Origin products and Geographical indications in South countries:

Some stakes and trends

Denis Sautier, CI RAD France
Plan

1. A few definitions
2. From Origin Products to GI: Why?
3. GI legitimacy: Diversity of stakes and justifications
4. Three exemplary cases:
   - Tequila case (Mexico)
   - Coffee (Costa Rica)
   - Rooibos (South Africa)
5. Conclusions
Geographical Indication (GI)

- WTO / TRIPS Agreement (Art. 22.1):

- “Geographical indications are 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.**”
Taxonomy of different types of products linked to the territory

(GI Products)

Origin Products

Recognised GI Products

(Belletti, Marescotti 2005)
Taxonomy of different types of products linked to the territory

**OP**
- product specificity
- resource specificity
- history
- shared dimension

**GI**
- name
- label

**R.GI**
- protection scheme

*Origin Products*
*Recognised GI Products*

*(Belletti, Marescotti 2005)*
Terroir

- ‘Multifactorial system in which the plant, the human practices and the environment interact in order to produce an unique product’

  (Salette et al., 1998)

- « Collective production knowledge » built through history
2. From OP to GI : Why?

- An accelerated process of widening, recognizing and protecting GI:
  - regarding countries ...
  - regarding products ...

- *But*:
  - still a very unequal North-South balance
    - EU: 640 + 4200
‘Products x Place x People ’: 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 may mean more than provenience.
  - *Case of Coffee*: Origin = ‘proxy’ for aroma, non-standardized quality attribute. Premium

- **New**: GI recognition / institutionalization
South GI recognition / protection: Why?

1. Specific economic stakes for export products
2. Present: liberalization and DE-protection process
   - WTO (2000 - 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
   - by: Govts; NGOs; .. Communities?
5. GI does not concern all OP
GI and global South: political and institutional involvement

- DC participation in WTO GI negotiations
- Stake: reciprocity: international recognition
- WTO: «freedom of interpretation»
- Debates on additional protection:
  - not a North-South, rather a «new» vs. «old world» divide
  - Example *Basmati Rice*
3. OP and GI's Legitimacy: an overview of their diversity

- Question is not WHETHER RGI's are growing worldwide, but HOW?
- Which actors, which rules?
- For which stakes /objectives and with which effects?
GI stakes / justifications: E.U.

- E.U.: 4 GI justification structures (Sylvander et al. 2005)
  1. Tool against fraud and counterfeiting
  2. Supply chain regulation
  3. Rural development
  4. Environment and ecological dimension
EU: Key success factors

EU: Main GI competitiveness factors (Barjolle et al., 2001)

1. Product Specificity
   • Typicality, price, taste, convenience, symbolic

2. Coordination
   • Specifications
   • governance structure, quality management, research, lobbying ability..

3. Market attractiveness

4. Public support
ORGANIZACION ECONOMICA DE LA CADENA

QUESO NOORD HOLLANDSE EDAMMER (HOLANDA)

PRODUCTORES
540

QUESEROS
1
Cooperativa

MADURADORES
10

MAYORISTAS

MINORISTAS

APENAS UN PROCESADOR
UN MAYORISTA COMpra 80%
PRODUCTORES POCO INVOLUCRADOS
ORGANIZACION ECONOMICA DE LA CADENA

QUESO COMTE (FRANCIA)

varias cooperativas

PRODUCTORES
3 400

QUESEROS
200

MADURADORES
20

4 meses min.

MAJORISTAS

MINORISTAS

CONSORCIO

41 000 Tons.
EMPRESAS INDEPENDIENTES
CONSORCIO = LIDER DE LA CADENA
North – South distinctions:

- The role of producers’ organisations
- Consumers’ expectations
- Garantee systems
- Role of state
4. Three exemplary cases
1. Tequila (Mexico)

- **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: downwards-driven (distillers)
  - 4 companies: 4 = 67%
  - Crisis: agave disease; 2 scénarii
2. Coffee (Costa Rica)

- World: overproduction, price collapses, specialty premium, differenciacion strategies
- R.GI: the most sustainable differenciacion?
- Costa Rica: National Rule (1950’s) vs/ Free Trade Agreement
  - RGI justification: keep the premium
  - Market = export
  - Rules and institutions: 2 co-existing approaches
    - « Country GI » – cf. Colombia
    - « Terroir approach »: Dota et Orosi
Environmental criteria for GI area delimitation in Dota
Product typicity

[0x0] [Image 27x60 to 569x781]

[COCOA] [CUP] [AROMA] [BODY] [ACIDITY] [FLORAL] [SOUR]

[ORIA] [DOTA] [Avelino et al, 2006]
3. *Rooibos* (South Africa)

- **Justification**
  - Endemic species within ‘fynbos’ ecosystem
  - Cancelation of Trademark (USA)

- **Market boom**
  - exports 60%
  - 2003-2005: +120% ?

- **Structure**
  - 1 dominant enterprise (previously public)
  - 3% small producers

- **Collective rules ?**
  - Depending to external and internal threats
  - Undersupply / High process context
Wrapping up the 3 cases:

<table>
<thead>
<tr>
<th>Market</th>
<th>Rationale</th>
<th>Governance</th>
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<tbody>
<tr>
<td>Tequila</td>
<td>Export</td>
<td>Name + market excluivity</td>
</tr>
<tr>
<td>Coffee</td>
<td>Export 90%</td>
<td>Market premium</td>
</tr>
<tr>
<td>Rooibos</td>
<td>Export 60%</td>
<td>Usurpation</td>
</tr>
</tbody>
</table>
5. Conclusions

- GI stakes/ justifications in South countries:
  1. Name reservation (vs. usurpated or trademarked geographical names)
  2. Marketing tool - mainly external
  3. Biodiversity conservation tool
  4. Traditional knowledge and communities (ethics)
  5. Quality insurance
  6. Collective initiatives for rural development
GI DIMENSIONS (example)

Case A

Case B
GI stakes / justifications: open questions

- IP aspect: first, but not alone?
- Specifications?
- Role of the state?
  - Strong states / Weak states
  - Administrative procedures for registration
- Rural development tool?
- Negotiation of products’ symbolic value
Control mechanisms: Chemical trace

Fonctions discriminantes canoniques

Función 1 (91.12%)

Función 2 (8.87%)

Results of classification

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<th>N° samples</th>
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</table>

100.0% of samples correctly classified外键
Produit

Chemical components
Ex: Caféine

Qualitative analysis
Quantitative analysis

Comparison w/ spectral databases: interpretations / predictions

Infra red light

Absorbed energy

F. Davrieux CIRAD-CP