

Geographical Indications as a Tool for Rural and Community-Based Development

Ms. Claire DURAND – GI Expert | 26 January 2022

Promoting Intellectual Property Rights in the ASEAN Region









CONTENTS OF THE PRESENTATION

1. Positive economic impact on the producers and on the value-chain

2. Foster rural development

3. Protect traditional knowledge, biodiversity and landscape



Commercial advantages

- Reserved use of the name
- Fight against usurpations and infringement

Protect or Maintain an existing added-value

Defensive strategy

Original justification of GIs:

Protect producers by ensuring the quality to consumers who agree to pay a premium

Observation criteria:

- ✓ increase in selling price
- ✓ increase in producers' income
- increase in production volumes

Greater competitiveness

Differentiation strategy

Create new addedvalue for the product

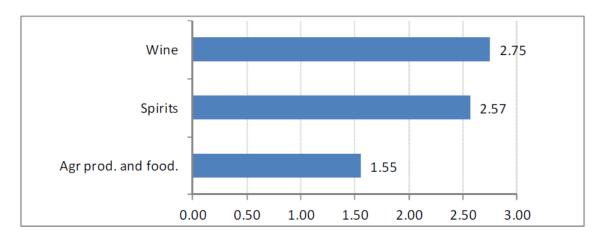
Offensive strategy

Innovative way to use GIs:

There is no problem of usurpation.
The GI is used to « de-commodify »



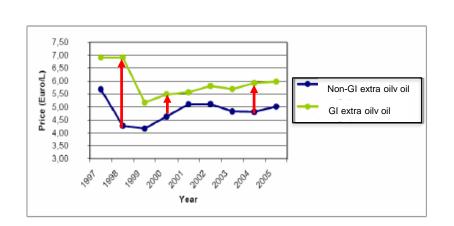
- Price premium for GIs in the EU = added-value
- The price of a GI product is 2,23 times the price of a comparable non-GI product



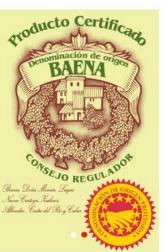
Source: AND-International survey for DG AGRI (2012)



• Illustration of the price premium : Olive Oil of Baena Spain









Province of Cordoba

Source: Caceres Clavero, Riccioli, Martinez Navarro, Garcia Collado



Illustration of the price premium : Fried Calamari from Ha Long (Vietnam)







- ➤ After GI registration, the selling price increased by 15%
- ➤ The price is ~ 17 US\$/kg
- ➤ The price of calamari without GI is ~ 9,3 US\$/kg

Source : Marie-Vivien (2016)



		Before GI	After GI
Honey from Oku (Cameroon)	MEL O	Prices: 2000 FCFA / liter Volumes: Number of producers: 146	Prices: 4000 FCFA / liter Volumes: Number of producers: 305
Penja Pepper (Cameroon)		Prices: 6200 FCFA / kg Volumes: 5 tons Number of producers: 20	Prices: 13 000 FCFA / kg Volumes: 150 tons Number of producers: 200 farmers + 100 processors/sellers
Kona Coffee (Hawaii)		Prices: Volumes: 1000 tons (1995) Number of producers: 609 (1991)	Prices: 2 to 3 times higher than other coffee from Hawaii Volumes: 3500 tons (2015) + 250% Number of producers: 830 (2012) +36%
Darjeeling tea (India)	R A B	Prices: INR 125/kg Volumes: 10 500 tons Number of producers:	Prices: INR 125/kg in 2004 (+4%) INR 153/kg in 2013 > premium of 60 INR/kg compared to substitutes Volumes: relatively stable Number of producers:
Wine from Vale dos Vinhedos (Bazil)		Prices: 13 €/liter Volumes: 50 millions kg grapes (2001) Number of producers:	Prices: 19 to 25 €/liter (2015) Volumes: 73 millions kg grapes (2013) +47,8% Number of producers:

Source: Balineau and Faure (2018); Vandecandelaere et al (2018)



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- How can GIs contribute to rural and community-based development?
- 1. Maintain active populations in rural areas
- 2. Valorize local resources with eco-tourism
- 3. Participate to the structuration of value-chains and producers organization
- 4. Increase the support of government and facilitate funding of agriculture





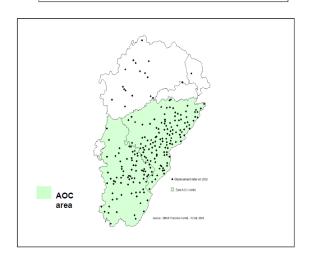
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2.1. Maintain active populations in rural areas : Comté cheese (France)

Cheese units in Franche-Comté







The GI specifications impose a **large number** of **small-size** cheese making units in the GI area

- The small units are profitable thanks to a high product valorisation on markets
- Small units guarantee local employment

Source : Marie-Vivien (2016)



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2.2. Valorize local resources with eco-tourism : Espelette (France)





Espelette village (France):

- 2000 inhabitants
- 600.000 visitors / year

Chili Pepper Festival





2.2. Valorize local resources with eco-tourism : Buon Ma Thuot Coffee (Vietnam)









Buon Ma Thuot Coffee Festival (every two years)

World Coffee Museum



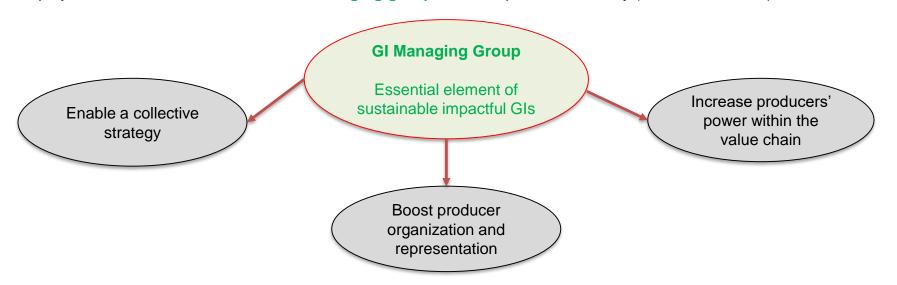
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2.3. Participate to the structuration of value-chains and producers organization

GI project stimulates the creation of a GI managing group: an inter-professional body (association status)





2.3. Participate to the structuration of value-chains and producers organization

GI managing groups







Coffee Farmers meetings in Kintamani Bali in 2007

Source: Durand (2007)



2.3. Participate to the structuration of value-chains and producers organization



GI managing groups





Salt production in Amed (Bali)

Picture of the first GI meeting in in 2007

Source : Durand (2007)



2.3. Participate to the structuration of value-chains and producers organization

GI managing groups











After GI registration (2015): Amed Salt Center + Collective promotion of the product

Source : Durand (2019)



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2.4. Increase the support of government and facilitate funding of agriculture

The GI projects most of the time receive funding from central and/or local governments

- ✓ Program 68 Min. Science and Technology in Vietnam
- ✓ P2HP (Pengolahan dan Permasaran Hasil Pertanian) Min. Agri in Indonesia
- ✓ One Province One GI in Thailand

GI = guarantee of local dynamism > It facilitates the access to credit to develop other projects



2.4. Increase the support of government and facilitate funding of agriculture

"Koperasi MPIG" for Kintamani Bali Coffee

Collective processing until roasting + selling Support: Bank Indonesia + Agr. Services Bali)



Amed Salt Festival

Promotion, selling, tourism Support: Bank BRI







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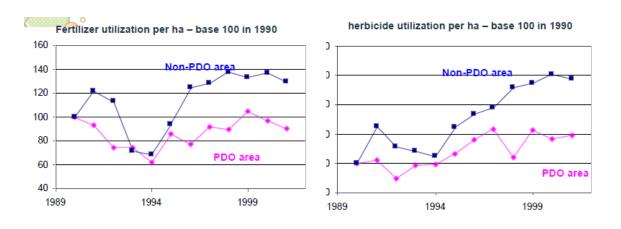
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Impact of GI on biodiversity: Comté cheese (France)



Use of chemicals increased 2,5 times less rapidly in the GI area

	GI area	Non-GI area
Nbr animals	1,11 / ha	0,95 / ha
Nbr botanic species	30 to 65 per field	10 in artificial grasslands

Source: Marie-Vivien (2016)



Impact of GI on landscape









Lychee thiều from Thanh Hà (Viet Nam)
Lychee trees growing in the Red River Delta > salty taste!





Sweet Onions from Cévennes (France)
Preservation of traditional lanscape of cultivation in terrace



Impact of GI on biodiversity + landscape + traditional knowledge







Khao Kai Noi Rice (Lao PDR)

- 7 glutinous rice varieties
- Traditional practices of cultivation are valorised
- Landscape preservation (terrace)



Impact of GI on biodiversity + landscape + traditional knowledge













Amed Sea Salt (Bali, Indonesia)

- Localised and ancestral salt production
- Combining local natural resources (coconut trees, mountain soil) + traditional practices
- Unique know-how of salt producers
- Specific landscape

Source: Durand (2008)



CONCLUSION

3 rationales to use GI as tools for community-based development

Positive economic impact on the producers and on the valuechain

Foster rural development

Protect traditional knowledge, biodiversity and landscape

- Expected effects > when achieved, the GI has expressed its full potential as territorial resource for development
- In some cases the 3 impacts are visible, sometimes only 2 or 1
- GI may remain an un-used ou under-used resource :
 - ➤ To register is not sufficient ©
 - It all depends on how the local public and private actors use it: a GI is just a tool!
 - The transformative potential of GIs must be activated by the local stakeholders, if not, they will remain "sleeping GIs"





Thank you!

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