let’s have broad definitions

Origin Products

GI Products

Protected GI Products

Careway cheese (Latvia)
Argan oil (Morocco)

Koura Olive Oil (Libanon)

Scotch beef (UK)
3. Diversity of the OP/GI systems

- Product and actor’s network
  - The governance issue
- Market patterns and market rules
  - The scaling up issue
- Polity (policies, instruments, policy networks)
  - The protection / support issues
a. Product and actors’ networks

- Diversity of **products** with a geographical identifier, within the frame of the global quality economy
- Diversity of **initiators / stakeholders** and their motives
- Diversity of **organisations and governance forms**
Diversity of products with a geographical identifier, within the frame of the global quality economy

- TM, CTM, GI, PDO, PGI (identifier)
- PDOP, PGIP, GIP (product + identifier)
- Organic products (product + identifier)
- Fair trade (product + identifier)
- Farmhouse products (producer + product)
- Handicraft (producer + product)
- Direct sales (producer + product)
- Local products (producer + product)
- Etc..
Diversity of types of initiators / stakeholders

- Their natures are diverse
  - Producers *(most of the European cases)*
  - Interprofessionnal bodies *(most of the European cases)*
  - Governments *(Mexico, Greece, ..)*
  - Consumers
  - Others

Adapted from Sautier (2005)
Diversity of initiators’ / stakeholders’ motives

Their motives:

The ones mentioned as important stakes at the beginning of this presentation
Diversity of market structures and governances

- Many different market structures
  - Single firm: *Zagara apple, Laguiole*
  - Monopoly with fringes: *Roquefort, crottin de chavignoles*
  - Oligopoly: *Beaufort*
  - Scattered structure (*Parmiggiano reggiano, It*)

- Several governance forms
  - Corporate governance: single firm, channel captain
  - Clubs (collective marks, certain CTM ?)
  - Interprofessionnal bodies / unions
    - Weak (*Cantal, F*)
    - Strong (*Comté, F*)
Consumers / buyers

- Interest for OP/GIs is growing
  - ... but the image is vague...
- Willingness to pay
  - ... but to pay for what?
- Relationships brand/GI?
Are GIs sectors mainstreaming?

- Market structures are quite diverse in the GI sectors
- Quality requirements from Industrial firms / supermarkets are becoming stricter
- Are GIs sectors mainstreaming?
  - Attractivity for OP/GI products is high
  - If industrial firms and small holders are operating on segmented markets: weak competition
  - If they are operating on same markets:
    - Problems: trademarks not always registered, usurpations / imitations, etc.
    - Many growing small firms have to manage a scaling up question
Globalization and neoliberalism

Scaling up issue

Specific Strategy
- Radical marketing, consumer (client) knowledge, loyalty, community supported agriculture

Generic strategy
- Mainstream marketing
  Comply with the mainstream’s market rules: opportunities and threats
c. Typology of the GI systems

“A GI System is a organisation of actors’ networks (privately or cooperatively owned), involving several types of stakeholders, including producers and consumers, which aims to improve the strategic marketing position of the GIs products by adding value to the a specific raw product through processing or marketing.”

Main variable : generic / specific system
d. Polity (policies and policy networks)
Two variables for the policies

- 1. Kind and level of the protection schemes
- 2. Other policy support
1. A typology for the GI protection schemes *(D1)*

- From prevention and repression of misleading or unfair use, with an enforcement on private initiative → to definition of right holders and public enforcement
- From TM → to protected and registered GIs, through Certification Trademarks and weak GIs
- From freedom of packaging and labelling → to requirements on those items
- From wines and spirits → to all kinds of products
- From juridical decisions → to administrative ones

→ From permissive schemes to prescriptive schemes
2. Other policy support are also important

Literature (D1 and D2) shows that *protection policy cannot in itself account for GI the supply chains’ development*. Other crucial issues are playing an active role (if consistent with GIs):

- Agricultural policy (if relevant)
- Competition / labelling / consumer policies
- Rural / local Development policy
- Financial support
- Technical support
- Accompanying / monitoring
- Etc..

An important complementary variable

- Weak public support / strong public support
### 4. Consequence: theoretical basis for the case study selection (example)

<table>
<thead>
<tr>
<th>Permissive scheme</th>
<th>Generic</th>
<th>Specific</th>
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<tbody>
<tr>
<td>Weak public support</td>
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<td>Strong public support</td>
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<tr>
<th>Prescriptive scheme</th>
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<td>Weak public support</td>
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<td>Strong public support</td>
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How effective are GI systems? (Success factors?)

- Success *does* mean much at a general level (taking into consideration the great observed diversity of the GIs’ systems and the GIs’ protection schemes).
- Therefore, we propose to define success with regards to:
  - The **internal goals** of the studied GIs’ systems, how are they set up? Which possible conflict? How are they managed?
  - The *concrete and located* contribution to the three dimensions of sustainability:
    - Economic efficiency
    - Social equity
    - Environmental integrity
Case study selection and success factors

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<th>GI systems</th>
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## Specific factors of success: *example*

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<tr>
<th>Description of the GI system</th>
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<td>Development</td>
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<td>Access to markets and/or regulate the markets</td>
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<td>Fight against usurpation</td>
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<td>New GI Externalities</td>
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<td>Remain specific : how ? (radical marketing)</td>
<td>Manage the generic scaling up</td>
<td>Economic Brand policy / collective action / PGI ? CTM ?</td>
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<td>Minimal</td>
<td>Minimal, fight against derives ?</td>
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<td>Environment : landscapes, IPM</td>
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Conclusions

- How to deal with the *market for quality standards*?
- Will the « GI forum » become attractive?
- Success is linked to
  - the systems’ own objectives
  - It’s contribution to sustainable development:
- Public policies: from the product’s quality to the global management of externalities:
  - *(partly)* through the markets?
  - through public policies?