

# INTRODUCTION ABOUT COLLECTIVE MANAGEMENT ORGANIZATIONS

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Promoting Intellectual

Property Rights in the

**ASEAN Region** 





### Geographical Indications

- Reminder: GIs are the Recognition of a cultural Heritage: Special relation between "People, Place and Product".
- Official definition (World Trade Organization, TRIPS Agreement, 1994 – Article 22):

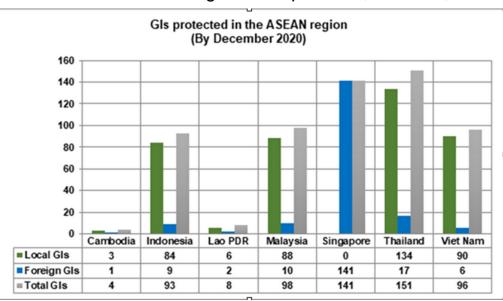
"Geographical indications are [...] any <u>indications</u> which identify a good as <u>originating</u> in a particular country, region or locality, where a given quality, reputation or other characteristic of the good is <u>essentially attributable</u> to its <u>geographical origin</u>".



### Dynamic protection of GIs in Asia since TRIPS Agreement

#### GI sui generis system introduced widely in IP legal framework:

Numerous GIs on agricultural products, foodstuff, handicraft goods



Source: ASEAN IP offices

- ASEAN: 591
   (405 Local GIs, 8 in EU)
- India: 370
- Japan: 79
- China: more than 10 000 (10 + 100 in EU)

- Bilateral agreements on GIs in Asia:
  - EU-China, EU-Vietnam, EU-Japan, EU-South Korea, EU-Singapore, ASEAN-Japan, ASEAN-Australia-NZ,...



















GI Logo & Slogan अतुल्य भारत की अमूल्य निधि Invaluable Treasures of Incredible India



















# IMPORTANCE OF HAVING AN EFFICIENT COLLECTIVE MANAGEMENT ORGANISATION



### Why a collective organisation to manage the GI?

- The GI product is the heritage of a community of producers/processors
- This commitment of this community is jointly creating and maintaining the reputation of the product, based on their specific know-how and practices.
- All members of this community should participate into the GI initiative.
  - ✓ stakeholders involved at various stages of production (e.g., raw material producers, local communities, processors, distributors).
- A local product can only become a recognized GI if it is supported by a mobilized and organized community of producers, whatever is its legal form.
- To avoid the tragedy of GIs: the sleeping GIs!



### The GI Collective Management Organization:

- Manages the Geographical Indication (the use of protected name) on behalf of the community:
  - ✓ the Value Chain stakeholders
  - ✓ the State
- Important role:
  - ✓ During registration
  - ✓ And after registration as well



# How to organize the collective action of PRODUCERS / PROCESSORS



### A representative organization

- Representativeness of all beneficiaries of the GI is crucial for the success of GIs: avoid any unfair exclusion
- How to ensure this representativeness?
- Who should be member of the association? Which rights of vote?
  - ✓ Traders, consumers, local authority representatives?
  - ✓ Ordinary members, honorarium members?
- Non discriminatory membership to the Association:
  - ✓ Only criteria should be: the compliance with GI specifications



### Example of value chain map

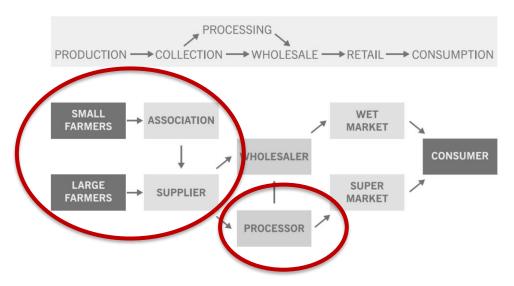


How will the various value chain levels be represented?

Should the GI organization be organised in "sectors"?



### Example of value chain map



How will the various value chain levels be represented?

Should the GI organization be organised in "sectors"?



### How are decisions taken?

- Different ways to organize the decision making:
- ✓ College/ Chamber depending on the kind of stakeholder with equal power
- ✓ Vote
  - One man, one vote
  - Rights of vote proportional to the volumes produced / certified
- Hybrid system



### Mandatory membership to use the GI?

- France: only since 2006
- Not mandatory in Switzerland
- EU: operators should not face obstacles to participation that is discriminatory or otherwise not objectively founded (Art.46)
  - Is the mandatory membership of the Organization discriminatory?
- Depends on the fees, but also on the culture, if concept of association is little known.



### Volunteer work

- Members of the board, of the committee are producers/processors, traders.. who are volunteers.
- Executive staff: employed and paid by the Association on the budget of the Association.



# THE ROLES OF THE COLLECTIVE MANAGEMENT ORGANISATION

### The 3 Roles of the GI organization are:

- 1. to Federate the stakeholders of the Value chain (forum, strategic decision making)
- 2. to Manage the Specific Quality of the Geographical Indication
  - GI Standards/Specifications
  - Gl Control plan
- 3. to Promote the GI and its specific quality



### What the GI organization does NOT do?

Produce the product!

Buy and sell the product!

Own the product!

(it is not a producers' cooperative)



### What the GI organization does NOT do?

### Why?

Because the GI Organization cares for the rules of the GI Standards:

It is a "referee", it is not a player.



### 1) First role: to Federate the stakeholders

- Provide a Forum
- Take strategic decisions
- Facilitate coordination in the value chain
- Represent the GI to external actors
- Provide information and training to its members



### 1) First role: to Federate the stakeholders

### What is needed?

- Membership (and usually need membership forms, GI commitment form, potentially membership fees)
- Formal decision-making structures (General Assembly, boards) – these may reflect the composition of the Value chain
- Statutes
- Record keeping and information
- Information channels



### 2) Second role: to Manage the Specific quality

Central role of the GI organization.

How? implementing the GI Specifications and implementing internal controls



### Why do Specific quality Management?

- To KEEP the promise to the consumers
- To ensure that quality (and quality efforts) are consistent by all the stakeholders
- To avoid «free riders»
- To satisfy state / government regulations

need for a GI Control plan



### 3) Third role: to Promote the GI

- Define a strong brand (common GI Logo)
- Define the history (the STORY) and how to present it
- Contribute to marketing
- Support enforcement, fight against infringements



## OVERVIEW: DIFFERENT MODELS OF COLLECTIVE MANAGEMENT ORGANISATIONS



### National rules governing all GI organizations at country level?

- Some common rules at national level:
  - ✓ ex of Europe, France, Spain
- Yet still lot of diversity within those countries
- No common rules at all, in many countries



### France: mandatory membership of producers & processors

- «Organisation for GIs Defense and Management»
- Mandatory and automatic membership of all producers/processors
- Representiveness of all kind of operators, democratic functioning
- Statutes of GI association are registered with competent authority + examined by the national authority in charge of registering GIs



### Governance in France

- General Assembly:
  - ✓ all members: producers, processors, cooperatives, business

- Board: elected from the members
  - ✓ President of the association

Committee: elected from the Board

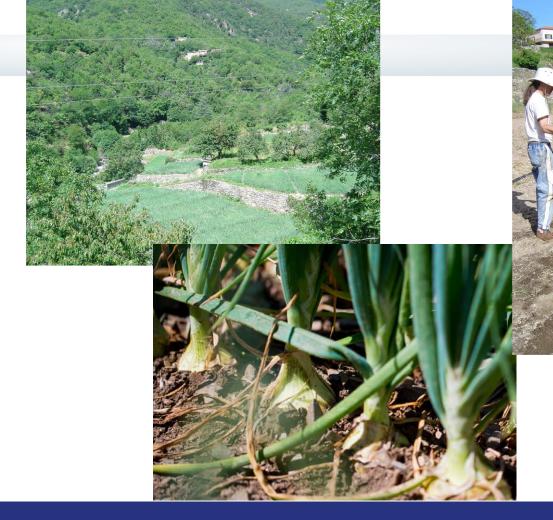














### Sweet Onions from Cévennes, France











### Initial idea

#### Motivation of a group of producers

1987: Creation of the Association for valorisation of Sweet Onions:

√ to keep and promote local variety;

✓ to produce together and differently





1991: Creation of Cooperative for marketing: "Origin Cevennes" (30 members)



1996: Creation of GI Collective Management Association





### One marketing organization = Cooperative "Origine Cévennes"

- Sweet Onion, and also other local products: apples, chestnuts...
- Producers only: 98
- Local store + Local shop + Trucks + website
- Proper trademark







### One GI Collective Management Organization: « ADOC »



### Sweet Onion <u>only</u>

- Different value chain members:
  - Producers: started with 30, now 106
  - Processors (packaging + marketing): 2
  - Producers-packers: 19

**General Assembly:** 1 per year: 1 member = 1 vote **Administration Board:** 3 per year; 10 members

**Executive board:** 1 president, 1 vice president, 1 secretary, 1 treasurer.





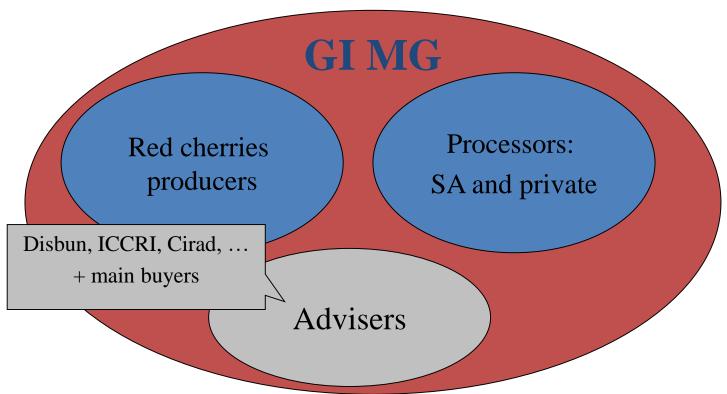
### Organisation including traders

### **Example: Kintamani Bali Coffee, Indonesia**

- Historically, dry process coffee sold by individual producers for decades
- Development of the wet process (washed arabica)
  - ✓ Since 1970s in a public and private factory
  - ✓ Since 2001 at farmers' groups (Subak Abian) level, supported by Province of Bali and private buyers
- Include private buyers who claim that they "built" the wet process coffee supply chain?



### Kintamani Bali Gl Managing Group





### Right of vote

### Value chain:

- many very small red cherries producers and some larger producers
- Around 30 small processing units and 1 important factory (processing 30% of the coffee production)

- An « hybrid system » :
- « Big» red cherries producers: 2 votes. Small ones: 1 vote.
- « Big» processing units: 2 votes. Small ones: 1 vote.



### Organisation including traders





### Example of Kampot Pepper Promotion Association, Cambodia

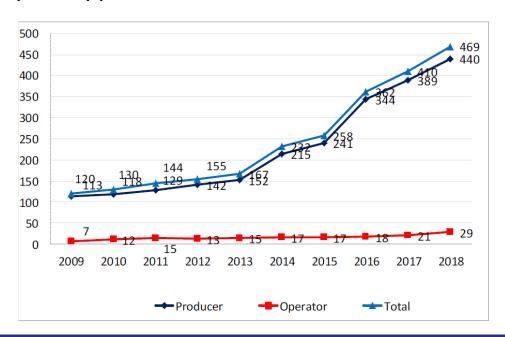
#### **MEMBERS**

- Pepper Producers :
- pepper plantation in the area, at least 100 vines;
- produce pepper according to the book of requirement.
- Traders:
- recognize and implement the book of requirements and control plan;
- buy and sell Kampot pepper;
- Record their purchase and sales of pepper.
- Stakeholders and interested persons -> honour members: have no voting right in the association



### Organisation including traders

### Number of members in the Association Kampot Pepper Promotion Association, 2009- 2018





# GOVERNMENT INSTITUTIONS REPLACING COLLECTIVE ORGANISATION OF PRODUCERS





### Government institutions replacing collective organisation of producers

- Majority of GIs in Asia are drafted, registered and managed by local authorities
  - Thailand: practice
  - India: practice
  - Vietnam: by law
- Many GI with external control by public authorities: ok included for registration in the EU



### Example: Darjeeling Tea, India

- Tea Board of India is applicant and managing body: Statutory, Commodity Board, attached to the Ministry of Commerce, responsible for the marketing of commodities.
- Managed by a committee: representatives from central and state government ministries, Members of Parliament and various professionals (farmers, producers, etc.); appointed by the central government.
- 'Autonomous bodies', but strong connection with the government.





Thank you for your attention denis.sautier@cirad.fr







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