

A Brief Note on Geographical Indications¹

Geographical Indications (GIs or appellations) are a potentially unique form of competitive advantage —available even for small farmers and enterprises. They are a unique expression of local agro-ecological and cultural characteristics that have come to be valued and sometimes protected in dozens of nations.

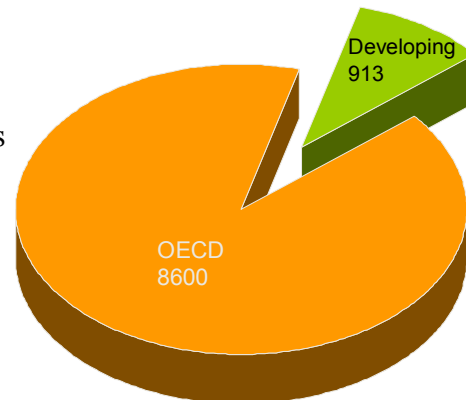
Developed Nations have many: Scotch, Roquefort, Champagne, Parmigiano, Cognac, Feta, Kona, Vidalia, Port, Bourbon, ...

Developing Nations have fewer but their success is increasing interest in them: Ceylon tea, Pampas beef, Tequila, Basmati, Darjeeling, Blue Mountain, Tellicherry, Café de Colombia, ...

They are not easy to achieve nor easy to erode because they depend less on common factors of competition such as cost of production. Viable GIs are essentially building a brand and a reputation. Commercially successful GIs do not simply arise, they require a both a well-thought out strategy and resources to execute the strategy.

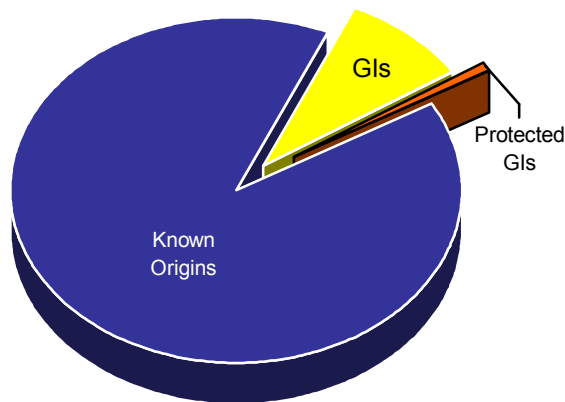
Distribution of Geographic Indicators

- Nearly 10,000 protected GIs
- Developing countries all together have less than 10% of these
- EU 27 = 5,250 Protected GIs
- US = 950 Protected GIs



GIs have **developmental** characteristics. They emphasize the local. They value the cultural aspects and traditional methods that are intrinsic to the production and processing of a product. They also value the land and its particular agro-ecological characteristics. For e.g. the unique organoleptic aspects may be difficult to duplicate in other regions or countries.

¹ Emerging evidence from recent and ongoing studies including work by D. Giovannucci, William Kerr, Tim Josling, Bernard O'Connor, B. Sylvander, CIMIS, RIMISP.



Although most protected GIs are in the more developed nations, a far greater number are known in developing nations. Most are neither formally demarcated/recognized or are un-protected by laws. The market—if not the state—already recognizes Cambodian Kampong pepper, Morocco Argan oil, Nicaragua’s Chontaleno cheese, and Rooibos from South Africa. Although recognition is only a first step, there are a number of potential **unexplored opportunities**. There may be considerable returns available from tapping into evolving consumer preferences that simultaneously seek diversity and value quality assurance.

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

- Apply standards
- Tend to be traceable especially with the advent of low-cost DNA tracing
- Often implement appropriate processing technology

GIs offer potential **business development** benefits since they tend to:

- Involve entire regions and impact not only producers but also traders, processors, exporters, etc. thereby fostering rural integration (Parma, Kona, etc.)
- Beyond a product focus, they tend to have knock on effects for other products and chains and can promote clustering
- Benefit from supply chain management that often exists in at least rudimentary stages
- Participate closely in various forms of “partnership” with private firms that drive the recognition at the consumer level.

In these ways GIs can serve as conceptual frameworks to drive an **integrated** form of rural development. The institutional structures that are part of many successful GIs may be beneficial to local and regional governance.

But it is not all a rosy picture. **GIs are not easy to achieve.**

- Success is often measured in decades and requires patient application and sustained commitment of resources.
- Issues of equitable participation among the producers and enterprises in a GI region are critical to consider, and not easy to accomplish

- Besides organizational and institutional structures to establish and maintain the GI, there may be ongoing operational costs to consider:
 - dissemination
 - marketing
 - monitoring and management (separate legal enforcement)
- Most of the successes from developing countries have come on top of a long-standing popular product and via further marketing by strong partners.

The potential long-term value is extraordinary on not only the economic level (jobs, greater income, ancillary development such as tourism) but also on a cultural level in terms of the recognition of customary and value-adding traditions that convey a sense of a people and their relationship to a region.

A multinational team is evaluating what different developing country origins have done and gathering together new case studies in order to document "best practices" and lessons learned. Our goal is to provide an objective 'Guide' to understanding, forming, and using GIs effectively. The **Guide to GIs for Developing Countries** will be published by the UN's International Trade Center.

In addition to reviewing the practical pros and cons of different approaches to Geographic Indicators, the Guide to GIs will explain the costs and benefits and assess the different instruments available so that developing countries know what to consider. The research will review the choices made in Guatemala, Jamaica, Mexico, Ethiopia, India, Colombia, Kona, and Mongolia as well as integrate the information from more than 100 other studies on the topic.

The research team includes contributors that are among the world's most respected in this particular field of intellectual property:

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