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Can GI's be development friendly?

Lessons Learned in Promoting GIs in Least Developed Countries

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Introduction

- The starting point : What TRIPs means to LDCs ?
- Not development friendly: LDCs negotiated a transition phase till 2021
- The GI debate focus on the divide among US and EU.
- Scant attention to GI's as a development issue
- The issue of GI's often explodes in LDCs when is too late: a situation similar to some EU products in the US.
- The case of basmati and Bhutan red rice: Trade marks registered before GIs



The concept

- LDCs suffer from limited export diversification and low export volumes.
- LDCs possess biodiversity and a valuable array of traditional products with a potential to graduate into GIs and compete in markets
- A pioneering idea and project : UN Development Account project and funds from Italy to support rural communities in LDCs to promote their traditional product through GIs
- GIs V. Trade Marks:
- GIs provides protection to rural communities
- GIs are an “inclusive” tool as they are related to a geographical location rather than to a firm



Partnership

- Collaboration with Slow Food and FAO
- Workshop during the *Terra Madre Fair (Salone del Gusto)* in Turin Italy, on 23-24 October 2014
 - 2014: 220'000 visitors, 400 journalists from 63 countries.
 - Nomination of hundreds of new products for the Ark of Taste project (*collecting small-scale quality productions that belong to the cultures, history and traditions of the entire planet*)
- Public Conference at the *Terra Madre Fair*, 25 October, to report the results of the project, exposing Rural communities to possibilities and share experience with a broader audience
- UNCTAD/FAO joint activities
- Bringing Rural communities and LDCs Governments and Geneva based delegates



The approach

- Select LDC and Product pairs like:
- The initial beneficiaries of the project are as follows:
- Mozambique and Prawns
- Ethiopia and coffee
- Madagascar and Rice
- Cambodia and pepper
- Myanmar
- Mauritania and “*Bottarga*”
- Senegal and fruit’s juices



Pink Rice from Madagascar: Initial phases ...

- Pink rice from Amparafaravola
 - Raise the awareness of rice producers on the potential of GIs as a development tool through value addition
 - Products Specifications has to be drafted in close collaboration with the rural community
- Main Challenges
 - Define the varieties to be covered by the GI
 - Identify the territory
 - Determine the name
 - Organization of the rice producers
 - Study main characteristics of the product and the link to the territory
 - Draft the specification in consultation with the community
 - Elaboration of a law on GI



Recent Experience in Myanmar

- Myanmar's economy mainly based on agriculture and rich on biodiversity and handicrafts,
- GI - represents the good opportunity.
- Current GI law is expected to be presented to parliament shortly.
- Ministry of science and technology (MOST)
 - Attaches great priority to the implementation of GIs in Myanmar
 - Efforts are currently undertaken to implement the necessary steps.
 - Looking forward to receiving more assistance on GI from UNCTAD and other development partners

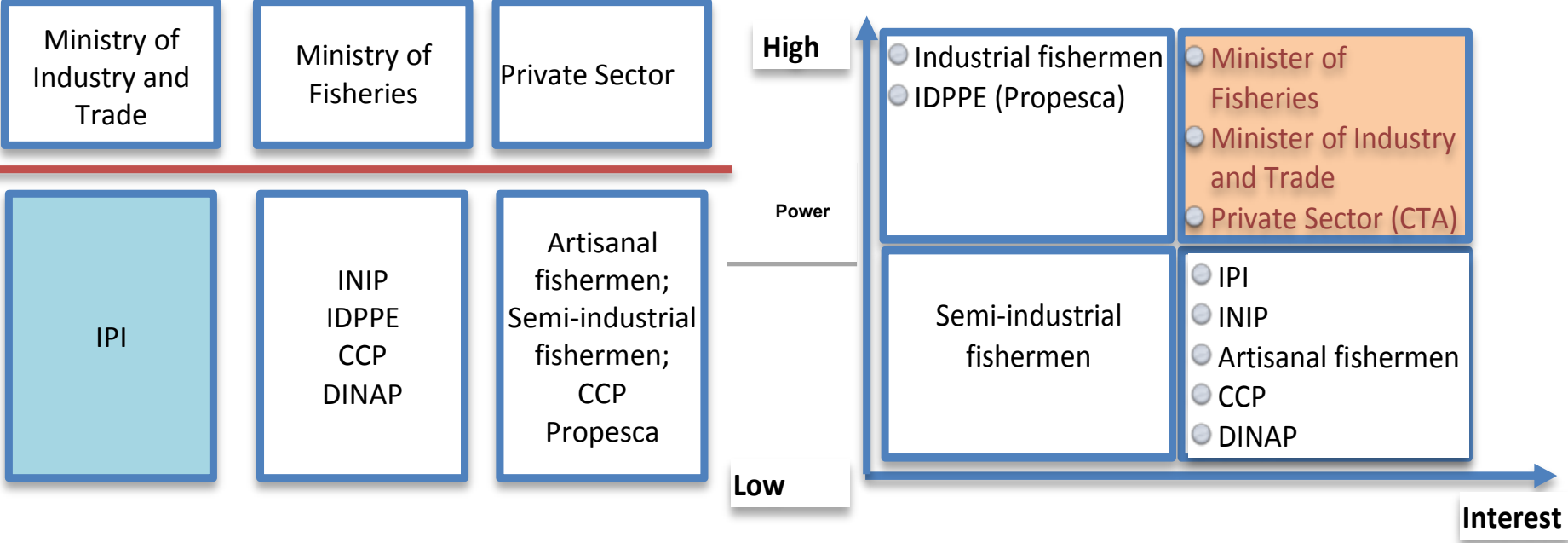


Mozambique white prawns (I)

- Despite and active IPI and GI Law, the level of awareness on its relevance to country's economic growth and development remains dramatically low among decision-makers, private sector and communities
- Institutions (IPI, Ministry of Industry, Fisheries) are marked by weak intra and inter-institutional coordination, competing interests and generally slowness in adopting changes;
- Delimitation of three major regions of white prawns occurrence (Sofala Bank in central region, Maputo Bay and the mouth of Limpopo river in the south) and its attachment to specific communities/or fishermen associations;



Multiplicity of the actors involved in the GI process and Power relationships



Overview: Current practices in branding coffee

- The distinctive features were instrumental for established reputation of Ethiopian coffees as some of the **finest coffees** in the world
- The distinctive features further provide Ethiopia with the opportunity to shift its coffees from the **commodity market** into the **specialty coffee market**.
- However, as access to specialty coffee markets requires **branding** and strong **promotional strategies**, the potential for deploying registering and protecting Ethiopian coffees as Geographical indications is thus evident.
- . At present, the Government of Ethiopia is moving from **collective trademarking to GIs**



Overview: Current practices in branding coffee

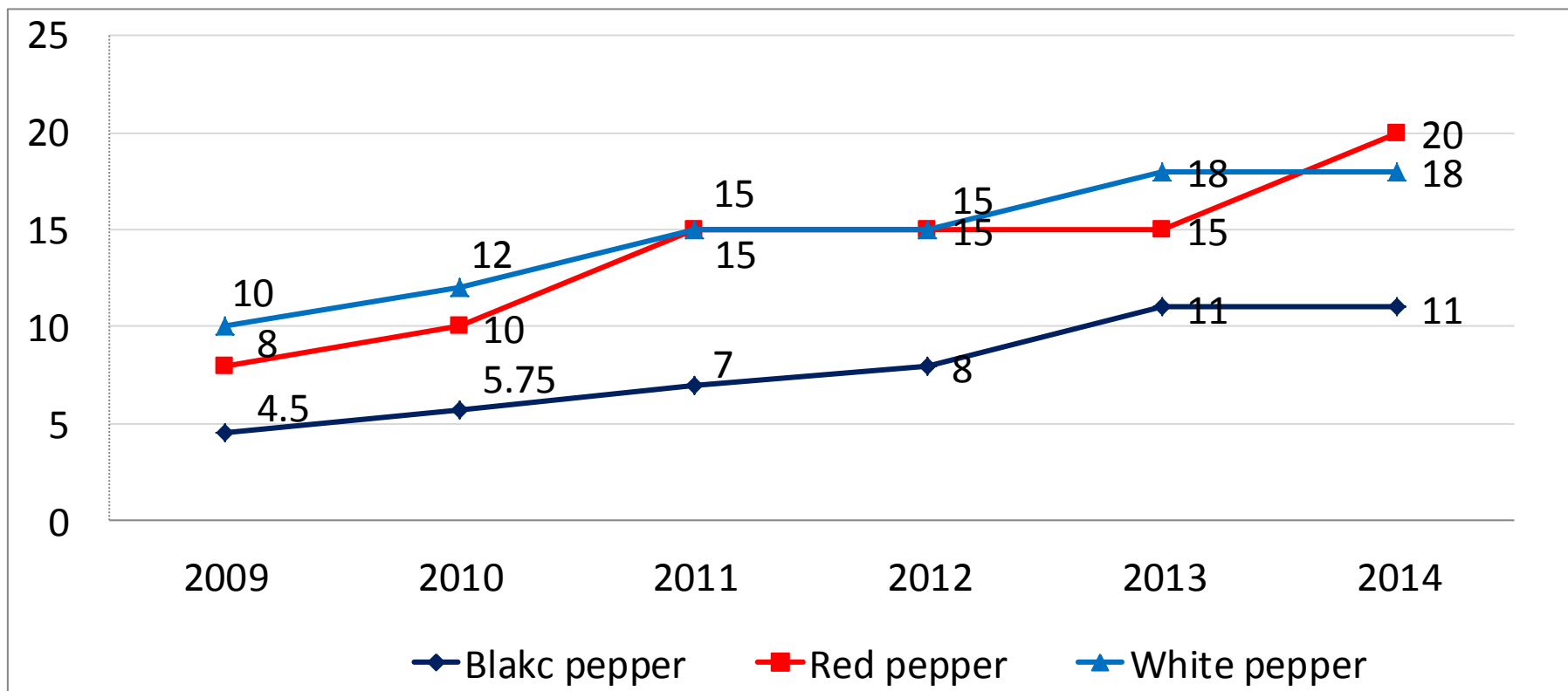
- Accordingly, the Government secured exclusive ownership of three Ethiopian coffee **brands** through registering trademarks in 40 different countries and issuing trademark licenses for more than 100 companies, these include:
 - Yirgacheffe Ethiopian Fine Coffee,
 - Sidamo Ethiopian Fine Coffee and
 - Harrar Ethiopian Fine Coffee
- Reasons for not pursuing GI: the following factors were deemed to constrain the necessary supervision, verification and certification for ascertaining geographical origin:
 - the speciality coffee is grown by a substantial number of farmers spread throughout the country, and the difficulty of making oversight of these farmers
 - the difficulty and expensiveness of putting in place a certification system for assuring geographical origin
 - the potential burden on coffee producers of paying surcharges for Government oversight in connection with GI requirements
 - the spread and topography of the GI-eligible region

Cambodia: Building on the Kampot Pepper Success Story

- Thanks to Donors, mainly France, Cambodia has been able to establish a GIs law and has so far registered two GIs
- Kampot pepper and palm sugar
- Government is actively pursuing GIs
- There are serious problems with enforcement and functioning of the associations



Price of Kampot pepper from 2009 to 2014



Direct Economic Benefits for Starling Farm

Before GIs, 2010

- ◆ SF Employees - 15
- ◆ Average take home pay - \$35
- ◆ Land Price - \$1,500 per hectare
- ◆ Pepper per KG - \$5 (farmgate)
- ◆ Production – circa 3 tons
- ◆ Vines under cultivation - ~10,000
- ◆ Tourism - Zero

Today, 4 Years Later

- ◆ SF Employees – 55 (90 at harvest)
- ◆ Average take home pay - \$100
- ◆ Land Price - \$15,000 per hectare
- ◆ Pepper per KG - \$18 (farmgate)
- ◆ Production – circa 25 tons
- ◆ Vines under cultivation - ~150,000
- ◆ Tourism – major draw to the area



Conclusions

- Differences in the state of play on GIs in the different Asian and African countries
- There is not much AID for Trade going into GIs
- There are institutional constraints: In some country there is not a law but a law does not ensure success
- GI's as a stand alone is not a recipe for success
- LDCs Government and private sector are unaware of what GIs are and why they are significant to their producers
- Need for capacity building and more research to demonstrate that GIs are a valuable tool for LDCs.



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