

# The Protection and Commercialization of Geographical Indications

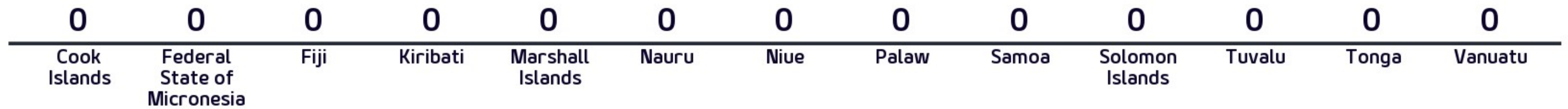


**If you see this in your phone, you have successfully changed the code**



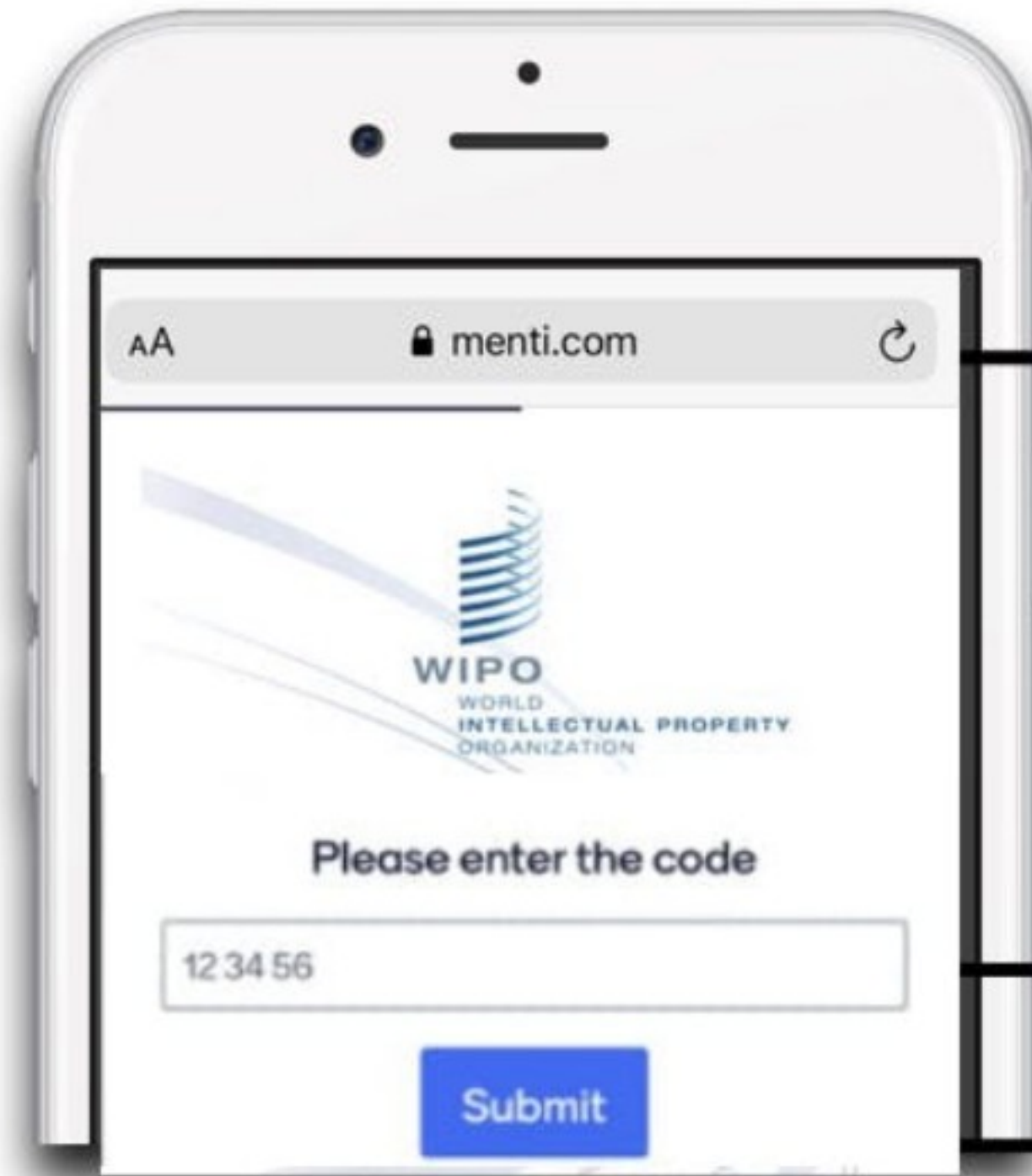


# Checking-In who has changed the Menti Code





# Time to change the Menti code



Step 1: In the internet browser of your mobile phone open this webpage:

**www.menti.com**

COMMENT LIKE QUESTION



Step 2: Enter the 6 digit code that appears at the top of this presentation

Step 3: Press Submit

Go to **www.menti.com** and use the code **58 27 58 6**





# GIs AND THE STAKEHOLDERS



- Structure of the presentation :
  - ✓ An overview of the system
  - ✓ The Book of Specifications
  - ✓ The management of the GI by the Collective Management Organisation (CMO)
    - Governance
    - Management of the specific quality
    - Promotion
  - ✓ Expected Impacts *(if we still have time )*





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# OVERVIEW OF THE GI SYSTEM

By Peter Damary (REDD)





**The Kampot Pepper that you know....**



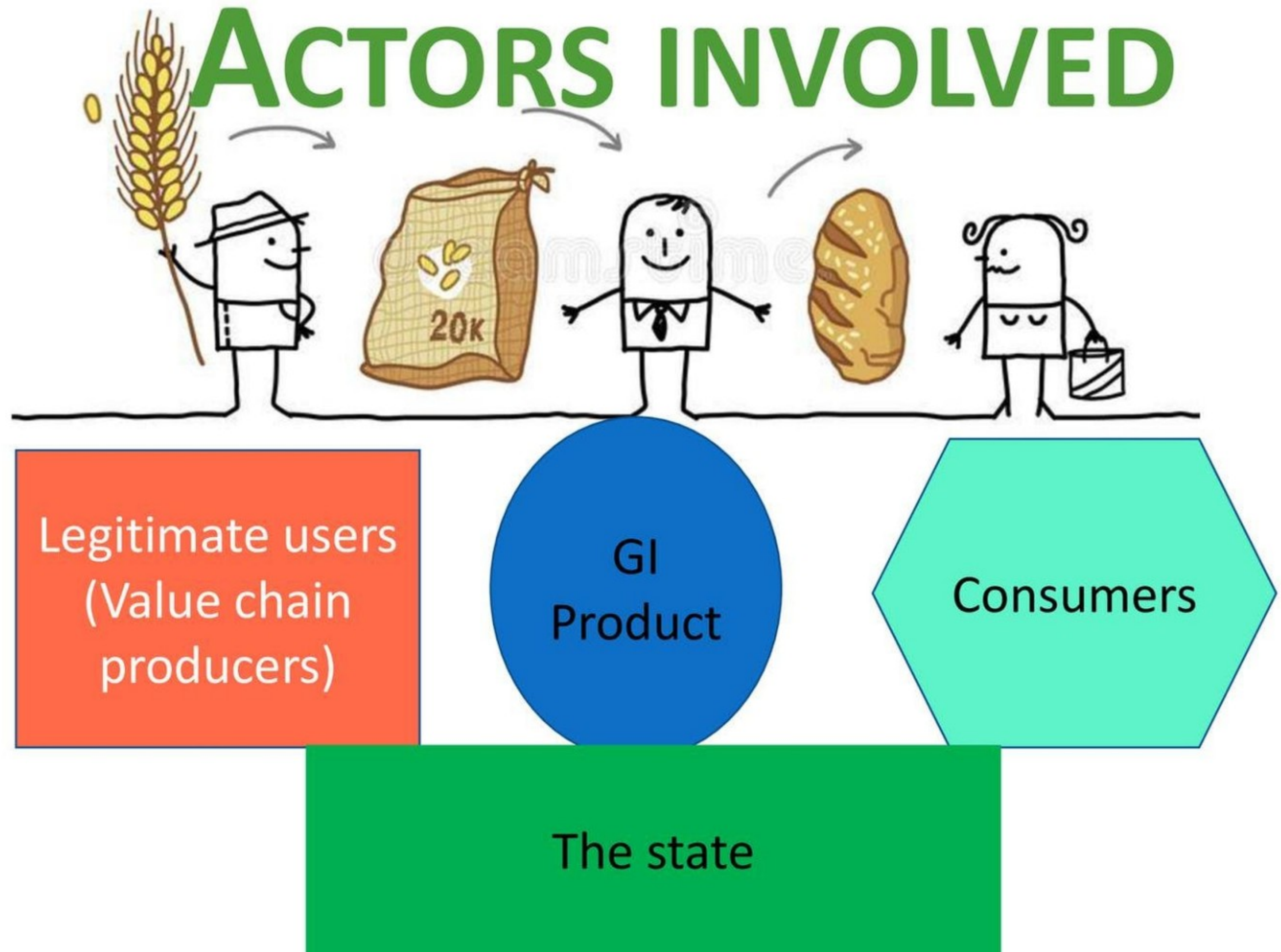


# Who would you consider as relevant stakeholders of GI? You may name as many as 10 stakeholder groups





# ACTORS INVOLVED





The state

- Grants : Intellectual Property Right
  - ✓ An Exclusive right to use the Geographical Indication (or GI)
  - ✓ Enforces this right on the markets



Legitimate users  
(Value chain  
producers)

- Heritage of a **Community**
- Community of Value-chain operators (Farmers, processors, packagers, artisans ...)
- This right, nor the name or Indication, can **NOT be privatised**
- Must remain accessible to **ALL Legitimate** users (Inclusion)
- And **ONLY** to the legitimate users (exclusion)





- Depends on the legislation
- The state will guarantee the right to all legitimate users !
- Delegates the Management of the GI to
  - ✓ **A collective management organisation**
  - ✓ Capable of representing the legitimate users





# What form of collective value-chain organization exists in your community/country?

Cooperative organization

Industry association

Women in Business Development Inc. (Samoa)

farmers processors packaging

Chamber of Commerce

Farmers association

Women associations and youth groups, cooperatives

Farmer Associations, Commodity Boards And Cooperative Societies (Formal Bodies)

Cooperative





# THE GI COLLECTIVE MANAGEMENT ORGANISATION

- In some states . Regional state body or institutions
- Most countries : A private collective organisation

**Open** to all members of the Value-chain, who agree to the rules (in the BoS)

**The GI Collective Management Organisation**



# IN STEPS



- Identified as potential GI
- Step 1: Motivated Value Chain producers
  - set-up a **representative organisation\***

*\*called by various names – we will use GI Collective Management Organisation – or CMO*

- Step 2: Develop a GI application
  - including the Book Of Specification - BoS



# EXAMINATION/ GRANTING THE PROTECTION



- The state receives the Request for protection (including the BoS)
- Examines the request and the BoS
- Grants (or not) the GI protection
- Delegates to the **GI Collective Management Organisation**



# Any questions on the overview so far?



## Q&A

Use [menti.com](https://www.menti.com) in your mobile phones



or raise your hand to speak in **GotoMeeting**



WIPO  
WORLD  
INTELLECTUAL PROPERTY  
ORGANIZATION

**6 questions**  
**0 upvotes**



# ACTORS INVOLVED



GI collective  
management  
Organisation

GI  
Product

Consumers

The state



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# THE BOOK OF SPECIFICATIONS / REQUEST FOR PROTECTION

By Peter Damary (REDD)



# BOOK OF SPECIFICATIONS



Legitimate value-chain actors:

- define **their product**,
- its special qualities ,
- and the link to the terroir,
- delimit the Geographical zone,
  
- **production rules** that will maintain the special qualities
- and how they will **guarantee** that the rules



# WHAT IS THE BOOK OF SPECIFICATION (BoS)?



- A central document in the life of a GI

*2 main functions :*

- **Justification** for the protection – central to the request for protection by the authorities !
- A **binding set of rules** for those who voluntarily want to use the GI – to guarantee that the specific quality on which the reputation is based – is maintained !



# WHY A BOOK OF SPECIFICATION (BoS)?



- GI identify a product where
  - ✓ a given quality, reputation, or other characteristic
  - ✓ is essentially attributable to its geographical origin
- Need to define the
  - ✓ Product with its specificities: quality, characteristics, reputation
  - ✓ The geographical origin conferring those specificities
  - ✓ The link between both

May be called a *Code of practices*, a *Book of requirements* or *Book of specifications*



# MAIN ELEMENTS OF THE GI BOSS

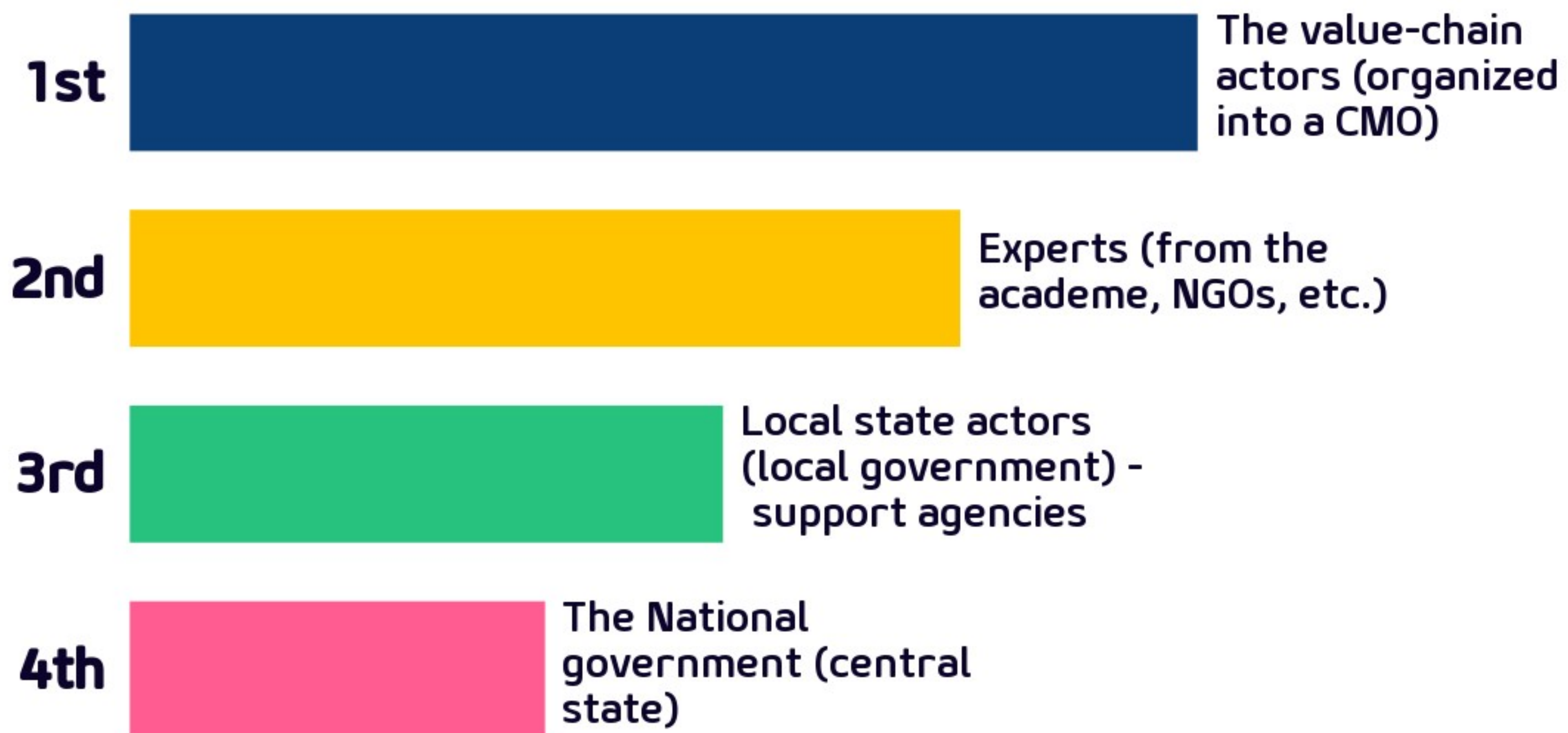


- The name to be protected
- Description of the product (*and its unique qualities / Typicity*)
- Definition of the geographical area
- Rules of production (*that guarantee the qualities ... and must be followed by the VC actors*)
- Link between the product and the geographical origin
- Control mechanisms and Traceability
- Labelling






# In developing the BoS, which actors play a more crucial role? Rank them in order of importance.





# BUILDING THE BOS



- To be seen as legitimate !
- To be practical and reflect the real practices
  - ✓ – yet to guarantee the specific quality
- The Bos – and in particular the rules of production
  -  **Must be the results of discussions / negotiations between the Value Chain actors !**
- (Experts may help with research and with wording – but must leave the strategic decisions to the VC actors)
- May take months of several years





# MANAGEMENT THE GEOGRAPHICAL INDICATION BY THE CMO

By Peter Damary (REDD)

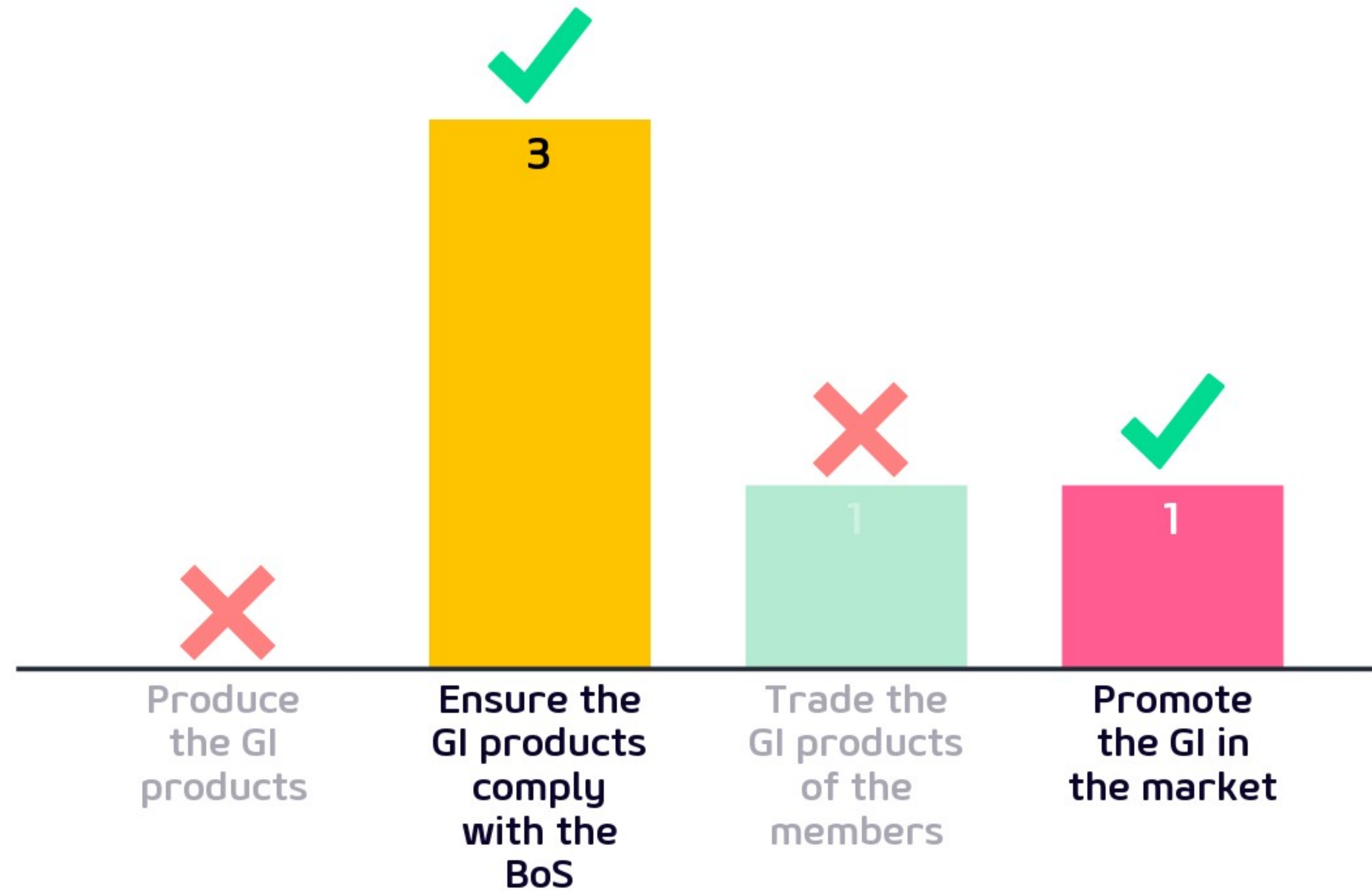


# GI COLLECTIVE MANAGEMENT ORGANISATION

- “Organisation of Defense and management of the GI” (France)
- In EU art. 45 EUReg 1151/12 :
- monitoring the use of the name in trade, informing competent authorities
- ensure adequate legal protection of the PDO/PGI;
- develop information and promotion activities;
- develop activities related to ensuring compliance of a product with its specification;
- developing economic expertise, economic analyses, disseminating economic information and providing advice to producers;
- enhance the value of products and take steps to prevent any action detrimental to the image of those products.
- ...



# What roles should the GI CMO play? Choose only the correct answer(s).





# THE CMO IS NOT !!!

- NOT a trade union or syndicate
- NOT a “economic operator” (nor a cooperative)
- Does NOT produce nor process the product,  
👉 It should never compete with its own members!

Is a Referee, a promotor and a cheerleader !



# 1 GOVERNANCE FUNCTION + 3 MAIN FUNCTIONS



- A forum and decision center for the GI value chain,

The functions are :

- Managing the specific qualities of the GI : **controls and the traceability** of the product,
- To **defend and represent** the GI product and its operators,
- To **promote** the GI and its core values.



# GOUVERNANCE FUNCTION : DECISION CENTER



- Must be representative of the Value-chain,
- Must be run on democratic principals /  
Transparent decisions
- Must be open to all (in the Geographical zone, who agree to respect the BoS)



# DECISION STRUCTURES



○ May take different forms :

✓ **Simple** (one person 1 vote)

✓ **Complex** : Echelons represented by existing organisations (Chambers, syndicates ...)

✓ **Representation:**

- By Echelon in the VC (Farmers, processors, packagers)
- By type of operator (small – large farmers), Coops, artisan processors ...
- Minority groups
- By geographic distribution



# MANAGEMENT OF THE SPECIFIC QUALITY / CONTROLS



# 2 TYPES OF CONTROL

Before GI product IS SENT on market



*Control at GI producers, processors, 1<sup>st</sup> traders sites and of product*

## Management of the Specific quality

Compliance with the rules of the Book of Specification

Up-stream Traceability

Once the GI is registered, ON the MARKET (enforcement)



*Control of frauds, misuses and imitations of GIs on the product label in any trade places  
opposition against registration of trademarks*

## Enforcement on the markets

Ensuring only controlled GIs carry the Indication

No Frauds, No usurpation ...



# MANAGEMENT OF THE SPECIFIC



## QUALITY

- Most countries :
- Controls before commercialisation : Responsibility of the
  - ✓ GI collective Management Organisation
- In partnership with third party control and/or certification organisations



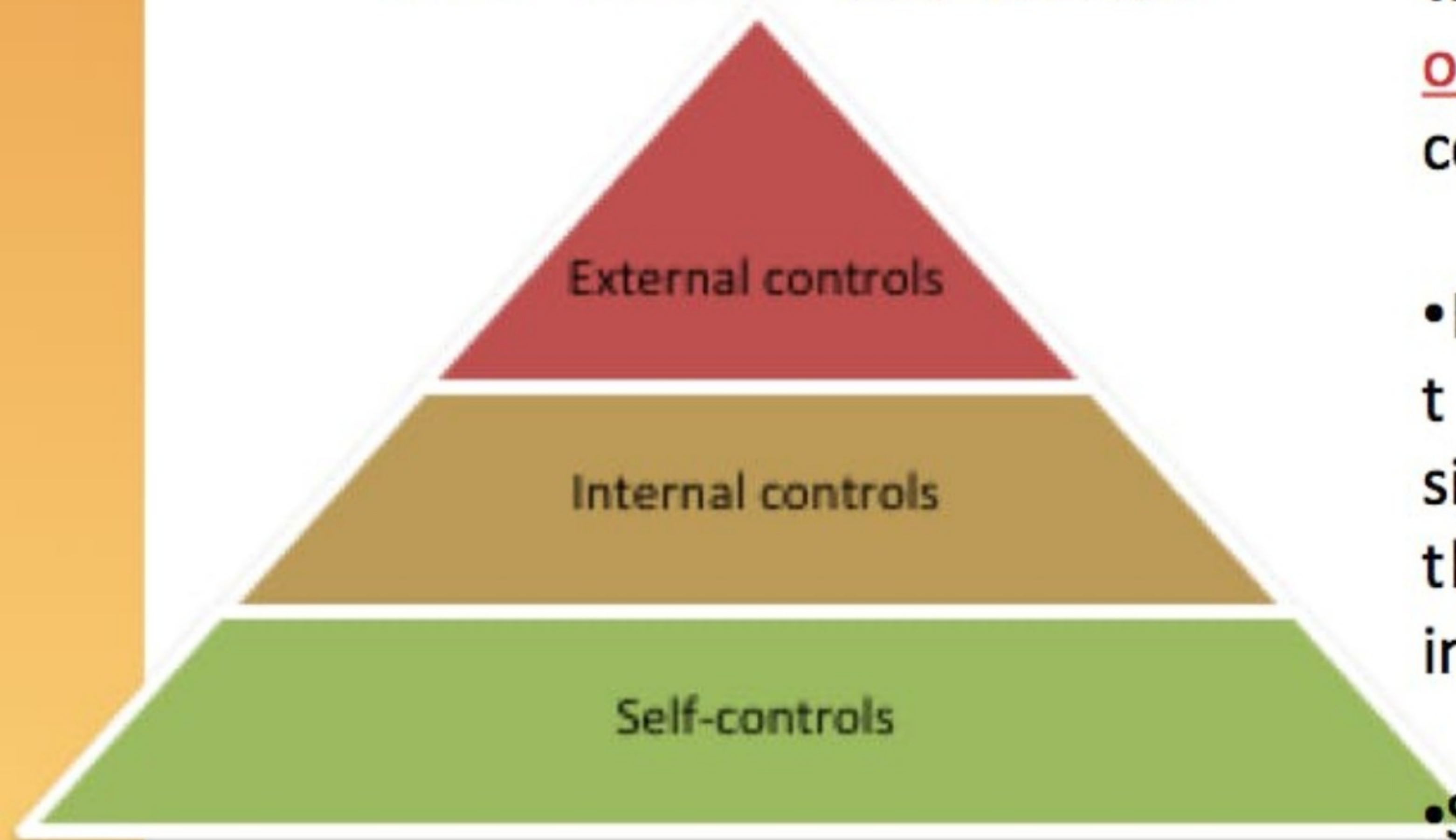
# RESPONSIBILITY OF THE COLLECTIVE MANAGEMENT ORGANISATION



- Common asset : Reputation
- Must guarantee the specific quality
- Book of Specifications :
  - ✓ Specific quality of the final product
  - ✓ Rules on how to produce



# CONTROL OF THE RESPECT OF THE RULES



- In most cases, an agreement with an external control body or 17 065 accredited certification body.

- Regular inspections of the production sites, by internal inspectors of the CMO and/or external inspectors

- Self-controls by the operators themselves,



# OBJECTIVES OF MANAGEMENT OF THE SPECIFIC QUALITY



1. The producers at the different levels of the chain respect the BoS in their every day practices,
2. The final product respects the minimum specific quality defined in the BoS, (*Note, this is not always required*)
3. The traceability system aims at ensuring that volumes of product are correct throughout the value chain





## **GI Promotion by the Association of AOP-IGP Switzerland**





## Promotion of Gruyère





# THE EXPECTED IMPACTS OF GIS

By Peter Damary (REDD)





**If you will have a famous GI,  
how would it impact your  
country?**

**more employment**  
**increase revenue**  
**black pearl**



# THE EXPECTED IMPACTS OF GIS

Protecting Geographical Indication CAN :

- Direct economic benefits to the Value-chain producers
- Indirect benefits to the region
- Social, cultural and ecological benefits to the community



# DIRECT ECONOMIC BENEFITS (1)

- Robust impact of GIs on **prices of final products**
- FAO study, 20 to 50%,
- but other studies indicate a doubling or more
- Increase in demand – specific qualities, authenticity, guarantees, communication
- “Decommodification”



# DIRECT ECONOMIC BENEFITS (2)

- **Better income redistribution to primary producers**
- Gruyère : 0.8\$/kg milk (to 0.4-0.5\$ for industry milk)
- FAO study : Colombia Coffee (+25%) as well as the 2 cheeses
- *Not always the case / Value added captured by downstream*
- *Production costs may increase*
- Increased bargaining position for up-stream !



# DIRECT ECONOMIC BENEFITS (3)

- **Market access enhanced, new markets or growing markets**
  - ✓ *This was observed in 5 cases of 9 FAO cases*
  - ✓ *Observed in many well functioning cases*
- **Mutualizing promotional efforts**



# INDIRECT ECONOMIC BENEFIT TO THE REGION (1)

- An ambassador for the region :
- Often presented in receptions,
- Given as gifts





# INDIRECT ECONOMIC BENEFIT TO THE REGION (1)

## ○ Attracts visitors to the region (tourism)



Espelette Peppers: - Small village in the south of France

- Museum of the Espelette pepper
- Festival of Espelette Pepper,
- Many « farm shops »

Visitors 500'000 / Year

30'000 during the festival



# INDIRECT ECONOMIC BENEFIT TO THE REGION (2)

## CULTURAL BENEFIT

Can Help  
maintain  
traditions

### La vache Aubrac en Transhumance

Dimanche 27 Mai 2012 Village d'Aubrac de 10h à 19h



Le Salon du Terroir Aubrac  
26 & 27 Mai à Aubrac

Transhumance du Causse vers la vallée du Lot et l'Aubrac

**TRADITIONS EN AUBRAC** Office de Tourisme Cantonal 12470 St Chély d'Aubrac Tél. 05 65 44 21 15 [www.traditionsenaubrac.com](http://www.traditionsenaubrac.com)

*Fête de l'échange du Terroir Aubrac : une affaire de trois départements, Aveyron, Cantal et Lot, et trois régions, Auvergne, Languedoc-Roussillon et Midi-Pyrénées*



# INDIRECT ECONOMIC BENEFIT TO THE REGION (3)

Rural  
development for  
marginal /  
difficult Zones

Impossible to  
compete on price  
with « lowlands »



Source : [www.RadioMontblanc.fr](http://www.RadioMontblanc.fr)



# CULTURAL/ECONOMIC BENEFITS

Maintains the  
competitiveness  
of « artisan »  
quality

Vs

Industrialization

- Numerous small  
units Vs few  
large industries





# SOCIAL BENEFITS

- Organisational capacity,
- Solidarity,
- Resilience



Example: Parmesan cheese

After the earthquake 2012

- Creation of solidarity fund (9 million Euros)



# ENVIRONMENTAL BENEFITS

Based on traditional  
(durable) practices

Depends on Book of  
Specifications

Ex: Abondance AOP:

Rare breed,

Alpine pastures / and  
biodiversity





# CONCLUSIONS

- Many benefits from GI strategy, BUT none are guaranteed.

To be successful, must:

- widely accepted, and adhered to by the value-chain (i.e. **participative**),
- The **Book of Specification** - sufficient differentiation but practical
- The guarantee (controls and certification) must be **credible** and add value,
- The better the **promotional work**, the more chances of success
- The **protection** of the name on the markets must guaranteed



THANK YOU FOR FOLLOWING THIS VIDEO



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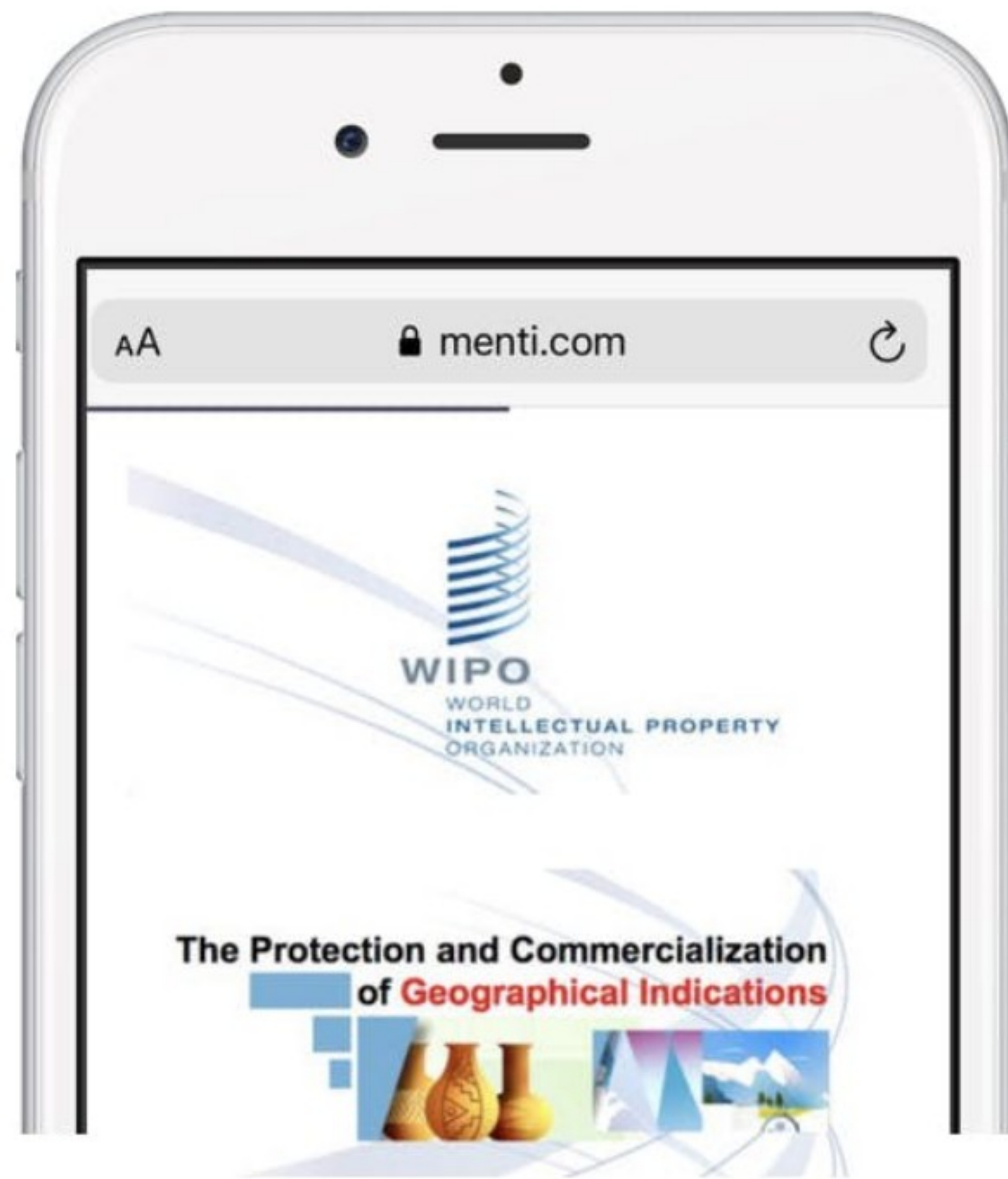






**What's Next? The answer starts with the letters Ch...**





Hope you  
will join in  
to be part of  
the action in  
2021

*Thank you and  
Merry Christmas!*

