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2008

Online at <https://mpra.ub.uni-muenchen.de/13552/>

MPRA Paper No. 13552, posted 22 Feb 2009 07:04 UTC



Markets and Geographical Indications of Origin: Synthesis of Terra Madre Gathering and E-Forum

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November 2008**

Context and General Findings

Geographic Indications (GIs) such as Darjeeling Tea, Pampas meat, Basmati rice, and Parmigiano cheese embody unique expressions of culture, tradition, and place. Our premise for Terra Madre and the E-Forum was that Geographical Indications can be an exceptional opportunity to utilize the power of the market to recognize and reward the products and services that convey particular traditions and uniqueness of culture and place. They also offer powerful rural development opportunities at the broad territorial level.

Yet, some GIs succeed notably while others fail miserably. We want to share practical experiences and explore common and identifiable reasons why some GIs succeed and others fail. The exchanges around Slow Food's Terra Madre conference and the prior E-Forum were designed to be concrete, rather than theoretical, and to stimulate an exploration and open sharing of what does and what does not work in order to have successful GIs. Claudia Ranaboldo and Daniele Giovannucci co-moderated these proceedings.¹

The Forum opened with suggestions for a common definition of the intellectual property rights known as Geographical Indications or GIs. They are not defined in the same way everywhere, but our definition:

*"A Geographical Indication identifies a good as originating in a delimited territory, or region where a noted quality, reputation or other characteristic of the good is essentially attributable to its geographical origin and/or the human or natural factors there."*²

In many cases, GIs have been formally registered or protected in different forms such as certification marks and denominations of origin. Sometimes, they are not formally protected and may be recognized due to accepted common use. Most of the formally protected GIs exist in developed countries - primarily Europe - but there is an increasingly strong interest in developing nations as well.

Sometimes called "Denominations of Origin", GIs offer an opportunity to capture value for traditional products via legal protection that recognizes their uniqueness. For developing nations especially, their importance resides in their ability to serve as an instrument of rural development by valuing endogenous natural and human resources that include not only products but also regional knowledge and cultural experience. A GI can serve as an umbrella distinction that facilitates protection and differentiation so that the unique historical and ecological characteristics of a region can be valued via tourism, study-dissemination, and commercialization of products and services. The protection and the distinction of a GI allow the dynamic of a "product-service-place" to travel and to be shared with other cultures while also inviting these other cultures to travel there. As such, a GI can represent a form of exchange on a human-scale that represents globalization at its best by fostering respect and acknowledgement for what is intrinsically local.

¹ **Claudia Ranaboldo** is principal researcher at the Rural Development Latin American Centre (RIMISP) and coordinates the Rural Territorial Development with Cultural Identity Project supported by the Ford Foundation.

Daniele Giovannucci led the development of Global Best Practices in Geographical Indications for the United Nation's International Trade Centre (Geneva). His newest book on this topic will be published in early 2009.

² From Giovannucci et al. (see footnote 3) who adds to the definition of the Trade Related Aspects of Intellectual Property Rights Agreement (TRIPS art. 22.1).

The results of the Terra Madre conference and the prior E-Forum point to several major topics of interest that are worthy of further exploration:

1. **specific steps** necessary to begin developing a successful GI
2. the nature and role of **commercialization** in the GI
3. the local dynamics of interaction specifically regarding **governance**
4. the **'public good'** aspect of a GI in terms of equity and broad developmental impact
5. different **mechanisms for protection** and recognition of a GI.

We conducted an online poll of participants asking whether they perceive that GIs are generally positive or negative. None of the respondents indicated that they saw them as negative, 58% perceived them as positive and 42% expressed that GIs had both negative and positive characteristics. Though the sample was very modest, those 42% indicating both negative and positive characteristics suggest that there can be significant problems or difficulties with GIs.

Main Themes of Discussion

It is understood that GIs are not a panacea for all the challenges of rural development. Among the most critical first steps toward a viable Geographical Indication is the rational assessment of whether it is feasible, and if so, the pursuit of a necessary consultative process among the stakeholders prior to seeking a GI. The stakeholders are not only the residents of the region but also government, NGOs or relevant local groups, and commercial partners. This inclusive process is vital for many reasons, not the least of which is to ensure that the many of the community needs are addressed in the process so as to ensure that there is a workable structure in place in order to have fair and effective governance. Governance includes decision-making and conflict resolution mechanisms, inclusion/exclusion terms, who controls what, sharing of costs, etc.

The outcomes of the various public discussions confirm some important recent analysis of nearly 200 research publications on the topic as well as a series of case studies conducted by RIMISP and its partners.³ Some themes emerge clearly as factors of success:

- Locally relevant **institutional structures** functioning to enable the necessary and ongoing application of information and capacity building
- The **equitable participation** of the majority in a territory in key decision-making
- Strong linkages with **commercial partners** to promote the products and services
- An adequate system of formal **rules and regulations** adapted specifically to a GI

Opportunities for GIs to foster Rural Development with Cultural and Territorial Identity

In order to fulfill some of the opportunities that Rural Development with Cultural and Territorial Identity offers, it will be important to use mechanisms like GIs in the context of an integrated process that values identity, culture, and local know-how. This implies a certain institutional architecture that includes not only organizations but also a set of transparent rules that articulate

³ RIMISP's Claudia Ranaboldo and Alexander Schejtman published "El Valor del Patrimonio Cultural" in 2008 covering nine case studies on valuing the cultural patrimony and identity of rural areas (including GIs) as a motor for locally-oriented developmental processes. The review of 200 current research publications on GIs by Daniele Giovannucci *et al.* will be published by the United Nations International Trade Centre in 2009.

the relationships and networks that permit GIs and other means of fostering cultural identity to be truly effective and sustainable. That means having a holistic focus on several key components of effective rural development and not just on one such as marketing. These components include:

1. **The relationship between products and services** based on Cultural or Territorial Identity. The supply and demand for products and services can be more than the sum of their parts and effects go beyond just the agrifood sectors to clustering of allied products and services as well as a number of intangible benefits such as reputation, local pride and even competitiveness.
2. **The relationship of learning between places.** Considering the heterogeneity of places and the possibilities of greater scale with multi-territorial approaches, opens the opportunity for learning and sharing at a pre-competitive level between places with diverse specializations.
3. **The relationship between actors.** Convoking diverse stakeholders within and across territories via a powerful message of public/private partnership and conflict management that transcends the limits of organizations or corporations as well as the traditional catalysts of development (e.g. agriculture ministries) and actively involves new actors such as chefs, academics, entrepreneurs, designers, producers, and cultural and tourism operators.
4. **The relationship between people's knowledge, characteristics, and experiences.** As part of a system of innovative understanding at the local levels, it is vital to explore the possibilities and inherent dynamic tensions between: original or imported; traditional and recent; indigenous and not indigenous; specialized and not specialized.
5. **The relationship between markets.** In some cases the products travel and may require certification and traceability mechanisms to enter a market effectively while in other cases the consumers travel and so, via other mechanisms, invest in the qualities of certain local products and services. These options are not mutually exclusive; on the contrary they can have mutual benefits especially for territories whose offerings are seasonal.

To the extent that the identification, attainment and use of a GI catalyzes or integrates such processes of relationship it is likely to have a greater possibility of success and will avoid becoming a limited and isolated investment or a mere marketing instrument.

While there is little doubt that a GI process is measured in years, other aspects are not as clear. There is some debate about not only the preferred normative or legal mechanism for a GI but also the extent to which it can influence territorial development. Although a modest body of evidence already exists for more developed regions, relatively little is known of the key elements or factors that affect a GI as a useful or alternative form of rural development. For example, some of the key questions include:

1. How can gender, smallholder, and ecological issues be adequately addressed?
2. How do GI initiatives emerge especially among indigenous or smallholder communities?
3. What institutional structures and roles best serve the development of a GI that serves the greater public interest and not just a narrow commercial one?

4. Are GIs a driving force or motor of development or are they simply one of the tools?
5. How to balance the valuation of a tradition with its evolution in terms of design or function? For example, the tension between traditional approaches and modern commercial methods of production in terms of not only efficiency but also food and product safety (i.e. microbial contamination)?
6. How do organic, social, or ecological certifications, which have emerged as important tools in the past decade, compare to or interact with a GI?
7. Can a small group or community in a remote region use a GI to convey assurance in a world of internet interaction and far-off markets or would this still require other credibility assurance mechanisms including possibly organizations such as Slow Food?
8. If people emigrate with some of their culture and food, are they to be prevented from calling their food and cultural practices by the same geographically-related name?
9. What aspects of successful GI experiences can be replicated, given the difficulty of applying a formula to something that is inherently distinct in different areas?

As we develop a community of interest and deepen our understanding, we want to foster more credible measures to determine the benefits (and costs of course) so that producers and policymakers can make more informed choices about tools such as GIs. We do know that successful territorial development with a GI can be measured in several important ways:

- a) success in fostering culture and community traditions
- b) commercial success and broad-scale livelihood improvements
- d) success in protecting this unique form of intellectual property.
- c) success in terms of better local governance and ecological protection

Opportunities for information and learning

One of the elements that emerged from the Terra Madre E-Forum is the considerable interest, indeed the dire need, for systematic knowledge about GIs. Participants illustrated their diverse and often isolated experiences and noted that despite some modest efforts, the networks of knowledge sharing are inadequate. Information is dispersed and so it is difficult to access and share the best practices and the challenges and obstacles in the GI process.

We want to share five new initiatives:

- RIMISP now offers a new virtual space at www.rimisp.org/territorioeidentidad2 to further the understanding of GIs and their developmental aspects with online documentation and links to institutions and persons specialized in this area.
- A new book, from a team led by Daniele Giovannucci, brings together lessons in terms of which approaches work and which do not work, thus offering an assessment of the pros and cons of GIs. It will be published in early 2009 by the United Nations International Trade Centre.
- A new book, by Claudia Ranaboldo and Alexander Schejtman (RIMISP- Instituto de Estudios Peruanos, IEP), entitled “El Valor del Patrimonio Cultural”, collects the experiences and lessons of nine case studies, including some involving GIs.

- The development of practical Guidelines to answer key operational questions about GIs, using and systematizing international experience, and focusing the text on concrete procedures and solutions.
- The design and implementation of “Paths to Learning” (*Rutas de Aprendizajes*)⁴ that vividly and concretely illustrate diverse experiences with the development and use of GIs as a tool for rural development with cultural identity. While these began in Latin America, they can be applied to other regions as well. These Journeys are an excellent means of learning directly from the practitioners and stakeholders about their innovation while experiencing the actual outcomes and the often unique beauty and character of particular places that, when linked together, offer a broad understanding of the key issues.

These efforts are the fruits of a process that improves with collaboration and so we invite further participation to expand and deepen our mutual understanding. You can contact Claudia directly at: cranaboldo@rimisp.org and Daniele at: d@dgiovannucci.net

⁴ PROCASUR (www.procasur.org) offers a regional program financed by the International Fund for Agricultural Development and the Ford Foundation (FIDA), that created these types of journeys, and RIMISP's Proyecto de Desarrollo Territorial Rural con Identidad Cultural collaborate with “Rutas entre Territorios con Identidad Cultural”.