

Geographic indications: Socio- cultural, political and economic considerations

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Index

1. Introduction	5
1.1. Certification	8
2. Considering the local	10
2.1. What is local?: Understandings of locality and regionality	10
2.2. The local within the global governance	11
3. GI and social movements	14
3.1. oriGIn (Organisation for an International Geographic Indications Network)	14
3.2. Slow Food	15
3.3. Via Campesina	18
4. Socio-political dynamics of GIs	21
4.1. GI and local power structures: the local stakeholders	21
4.2. GI and gender	25
4.3. GI and cultural heritage	29
4.4. GI and indigenous knowledge	31
5. GI and economics	34
5.1. The value of GIs	34
5.2. GIs and competition	37
5.3. GI and local income	39
5.4. GIs and international trade	41
5.5. Economic viability and sustainability of a new GI	43
5.6. GI and development	45
5.7. GIs in the Global South: Challenges and opportunities	49
5.8. GIs and the environment	53
6. Case studies	55
6.1. Costa Rica: Queso Turrialba (Turrialba Cheese)	55
6.2. Tokaj Region, Hungary	62
6.2.1. Background	62
6.2.2. The history of Tokaj-Hegyalja: Rise, decline and... Renaissance	64
6.2.3. Tokaji: Denomination of origin and the question of branding	68
6.2.4. Designation of origin and socio-economic development: Wine tourism	71
7. Conclusion	75
7.1. Opportunities	75

7.2. Risks and limitations 75

1. Introduction

Welcome to the module *Socio-cultural, political and economic considerations of GIs*, part of the UOC specialisation in Geographic Indication (GI). In this course you will consider GIs from a variety of perspectives and approaches. You will review some key benefits and limitations of GIs and consider two important case studies from Costa Rica and Hungary. Through these case studies you will see how GIs develop and function in different communities. You will review key actors in the field of GIs from a social movement perspective and consider the role of gender in GI production.

The goal of this module is to provide a broad-based introduction to geographic indication and to explore related themes of academic and practical interest. To do this, we will consider the socio, cultural and political implications of geographic indication. We will also examine geographic indication by problematising the implications for people, products, and communities.

In this introductory section, we are interested in situating the global food system and understanding the role of the local therein. At the same time, we will try to better understand the implications of global factors on local food systems.

Before this, it is important to broadly define what we mean by geographic indication. This will be covered in great depth in other modules but to start off very simply, when we speak about GIs, we are speaking about products attributed to a specific area. Geographical indications are most commonly understood as distinctive signs that link products with their place of production thereby identifying and distinguishing such products in the marketplace.

You may have noticed that over the last few years there has been growing momentum, energy and even a burgeoning lexicon around local food, especially in North America and Europe. The influence of what some are calling the 'food social movement' is visible in the creation of a garden on the lawn of the White House, in the popular success of books such as *The 100-mile diet: a year of local eating* (Smith and Mackinnon, 2007) and *The omnivore's dilemma* (Pollan, 2006) and in marketing ventures such as Lay's potato chip's chip tracker that allows you to find out where your chips were made.

At the same time, people are interested in knowing more about food produced abroad and have called for, or relied on, certification programmes to verify that the people growing these foods are respected (fair trade) or that the growing conditions meet certain environmental standards (organic).

These trends are emerging at a time when our global and local food systems are facing major transformations and are increasingly challenged by climate change, shifting demographics, threats to water and soil, concerns around energy and conflict. These changes have an impact on social, political and economic systems that link to food and these in turn impact farms, consumer and communities.

As more attention is being placed on local food and 'ethical' foods, the time is ripe to not only better understand the implications, impacts, potential of geographic indication for moving towards more sustainable food systems, but also the risks and limitations. Decisions regarding how food is produced, by whom, what is produced, when and where, as well as who gets to eat it, are often made undemocratically and with little input from those who do the work of producing our food. Geographic indication can provide a framework to support localised decision-making and support local communities.

Geographical indication (GI) is a relatively new term coined in 1974 by the World Intellectual Property Organisation. GIs are also known as 'appellations of origin' or 'indication of source' and are becoming increasingly used and acknowledged by consumers as concerns for quality and locality grow. Geographic indications tend to be associated with Europe but more and more countries around the world are protecting products recognised for unique qualities and methods of production.

Some examples of protected international geographic indications

- **Canada**
 - Canadian Whiskey; Okanagan Valley (Wine)
- **China**
 - China Silk; Korla Pears; Fuling Hot Pickled Mustard Tuber; Zhangqiu Green Chinese Onion
- **Colombia**
 - Café de Colombia
- **European Union**
 - Asiago; Beaujolais; Champagne; Feta; Gorgonzola; Manchego; Newcastle Brown Ale; Prosciutto di Parma; Parmigiano Reggiano; Rioja; Roquefort; Scottish Beef
- **India**
 - Basmati Rice, Darjeeling Tea
- **Mexico**
 - Tequila, Mezcal
- **United States**
 - Idaho Potatoes; Florida Oranges; Washington State Apples
- **Vietnam**
 - Binh Thuan Dragon Fruit

Proponents of GIs suggest that such indications help to ensure and protect the quality and reputation of a product. They do this by drawing attention to valuable information about a product's characteristics, which were obtained in accordance with specifications verified by independent bodies. Differentiating a product on the basis of its geographical origin can provide revenue, security and status for products that are dependent on a specific location (that is, they gain their unique attributes from a specific location).

In a globalising world, many products face the challenge of similar products trying to take advantage of the reputation. Many are familiar with the example of fake 'Champagne', which is not from the Champagne region of France or 'Colombian Coffee' that is not 100% Colombian in origin. This misuse and misappropriation of a products name, and arguably heritage, speaks to the value of the products, but it also places the products at risk by threatening the quality of the product and by extension, the name. GIs can help to protect products and producers from 'non-authentic' products, but we must then consider what happens when someone immigrates to a new country and starts to make the same products that their family has made for generations. Given the new geography, they are not able to use the GI label, but the traditional knowledge and methods remain the same and the product may be almost identical. In such instances, producers miss out on the opportunity to link their product in to the established marketing structure, but GI advocates would suggest that geography is fundamental to products, especially food products.

1.1. Certification

When we are looking at GI we are looking at a system of certification. Certification seeks to confirm certain characteristics of an object, person or organisation.

A certification on a product indicates several things:

- It normally highlights a legal process or product certification agreement between the producers of a product and an accreditation organisation;
- Legal evidence the product, and means of production, meet specific standards and criteria;
- Assurance that the product is what it claims to be (verification of authenticity).

A GI is a label and the label is in turn a type of trademark that allows the producers to indicate and draw attention to the quality and unique traits of the product as well as to protect a product from similar products.

GIs are not mandatory and fall under the category of voluntary standards systems. Such systems must operate effectively to deliver on their stated social and environmental goals. As such, all steps in the process, from identifying the product to developing guidelines and standard-setting, verification, impact assessment and governance play a role in the effectiveness of the system as a whole.

In early 2010, ISEAL released a report titled "ISEAL 100". The survey, sponsored by the ISEAL Alliance and carried out by OnEarth, is the product of 100 interviews with leaders in business, government and NGOs. The aim of the

References

Pollan, M. (2006). *The omnivore's dilemma: a natural history of four meals*. New York: Penguin.

Smith, A.; Mackinnon, J. B. (2007). *The 100-mile diet: a year of local eating*. Toronto: Random House.

survey was to assess leaders' views on certification. How did they use it? In what ways? What were the barriers to using certification and why didn't they use more of it?

The ISEAL 100 report provides a picture of where certification is today and what it could achieve tomorrow. Key findings from the report include:

- **Benefits**

Four out of five respondents mention the value of using standards to increase operational efficiency. Other uses of standards systems include marketing and assessing and improving sustainability performance. Credible verification, multi-stakeholder standard-setting and good governance increase trust in standards systems and promote their use.

- **Room for improvement and building trust**

Frustrations mentioned include the cost involved in using standards, a lack of effectiveness of individual systems and the complexity and overlap in the standards systems landscape. Still, nearly half of respondents speak out against a 'catch-all ecolabel'.

While these questions did not focus on GI labels, they can be reflected upon to highlight some of the benefits of such certification programmes. For example, a GI can function as a cooperative, thereby improving the efficiency of small operations as many administrative tasks as well as labelling and marketing can be shared or centralised. It also provides consumers with evidence that they are purchasing a high-quality item from a specific region. At the same time, developing such systems is costly and complicated and can involve a great deal more of regulation, cooperation as well as legal and financial issues. We look at this in more detail and from an economic perspective later in the course.

2. Considering the local

This section is supplemented by extra readings, which are mandatory for this module. Please be sure to read the extra articles so that you can better contribute to the course discussions.

Extra readings

Bartham, E. (2003). "Translating terroir: the global challenge of French AOC labelling". *Journal of Rural Studies*. Vol. 19, no. 1, pp. 127-138.

Born, Branden; Purcell, Mark (2006). "Avoiding the local trap: scale and food systems in planning research". *Journal of Planning Education and Research*. Vol. 26, no. 2, pp. 195-207.

Bowen, Sarah; Zapata, Ana V. (2009). "Geographical indications, terroir, and socioeconomic and ecological sustainability: the case of Tequila". *Journal of Rural Studies*. Vol. 25, no. 1, pp. 108-119.

DeLind, L.; Bingen, J. (2008). "Place and civic culture: rethinking the context for local agriculture". *Journal of Agriculture and Environmental Ethics*. Vol. 21, no. 3, pp. 127-151.

Hinrichs, Clare (2003). "The practice and politics of food system localization". *Journal of Rural Studies*. Vol. 19, no. 1, pp. 33-45.

2.1. What is local?: Understandings of locality and regionality

The discourses forwarded by those in the Food Social Movement include the consumption of local and organic food and getting to know your farmer as ways of promoting healthy food systems. Yet, when we consider the main issues facing our food systems, and specifically barriers to localised food systems, they are predominantly supply-side or farm issues: e.g., lack of infrastructure, low wages, lack of labour, one-size fits all regulations that restrict sustainable, regional farming.

This Food Social Movement (FSM), in its popular manifestation, has arguably never really been about the production of food, instead, it has honed in on consumption and personal identity politics. Correspondingly, the FSM has forwarded consumption-based solutions for an ailing food system: buy local, buy fair trade, buy organic, buy direct¹.

All of these 'buys' are addressed through GI labelling. Yet, if we take a step back, we see that many of the alternatives proposed in opposition to the industrial food system have been efficiently reintegrated into the industrial model: nowhere is this more evident than in the corporate takeover the organic sector, for example.

⁽¹⁾Interestingly, many of the food scares and food crisis that are pushing people towards a re-localised food policy are themselves manifestations of demand-driven productionist policies (e.g. the 2008 Maple Leaf Foods' listeriosis outbreak).

Given the increasing popularity and influence of the FSM, it is important to understand the motivations and implications of the movement. This move towards localism is not without implications for geographic indicators.

In this course we are not arguing that localised production and local food is by default better than food produced extra-locally. Rather, the turn to local is a position being taken up as a grounds from which to reclaim some control of the food system. Branden Born and Mark Purcell (2006) caution unreflective faith in the local (see also Hinrichs, 2003, and Winter, 2003). Indeed, given geo-political realities when it comes to the production, processing and distribution of food globally, the answer cannot be as simple as shifting to local production. Such shifts will inevitable have negative ramifications for people in countries who have shifted their economies to produce food for global export. Local is not the end goal but a greater focus on local production is part of the strategy by which we can achieve food sovereignty (to be discussed below).

References

Born, Branden; Purcell, Mark (2006). "Avoiding the local trap: scale and food systems in planning research". *Journal of Planning Education and Research*. Vol. 26, no. 2, pp. 195–207.

Hinrichs, Clare (2003). "The practice and politics of food system localization". *Journal of Rural Studies*. Vol. 19, no. 1, pp. 33–45.

Winter, Michael (2003). "Embeddedness, the new food economy and defensive localism". *Journal of Rural Studies*. Vol. 19, no. 1, pp. 23–32.

2.2. The local within the global governance

Much of the rationale for developing and promoting GIs is that they offer protection for local products within a globalising world.

Globalisation has led to a dense web of global and regional organisations, multilateral agreements, international regimes and policy networks, and an endless circuit of meetings and summits. Globalisation has also been described as a force that "shrinks the world" and that reduces differences or promotes homogeneity. GIs are interesting in so far as they link into the structure of global governance, but in many ways fight the reductionist tendencies of globalisation. To better understand this, it is important to clarify what we mean by global governance.

Governance, which Brown and Ainley (2009, p. 129) explain was originally synonymous with government,

"has been pressed into service as a convenient term for the collective impact of the various disparate quasi-governmental institutions that have proliferated (internally and externally) over the last century or more" (see also Rosenau and Czempial, 1992).

According to Thomas Weiss (2000, p. 795),

"[m]any academics and international practitioners employ 'governance' to connote a complex set of structures and processes, both public and private, while more popular writers tend to use it synonymously with 'government'."

In their book *Governance and performance: new perspectives*, Carolyn Heinrich and Laurence Lynn (2000, p. 4) state that governance

"implies an arrangement of distinct but interrelated elements –statues, including policy mandates; organisational, financial and programmatic structures; resource levels; administrative rules and guidelines; and institutionalised rules and norms– that constrains and enables the tasks, priorities and values that are incorporated into regulatory, service production and service delivery processes."

Tim Lang et al. (2009, p. 75) contrast governance to government explaining that

"governance implies more indirect, softer forms of direction from the state than command and control, and reflects collaborative outcomes, involving a wide range of actors often from the private sector, as well as from government bureaucracy, as much as deliberate interventions by the state."

They continue (p. 81) that governance is

"an interactive process of state and public laws and policy with private interests and actors."

In a discussion paper on voluntary guidelines on responsible governance of tenure of land and other natural resources, the FAO (2009, p. 6) notes:

"Governance is the process of governing. It is the way in which society is managed and how the competing priorities and interests of different groups are reconciled. It includes the formal institutions of government but also informal arrangements. Governance is concerned with the processes by which citizens participate in decision-making, how government is accountable to its citizens and how society obliges its members to observe its rules and laws. Governance comprises the mechanisms and processes for citizens and groups to articulate their interests, mediate their differences and exercise their legal rights and obligations. It is the rules, institutions and practices that sets limits and provides incentives for individuals, organisations and firms."

To this definition, drawing from the description above, we can also add the rules and practices that set limits and incentive for governments. To summarise then, from these definitions we can conclude that governance broadly refers to the management functions of societies –formal and informal– that are generally focussed or coordinated around the state or government institutions but include diverse actors, including civil society and the private sector.

What is interesting with respect to GIs is that shifts in global governance and an opening up to non-state actors arguably provides producers with greater access to, and engagement with, global policy-making arenas. The policies developed in these arena are not without important implications for GI produc-

ers. As you will see in the last module of this course, there are various international organisations that play a governance role with impacts on the production of GI products.

References

Brown, C.; Ainley, K. (2009). *Understanding international relations*. New York: Palgrave Macmillan. 4th Edition.

FAO (2009). "Towards voluntary guidelines on responsible governance of tenure of land and other natural resources" [Discussion paper]. Rome: FAO (NRLA).

<[ftp://ftp.fao.org/docrep/fao/011/ak374e/ak374e00.pdf](http://ftp.fao.org/docrep/fao/011/ak374e/ak374e00.pdf)>

Heinrich, C. J.; Lynn, L. E. (2000). *Governance and performance: new perspectives*. Washington DC: Georgetown University Press.

Lang, T.; Barling, D.; Caraher, M. (2009). *Food policy: integrating health, environment and society*. Oxford: Oxford University Press.

Rosenau, J.; Czempial, E. (1992). *Governance without government: order and change in world politics*. Cambridge: Cambridge University Press.

Weiss, T. (2000). "Governance, good governance and global governance: conceptual and actual challenges". *Third World Quarterly*. Vol. 21, no. 5, pp. 795–814.

3. GI and social movements

We have already briefly considered what some are calling the Food Social Movement. In this section we hone in on three important networks that work towards similar goals as those forwarded by GIs and in different ways, support and strengthen GI legislation and applications. We start with oriGIn, an international organisation of producers of GI products that was developed to support information sharing and to lobby on behalf of GI producers. There is also Slow Food, a network and social movement that emerged out of Italy and which works to connect producers and consumers and to support the protection of locally made food products. Finally, we review La Via Campesina, a peasants' movement from the Global South that has forwarded a food sovereignty policy framework as a way of strengthening and protecting local food economies, cultures and, most importantly, producers.

3.1. oriGIn (Organisation for an International Geographic Indications Network)

In 2003, in response to increasing misappropriations faced by geographical indications (GIs), producers around the world came together and joined established oriGIn – the Organisation for an International Geographical Indications Network. oriGIn, based in Geneva, is registered as an international non-governmental organisation (INGO). The idea of the network was to develop a network to exchange best practices and information amongst producers of GI products. They have sought to become the voice of GI producers within international and regional forums, including the World Trade Organisation (WTO), the European Union (EU), and the World Intellectual Property Organisation (WIPO).

The state goals of oriGIn are:

- to promote GIs as a tool for sustainable development for local producers and communities and
- to advocate for more effective legal systems of GI protection at the national, regional and international level, through campaigns aimed at decision-makers, the media and the public at large.

oriGIn supports members by reducing monitoring costs in foreign markets. They also lobby policy makers in cases where GIs are being disrespected. oriGIn also develops public campaigns against GI infringement and provides producers with legal advice.

oriGIn represents over 200 organisations of producers from 40 countries. They host international events (conferences, exhibitions, round-tables etc.) where producers have the opportunity to network, share experience and best practices. oriGIn also provides technical support through periodical reports, newsletters, studies, information on court decisions and national laws, as well as other material on GIs (oriGIn Info Service). oriGIn's network represents a unique source of information on the main issues dealing with GIs (legal protection in major markets, quality control, marketing etc.).

oriGIn is involved in various technical assistance projects aimed at supporting producers and communities so that they may take full advantage of local GI potential (Cooperation Projects). oriGIn also advocates for an increase in the development funds devoted by multilateral and bilateral donors to GI-related projects.

3.2. Slow Food

Slow Food is a social movement and a network of 100,000 members in 153 countries. These members are grouped into 1,300 local chapters called *convivia* which develops activities, projects and events at a local, regional and global level.

These events include:

- more than 5,000 Slow Food initiatives each year,
- 10,000 small producers involved in 314 *Presidia* projects,
- 903 products at risk of extinction promoted through the Ark of Taste catalog,
- 1,300 food education activities and 350 school gardens in 100 countries and
- Terra Madre network activities, which involve 2,000 food communities, 1,000 cooks, 500 academics and 1,000 young activists

GIs in many ways seek to connect consumers with locality and the producers of a product, even if the producer is at times an essentialised² or conglomerate construction of a typified producer. This link between the consumer and a producer is central to the success and marketability of GIs, as well as gastro-tourism opportunities for the region in question.

⁽²⁾By essentialised, we are referring to a process (deliberate or not) of highlighting or relying on traditional or even stereotypical cultural traits to allude to an emotion or commonly held belief. For example, women environmentalists will often draw on the image of 'mother earth' to highlight a greater connection to nature based on sex. Some will use indigenous designs to imply deep connections to nature.

Along the same lines, Slow Food forwards the idea of producer and co-producer to help draw attention of the role of consumers in the production of food. They define the co-producer as

"a consumer who goes beyond the passive role of a consumer and takes an interest in those that produce our food, how they produce it and the problems they face in doing so."

The idea is to become conscious and active consumers, to not be passive in our food buying and therefore to choose products that respect people, the environment and our taste buds. Slow Food's three values of good, clean and fair are also in many ways intrinsic to GI processes.

For Slow Food, ideally, co-producers seek out close relationships with farmers, fishermen, breeders, cheesemakers, not only purchasing from them but also seeking out information and advice. For Slow Food, this provides co-producers with increased information and understanding about their local food systems. They argue that direct contact between consumers and producers is the most effective way of strengthening local food communities and therefore strengthening communities. At the same time however, this puts a strain on already strained and time-poor producers who may very well not have the time, or even desire, to attend to the constant questions and requests of consumers. Here again, a GI is useful because part of the cooperative marketing often includes support for this type of outreach, such as web support, brochures and tradeshow.

Slow Food suggests that when direct contact is not possible, consumers should seek out producers who can talk in an informed way about the products they are selling, particularly origin, cultivation and mode of production. In this respect, the links between GIs (which focus and strengthen these aspects and use them as the basis of their marketing) become obvious.

Another clear link between GIs and the work of Slow Food is a commitment to local economies. Slow Food is actively seeking to strengthen local economies. One way they do this is through Earth Markets, which are based on a philosophy of food, agriculture, tradition and culture. In today's world, the globalised market economy is showing its many limitations in terms of wastefulness and damage to the environment. The micro-economies of local communities have the potential to work in a way that is financially rewarding and respectful of surrounding ecosystems, human health and cultures. They also foster conviviality and solidarity.

The intention is for these community-run markets to act as important social meeting points, where local producers offer healthy, quality food directly to consumers at fair prices and guarantee environmentally sustainable methods. In addition, they offer an opportunity to preserve the food culture of the local community.

In order to establish an Earth Market, producers, local authorities, citizens, Slow Food convivia and other interested people must come together. A management committee, with representation from all these groups is developed

and is responsible for selecting the producers, promoting the market, ensuring the guidelines are followed, coordinating logistics and ensuring minimal environmental impact.

Priority and focus of the market is on small-scale farmers and artisan producers. Indeed, the Earth Market seeks to create new spaces where they do not have to compete with large distribution chains. Furthermore, Slow Food argues that small-scale production also often results in higher quality produce. Producers are asked to charge a fair price for their work and pledge fair treatment of their employees. They are also only able to sell products they have produced themselves and they must be willing to talk about the product, how it was made and how it was priced so as to provide consumers with important information, bringing them into the role of co-producer.

Products sold at the Earth Markets, apart from being local, must also meet the Slow Food principles of good, clean and fair:

- **Good:** fresh and seasonal, healthy, tasty and able to stimulate and satisfy the senses.
- **Clean:** environmentally sustainable cultivation and production processes, no GM crops, local.
- **Fair:** accessible prices for consumers and fair compensation and conditions for producers.

The first Earth Market was launched in June 2005 in Montevarchi, Italy. In 2006, Slow Food undertook research into farmers' markets around the world and came together in September of that year to develop the Earth Market project. In October 2007, the first training course for regional coordinators of Earth Markets in Italy was held in Pollenzo, Italy. By January 2009, three Earth Markets had been established in Beirut.

Slow food also coordinates Presidia, which in many ways resemble GIs. Presidia (singular *Presidium*) are projects run by the Slow Food Foundation for Biodiversity to directly help artisanal food producers. There are over 340 Presidia at the moment. The first Presidia were created in Italy in 1999. Slow Food catalogued hundreds of products at risk of extinction through a project called the Ark of Taste. Following this, they decided to engage more directly with the production of these products. In 2000, Slow Food presented the first 90 Italian Presidia at the Salone del Gusto. In 2002, nineteen international Presidia were present at the Salone del Gusto. Now Presidia exist all over the world, including in the Global South where the project has been adopted to suit a variety of contexts.

Similar to the work oriGIn does, Slow Food provides food producers with technical assistance, training and equipment. Unlike oriGIn, as we will explore later, Presidia pay attention to social aspects of the production such as the engagement and role of women as well as literacy amongst producers.

3.3. Via Campesina

La Via Campesina is an international movement which brings together over 200 million of peasants, small and medium-size farmers, landless people, women farmers, indigenous people, migrants and agricultural workers from around the world. It seeks unity amongst peasants, the landless, women farmers and rural youth. It defends small-scale sustainable agriculture as a way to promote social justice and dignity while standing in opposition to corporate agriculture and destructive transnational trade.

La Via Campesina was formed by a group of farmers' organisations in 1993 in Mons, Belgium in response to the domination of agribusiness and globalisation of agricultural policies. Through these processes and changes, small farmers were not being heard and were being negatively impacted by the decisions being made in these political fora. There was a need for small-scale farmers' organisations to have their voices heard and to participate directly in decisions that affect their lives. Over the last two decades, La Via Campesina has emerged as a main actor in global food and agricultural debates.

La Via Campesina comprises around 150 local and national organisations in 70 countries from Africa, Asia, Europe and the Americas. Its organisational structure is autonomous, pluralist and multicultural movement and it remains independent from any political or economic affiliation. It is a grassroots peoples' movement built up of farmers' organisations at the local and national level. The movement is decentralised and coordinated around nine regions. International coordination is arranged by a committee composed of a man and a woman from every region. An international secretariat rotates every four years.

The main goal of the movement is to realise food sovereignty and stop destructive neoliberal processes.

Food sovereignty is a policy framework that claims the right of peoples to define their own food systems. It is above all an approach that starts at the level of production and encourages values of fairness, sustainability, peace and equality. In recent years, the food sovereignty policy framework has been increasingly adopted by peasants, farmers, fisherfolk, peoples' movements, civil society organisations, non-governmental organisations, academics and increasingly governments as a way of reconceptualising and reframing policies and regulations linked to the production, processing, consumption and trade

of food. This reconceptualisation of the food systems starts at the local level, with local decision making and local markets, and ensures local sustainability before engaging in broader markets.

The idea of 'food sovereignty' was launched by La Via Campesina at the World Food Summit in 1996. Since then the idea has grown into a global people's movement and has also been recognized by several institutions and governments.

Like GIs, food sovereignty develops a model of small scale sustainable production benefiting communities and their environment. It puts the aspirations, needs and livelihoods of those who produce, distribute and consume food at the heart of food systems and policies rather than the demands of markets and corporations.

Food sovereignty prioritises local food production and consumption. It promotes the rights of a country to protect its local producers from subsidised imports and to control production. However, food sovereignty is arguably a lot more political and broader than GI frameworks in so far as food sovereignty ensures that the rights to use and manage lands, territories, water, seeds, livestock and biodiversity are in the hands of those who produce food and not of the corporate sector. As noted above, GIs do not necessarily avoid, reject or limit corporate engagement. Whereas GIs are seeking to protect traditional and localised forms of production, food sovereignty is calling for implementation of genuine agrarian reform.

Interestingly, while decidedly a local approach, food sovereignty is increasingly recognized and evoked at global level policy negotiations. La Via Campesina's engagement in these debates highlights the awareness of the interconnected nature of agriculture and food systems and the recognition that global decisions impact local realities and vice versa. Moreover, food sovereignty is not necessarily against trade or global markets but it stands steadfast against systems of trade and international agricultural and monetary policies that restrict the rights and capacities of farmers, especially those in the global south.

It is based on the conviction that small farmers, including peasant fisher-folk, pastoralists and indigenous people, who make up almost half the world's people, are capable of producing food for their communities and feeding the world in a sustainable and healthy way.

Women play a central role in LaVia Campesina as they produce 70% of the food on Earth but remain marginalised and oppressed by systems of patriarchy and neoliberalism. As a result, the movement defends women rights and gender equality at all levels and fights against all forms of violence against women.

Extra readings

Declaration from the social movements and civil society organisations from the Mercosur (2004).
Available at http://www.tni.org/detail_page.phtml?page=altreg-docs_mercosurdecl

Raustiala, Kal; Munzer, Stephen R. (2007). "The global struggle over geographic indications". *European Journal of International Law*. Vol. 18, no. 2, pp. 337–365.

4. Socio-political dynamics of GIs

In this section, we will analyse the socio-political dynamics of GIs and their impact on the development and the power structures within which they operate. Very often, GIs are approached just as trade instruments and a reflection of realities that are already there and that only need to be codified and translated into legal terms. In other words, we tend to think that champagne –just to use a famous example– had always been there, a product resulting from centuries of practice and interactions between a territory and its population, and that the legislation that at the beginning of the 20th century established the Appellation d'Origine Controlée limited itself to assess the existing state of affairs. As a matter of fact, the Champagne area was shaken by the raging debate between the producers of the Marne and those of the Aube (who lost) to determine who could actually use the name. If we examine those events, we realise how everything was the result of negotiations (and at times fights) between various actors, including the producers, the local administrators, the national authorities, the international merchants and the media, which both reflected and influenced the public opinion on the issue (Guy, 2007).

We cannot take the definitions and the regulations of GI products at face value: they are the result of specific cultural, social, political, and economic dynamics that need to be unpacked. Only by doing so, can we start to evaluate the actual potential for a local product to become a successful GI and to assess its impact in terms of local constituencies, civic society, national politics and international relations. Food can have a powerful impact on the existence of human beings in terms of their livelihood and economic advance: through food production and distribution, individuals and communities can be involved in or excluded from decision-making processes, citizenship dynamics and participation in global market flows as active players and not only as victims.

4.1. GI and local power structures: the local stakeholders

Studies on GIs at times appear quite oblivious to issues regarding who grows and produces what in what kind of political and social background. For instance, this seems to be the case for oriGIN, the Organisation for an International Geographical Indications Network, which we reviewed earlier. The Swiss-based organisation, representing over 2 million producers of traditional products from more than 30 countries, has the goal of promoting GIs as "an instrument of development and protection for local knowledge" and to create a network of producers from for the Global North and the Global South with the goal of sharing experience and exchanging information. However, on their website, no mention is made of social and gender issues in the communities

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producing the protected foodstuffs: the goal seems to enhance the economic value of GIs in the international arena rather than dealing with local issues, redistribution of revenue and exploitation of disadvantaged social categories.

Also IPRsonline.org, an internet portal on Intellectual Property Rights and Sustainable Development, contains numerous online documents and resources but does not list gender and social issues among the different categories under which the documents are classified, such as culture, education, food, human rights or traditional knowledge.

GIs are often perceived as an effective tool to bring together the role of local communities and traditions, the manual skills and the know-how of food producers, and their ties with a historically determined material culture, thanks to a certified quality and a more direct relationship between consumers and producers. As journalist Andrew Jefford wrote on the Financial Times,

"Appellations are a way of sensually mapping the world. Their underlying premise is that not all agricultural locations are equal and that some places on Earth are better suited than others to the production of certain, memorably beautiful foods or drinks" (Jefford, 2007).

Or are GIs and denominations of origin rather the result of what has been defined 'grassroots post-modernism' that builds an elitist discourse based on the nostalgia and invented tradition? (Esteva and Suri Prakash, 1998, p. 10). The rediscovery, protection and promotion of 'traditional' foods and foodways often create a renewed and enhanced sense of communal identity that can be easily exploited for political gain. For Eric Hobsbawm and Terence Ranger (1992), traditions are in fact ritual and symbolic practices, often nationalistic ones, invented by those with political and cultural clout in order to legitimise relations of authority that can be then interiorised and embodied by a community.

The concept of authenticity is sometimes invoked when discussing GIs. However, this approach is inherently wrought with inconsistencies. The concept of authenticity in itself is debated and it can be argued that its use and popularity are the reflex and the result of a specific cultural zeitgeist (Aurier, Fort, and Sirieix, 2005; Tellström, Gustafsson, and Mossberg, 2006; Tregear, 2007). In other words, the cultural relevance of authenticity is actually a very contemporary phenomenon, originating from the specific historical and social conditions connected with globalisation. The sense of a loss of identity, the lack of connection with the origin of one's food and the desire for reassurance about one's consumption could be among the motives behind the popularity of the concept of authenticity, together with its value in terms of cultural capital and performance of cosmopolitanism.

Despite their connection with local communities and their cultural and material traditions, GIs are first and foremost legal institutions that regulate what the protected products are. In turn, this requires the presence of legitimate

authorities that determine what are the standards or the models of reference that are enshrined in the regulations. But why does an authority choose one model over another? On what basis does it determine what version of a product is the authentic one, codifying its methods of production, its visual aspect, and even flavour and texture? When in 2010 Pizza Napoletana received the status of Traditional Specialty Guaranteed (TSG) from the EU, the association that requested the GI determined that, for instance, only Mozzarella di Bufala Campana PDO (buffalo mozzarella from certain areas of the Campania and Lazio regions), and Mozzarella TSG could be used. What if a pizza maker uses instead a buffalo mozzarella from other areas than those covered by the PDO regulation? Furthermore, from the historical point of view, there is no base to determine that the authentic pizza is the pizza as it is made today and as it is described in the regulation, rather than, say, pizza as it was made at the end of the nineteenth century, when pizza margherita was created, or pizza sold on the streets of Naples in the eighteenth century. When there is an authority with decisional power, politics are lurking right behind and questions about the dynamics that lead to its decisions are inevitable.

For these reasons, the very concept of GI and its actual relationship with territory, community and tradition is less straightforward than one would think. As examples, I will present a few cases from Europe.

When in 1988 in the village of Genzano, a few miles from Rome, the local bread makers decided to found a consortium to define what their traditional bread was supposed to be like and to boost their sales by adding value to its name with a GI, some of the bread makers, including three industrial ovens, were not willing to follow the old tradition according to which the bread was baked only in wood ovens, using chestnut tree wood (Squadrilli, 2008). When the consortium applied for registration following the European laws, it did not include the chestnut wood oven in the requirements and, as a consequence, the PGI was issued accordingly. A relevant element of the tradition was thus neglected by a regulation that was supposed to protect it.

Controversies may take place on a variety of issues. For instance, the problem of the definition of the territory covered by GIs has been raging since the beginning of the use of appellation in France, as we have already seen in the case of champagne. In the case of the lard from the village of Colonnata, in northwestern Tuscany, many producers right outside the eponymous village are lobbying to change the PDO regulation so that they can use the prestigious name for the cured pork fat they manufacture (Benzio, 2006).

The recognition of a GI has had a positive impact in many communities, enabling the prevention of depopulation, the modernisation of local cultures, and the creation of sustainable productions. However, while income related to GIs has been indicated as a possible instrument to internalise social and environmental costs of production (Renting, Marsden and Banks, 2003; Ploeg and Renting, 2004), the distribution of these gains among the different actors in the supply chain varies greatly depending on different social and political structures at local level. We will discuss these issues further down when examining the economic aspects of GIs. At any rate, the link between GIs and socially progressive economic relations is far from automatic. In fact, the po-

litical negotiations preceding the creation of a GI can reinforce inequalities and the exploitation of workers in the interests of local elites and bureaucracies. For instance, in May 2008, the Italian pig farmers threatened to stop providing the required quality certificates to GI prosciutto makers to protest the contraction of their revenue following the increase of the cost of feed and fuel, compared to the high prices that consumers pay for the final product.

These dynamics are also taking place outside of Europe. For example, in the town of Paraty, half way between Rio de Janeiro and Sao Paulo, the local tradition of a spirit made from sugar cane, called cachaça, has recently been revitalised by local entrepreneurs, some of whom still use the old water mills to squeeze the sugarcane. In 2007, the Association of Local Artisan Cachaça Producers (APACAP) obtained from the National Institute of Industrial Property (INPI), in cooperation with the Ministry of Agriculture, its recognition of Geographical Indication (GI) as 'Cachaça de Paraty'. One of the difficulties the industry is experiencing today is the supply of raw material, due to the growing success of the product. The local sugar cane growers are not yet included in the GI regulation, which only focuses on the production and characteristics of the spirit. The current directive determines that the cachaça producers should slowly stop using sugar cane that grows outside of the GI area and only buy locally grown raw materials. This would put the local growers in a stronger negotiating position and the benefits reaped from the GI would be redistributed more equitably along the production chain. To this day, however, there are neither deadlines nor penalties for continuing the usage of ingredients from other areas. A study on tequila has indicated how the profits deriving from the international success of the beverage and its protection as GIs have been absorbed mostly by the bottlers, while very little income had actually trickled down to agave farmers (Bowen and Gerritsen, 2007; Bowen and Zapata, 2009).

Another issue that deserves great attention is the presence, especially in EU countries and other post-industrial societies, of migrant labour, both documented and undocumented, which entangles GIs in global networks well beyond their geographical areas of production. In general, GI regulations do not specify much about labour employed. While many food productions (for example fresh vegetables) can be outsourced and relocated, by nature, GIs cannot be produced outside very specific areas. But the same kind of cost-cutting can be achieved not by moving the production to places where cheap labour is available, but bringing cheap labour into the area covered by a GI. In a sense, employing migrants in food manufactures can constitute a form of lean production, since, within the limits imposed by the local legislation, migrants can provide flexible and cheaper labour that can be easily increased or diminished depending on the demand. In worse scenarios, they can be more easily exploited through low wages, excessive hours and few benefits, ensuring higher margins for GIs producers and increasing the revenue theoretically

available for redistribution among the agents involved in the manufacture of the product. However, once again many social and political factors determine who gets any share of the increased income.

The list of issues we have examined in this section is far from being exhaustive, but it is indicative of the approach that is necessary to fully understand the socio-political dynamics involving GIs. At any rate, it is important to remember that although GI regulations appear stable and rooted in tradition, they can be changed if they contain clauses that allow it. Not only the definition, but also the transformation over time of GIs reminds us of their connection to agency, governance and power negotiations along the production chain, all the way to consumers and their preferences.

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4.2. GI and gender

When examining the socio-political aspects of GIs, considered not only as symbols of cultural heritage but also as valuable economic and commercial assets, it is also necessary to explore the relationships between gender, place

and local traditions. In many cases, the transmission of cultural customs and culinary diversity, which in the case of some specific agricultural products also ensure biodiversity, falls largely to females, as women are the primary carriers of food production and cooking traditions. However, when it comes to these GIs, who reaps the benefits derived from local and typical products, seeds, and plants? Is the role of women recognized at all in the legislative definitions of GI? Assessments of the impact of GIs on local communities often ignore issues of gender relations. Not infrequently, women, excluded from modern economic sectors, see their role in food production or in the conservations of food traditions distorted or even totally ignored. Traditional knowledge used by women for certain products is sometimes considered outdated and not modern enough, so that when standards are created to get the recognition as GI, production methods are changed to be more 'scientific' and acceptable to consumers. These changes and innovations are generally considered necessary to add commercial value to the possible GI (Larson, 2007, p. 38).

These dynamics are recognizable in the case of **desi ghee**, the clarified butter produced with traditional methods in many rural areas of India. This type of ghee is manufactured solely by women, but the fact that its production is closely connected to gender hinders its marketing, because "in general only the excess amount is sold, mainly to the families of the producers" (Soam, 2005, p. 696). Desi ghee is part of a system of monetary exchange and social relations for women who otherwise are excluded from business activities. Moreover, since its production can be found in many areas of India, it is difficult to identify a specific zone that might be indicated as a possible owner of the collective intellectual property rights.

Other products related to women's activities have acquired a status of international gourmet foods, yet have not sought the attention of local authorities to obtain protection as GIs. **Argan oil**, extracted from the kernel of a thorn tree on the south coast of Morocco, was originally only used in local cooking and for massage oils, but now it is much appreciated by gourmets and chefs throughout the world (Nouaim, 2005). Only in June 2009, Morocco has registered argan oil as a GI under a new law introduced in 2008 and following the request of the association that reunites the women's cooperatives. However, so far Morocco has been not involved in conflicts and complaints to the WTO (World Trade Organisation, 2008), despite the registration of 'Argane' as a trademark by a European company (OriGIn, 2004). In 2005, a Moroccan company also recorded 'Argan Jour' as a trademark (Diar Argan, 2008).

The erasure of women at the origin of products that have gained the commercially relevant status of GI is not a recent issue, but it is actually embedded in the very nature of the regulatory definition and the historical development of GIs. After all, they are the expression of legal, institutional and cultural discourses that matured between the end of the 19th century and the first half of the 20th, at a time when Western European countries were bringing to

completion their national projects under the guidance of the bourgeoisie and building their economic and political power on industry, production, trade and international expansion. The ideology behind this growth was, on one side, the belief in scientific progress as positive and inevitable and, on the other, the faith in the civilising mission of the white man, identified as the Western male bourgeois.

Feminist scholars such as Marjorie DeVault and Dorothy Smith have pointed out that many societies are structured around distinctions between the private realm of domesticity and the public sphere of social life, where the private is associated with women and the public is associated with men. The importance attributed to male public activities and the devaluation of the public activities of women (and of men's domestic activities) leads to male dominance and a patriarchal organisation of society. Among the private activities conducted by women, cooking and the cultivation and preparation of food are paramount. Even when these activities have important social and economic functions, they are still considered as part of the female domestic life and hence irrelevant for the public and visible world of trade and politics (DeVault, 1991, 1999).

The Canadian sociologist Dorothy Smith argued that women are socially limited to what is defined as the material/local mode of action that includes the body and its immediate environment, whereas men can act on a more abstract level, which allows them to participate in the political sphere. For Smith, sociology itself as a discipline, as all other abstract and conceptual sciences, has been historically developed from a male point of view (Smith, 1990). This analysis can be expanded to international law and its development in a context of globalisation to include regulations that protect GIs as forms of intellectual property under the WTO regulations. As women are frequently under-represented in nation-states and international organisations, the laws these institutions formulate are often biased by a male point of view (Charlesworth, 1999).

This arrangement influences not only laws directly concerning women's status and future but also other kinds of laws and regulation, including the laws on GIs that cover (or fail to cover) products that are traditionally part of the female realm.

The European Union does acknowledge the role of women in its new multi-functional approach to agriculture, one of the main characteristics of the new Common Agricultural Policy, which underlines the importance of agriculture in maintaining rural communities alive and culturally active, in preserving the landscape and the traditions of an area and in protecting the environment. As early as 2002, the statistical document "Agriculture: the spotlight on women" mentions the involvement of French female farmers in "projects focusing mainly on tourism, agricultural diversification and making the most

of the natural and historic heritage" (European Communities, 2002, p. 24). In the preface of the same document, there is mention of the work of women in the development of agro-tourism, which is one of the multifunctional aspects of agriculture that better appreciate the importance of local identities and tradition.

Also, a relevant international organisation such as FAO, the Food and Agriculture Organisation of the United Nations, has dedicated some effort and attention to the connections between women, place, identity and the conservation of biodiversity. By 1999, the FAO Regional Office for Asia and the Pacific organised a conference called Gender Dimensions in Biodiversity Management and Food Security, where Sumi Krishna from the M. S. Swaminathan Research Foundation, Chennai, India, stated that

"the gender dimensions of biodiversity management cannot be isolated from the substratum of gender relations between men and women" and that "male domination of the family, public policy and institutions obscures women's concerns and interests" (Krishna, 1999, p. 22).

In 2002, the FAO Regional Office for Asia and the Pacific published the report "Agrobiodiversity Conservation and the Role of Rural Women" (FAO, 2002). After acknowledging the role of women in ensuring food security and natural resource conservation, R. B. Singh, the assistant director-general, admitted in the introduction that the organisation and legislation in general had yet to recognize the critical role women play in the management of plant diversity in the development of local communities.

Rural women have played a major role in conserving indigenous varieties and they are the ones who possess the knowledge necessary for survival. Recognizing the urgency of safeguarding the national endowment, several countries are creating regulations and laws on genetic resources. The roles of rural women should be clearly recognized in these regulations. Those countries that have regulations should develop actions focused on supporting women in sustainable use and conservation of these resources (FAO, 2002). Furthermore, the report states that

"[Scientists should] work closely with rural women who share the stewardship of local biodiversity systems and together create an effective policy interface to ensure that women's right to local resources and right to share in the benefits from the use of local resources are guaranteed." (FAO, 2002, p. 7)

Both observations are particularly revealing because they call for a greater interaction between female occupations connected with material reproduction and other activities usually marked and perceived as masculine, such as scientific research and legislation. These goals are the focus of the FAO's Women in Development Service (SDWW), working together with other technical units both at the local and the international level. Their report refers to some of the initiatives, such as the plan for the conservation of taro varieties in Yunnan, in south-west China; the study on rice cultivators in the Jeypore tract of Orissa and in the Wayanad region of Kerala in India; and the research on

Extra reading

FAO (2011). *Women in agriculture: closing the gender gap for development*. SOFA Report 2010-2011. Rome: FAO.

sweet potato cultivation by the Dani people in Balliem Valley, Iran Jaya, Indonesia. However, no comment is made about any intention to use the legal instrument of the GI to protect those products.

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4.3. GI and cultural heritage

Faced with the inefficiencies, difficulties and political debates engendered by the establishment of GIs in various parts of the world, attempts have been made to find alternatives to the GI system or, at least, to create other legal instruments that might reinforce the protection of a product in case a GI is not sufficient or impossible to achieve due to the socio-economical aspects we have illustrated in the previous sections.

The legal concept of 'cultural heritage', which also covers aspects of material culture of specific communities, could be extended to include food production and food-related traditions.

The protection of cultural property has been developed by the United Nations and in particular UNESCO (United Nations Educational, Scientific and Cultural Organisation). While at first the safeguard was focused on architectural treasures, sites and landscapes, the 1972 UNESCO Convention concerning the Protection of the World Cultural and Natural Heritage expanded international protection to specific natural habitats as well, reflecting growing con-

cerns about the environment. This recognition acknowledges the relevance of certain landscapes and natural characters for their communities and cultures. Article 47 of the Convention defines cultural landscapes as

"cultural properties and combined works of nature and of man... They are illustrative of the evolution of human society and settlement over time, under the influence of the physical constraints and/or opportunities presented by their natural environment and of successive social, economic and cultural forces, both external and internal".

In 1989, the UNESCO issued a Recommendation on the Safeguarding of Traditional Culture and Folklore, which underlined the human aspects of cultural heritage. In 1995 the European Conference of Ministers responsible for the Cultural Heritage in Helsinki embraced the concept of cultural landscapes to include peoples' tradition, their cultural identity and also the interaction with their environment. The 2003 UNESCO Convention for the Safeguarding of the Intangible Cultural Heritage defined the latter in its article 2 as

"the practices, representations, expressions, knowledge, skills –as well as the instruments, objects, artefacts and cultural spaces associated therewith– that communities, groups and, in some cases, individuals recognize as part of their cultural heritage."

The preamble of the 2005 UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions underlined that cultural diversity can be considered per se as part of the common heritage of humanity and should be preserved as such.

These legal texts could play an important role in helping to define and protect GI food productions as cultural expressions of specific communities and of their interaction with the environment, which would reinforce their position within the global trade debates we have previously illustrated. However, the interpretation of these documents and the very concepts constituting their framework of reference are object of debate. The most fundamental problems derive from the concept of culture itself, too vast to become the basis for a legal definition of cultural heritage. Is folklore part of the universal heritage of humanity or part of cultural identity of a specific community or people? Since applying the concept of intellectual property to cultural resources would imply a separation of ownership from control and access and, as a consequence, the possibility of commodifying cultural elements, the legal harmonisation of these elements has solicited scholarly interest especially in emerging economies. It is particularly difficult to define the extent of natural heritage to be protected, which raises issues of national sovereignty over natural resources to the point that the 1992 UN convention on Biological Diversity used the expression 'common concern of humankind' for biological resources.

Based on the provisions of the 2003 UNESCO convention, in 2010, 'The gastronomic meal of the French', 'The Mediterranean diet' and 'Traditional Mexican cuisine, the ancestral, ongoing community culture, the Michoacán paradigm' were added to the Representative List of the Intangible Cultural Her-

itage of Humanity showing that food actually can fall under the convention's protection. Some authors have actually suggested that the extension of article 23 of TRIPS to all GIs could be based on the relevance of cultural identity as public domain (Broude, 2005a and 2005b). However, article 3 of the 2003 UNESCO document states that

"nothing in this convention can be interpreted as... affecting the rights and obligations of States Parties deriving from any international instrument relating to intellectual property rights or to the use of biological and ecological resources to which they are parties."

In other words, food practices connected with specific places that are safeguarded as intangible cultural heritage are secondary to property rights.

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4.4. GI and indigenous knowledge

The same tensions are evident also when it comes to indigenous knowledge (IK). Also referred to as traditional knowledge, this is another potentially relevant conceptual category for the GI debate. It is broadly defined by the UN as

"the knowledge that an indigenous (local) community accumulates over generations of living in a particular environment. This definition encompasses all forms of knowledge –technologies, know-how skills, practices and beliefs– that enable the community to achieve stable livelihoods in their environment" (UNEP, 2010).

Although there is still no international convention that gives a precise definition, the preamble of the 1992 Convention for Biological Diversity and its article 17 referred to indigenous and traditional knowledge, and research has developed to explore the legal and political potential of the concept, especially in emerging economies (Antons, 2009; Arewa, 2006; Bratspies, 2006; Langton and Ma Rhea, 2005; Long, 2006; Munzer and Raustiala, 2009; Oguamanam, 2006; Srinivas, 2008; Sunder, 2007). In 2000 WIPO established the Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC-GRTKF) precisely to examine the complex relationship between traditional knowledge, intellectual property rights and biodiversity.

The concept has mostly been addressed within the framework of social and economic development projects, but it has potential to be used as a legal weapon in the battle to maintain 'collective intellectual property'. In India, IK related techniques and products have been granted patents even though they did not fulfil the traditional legal requirements of novelty and invention. The consequence here was that, for instance, a pharmaceutical patent in the U.S. for the use of turmeric in the healing of wounds and rashes was withdrawn

after a comparison with traditional medicine procedures and products, while European Patent Office (EPO) revoked the patent for **neem** (*Azadirachta indica*), whose extracts are traditionally employed as insect repellent. Another example from India: in 1995 a Trust Fund was built to commercialise agent compounds from the medicinal plant **arogyapaacha** (*Trichopus zeylanicus*) and a treaty was signed between the Fund and the Kani tribal community that traditionally used it to transfer 2% of the revenue to the tribe (Subba Rao, 2006). The 2001 International Treaty on Plant Genetic Resources for Food and Agriculture seems to be moving the international community in a similar direction, guaranteeing food security through conservation, exchange and sustainable use of world's plant genetic resources, as well as their fair use and equitable benefit sharing in harmony with the Convention of Biological Diversity.

However, to acquire relevance in the international legal system of intellectual property and to reap and distribute the commercial benefits connected to its utilisation, indigenous knowledge needs to be backed by documentation and proof showing its prior existence. If India is well positioned in this sense, due to its millennia of written culture, other civilisations that did not adopt writing find themselves in a much more difficult situation. The Third World Network, an independent non-profit international network of organisations and individuals involved in issues related to development, proposed a "Community Intellectual Rights Act", according to which local communities would be the 'custodians' (or 'stewards') of their traditions, prohibiting the concession of any rights of exclusive use of such innovations (Nijar, 1994). Art. 215 and 216 of the Federal constitution of Brazil states that the government shall protect "the expressions of popular, Indian and Afro-Brazilian cultures" and "promote and protect the Brazilian cultural heritage, by means of inventories, registers, vigilance, monument protection decrees, expropriation and other forms of precaution and preservation" (Santilli, 2006). A main problem is the harmonisation between the highly diverse social and political organisations of local communities (councils of the elders, tribal kings etc. which could collectively represent the communities to the exterior) and the legal system of the nation states, within which the laws for intellectual property operate.

Could the legal extension of cultural heritage and cultural property be used to maintain food and products of populations that lack the bureaucratic structures necessary to implement their protection as GI, in case those foods and products are proved to be a fundamental part of that population's identity? Could GI status for specific products enhance their protection as TK and vice-versa (Downes, 2002; Panizzon, 2006)?

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5. GI and economics

We have seen how behind the technical and often apparently abstract legal issues regarding GIs lies a set of social and political matters that reveal the power struggles behind the establishment of GIs. Besides these aspects, it can be useful to examine GIs also from the economic point of view to assess not only the nature of their economic value but also their impact in terms of competition, productive structure and income.

5.1. The value of GIs

It could be argued that GIs amount to mere devices to increase the trade value of specific, high value added products and to establish protected market niches. Once the specific and unique qualities of a product are recognized and appreciated by growing numbers of consumers and the quantity available is limited by the regulations that define it; it is plausible that consumers may be ready to pay higher prices to secure what they perceive to be a superior product. In economic terms, the price elasticity of demand diminishes, that is to say the quantity demanded becomes less responsive to increases in price. Any producer would love to have a perfectly inelastic product, that is to say a product whose demand does not diminish at all when its price increases! As a matter of fact, the fame of the product may turn into a so-called 'Veblen good' or 'positional good', that is to say a product for which consumers' demand increases as its price increases, instead of decreasing according to the usual relation between supply and demand, since a higher price can be perceived as a sign of better quality and the higher status. As a matter of fact, decreasing the prices of these kinds of products could risk decreasing the consumers' desire for them, because they are no longer considered as exclusive or high status. These products can also generate two side effects: the 'snob effect', that is to say the desire to access goods that are different from those commonly desired by the majority of mainstream consumers, and the 'bandwagon effect', which refers to the growing popularity of a certain product because individuals considered as trend-setters appreciate and buy it (Leibenstein, 1950).

Are these just deceptive ruses used by sly business people to take advantage of well-off consumers who, while fully participating in global exchanges of goods, money, ideas, technology and people, seem to be increasingly fascinated by and ready to pay for a taste of authenticity and tradition? How do these cultural preferences and new trends in the marketing of added value products influence prices and sales?

GIs can be considered as one among several so-called 'value-based' labels (VBL), which refer to products that highlight the uniqueness of their manufacture and their socio-cultural characteristics instead of focusing on content,

ingredients, flavour or biochemical structure (Barham, 2002). The most common among these labels, both from the producers and consumers' points of view, are 'typical', 'artisanal', 'local', 'fair trade', 'sustainable', 'organic', Slow Food's 'just, fair, and clean' and to a certain extent also 'terroir'.

Some authors have examined VBLs under the wider category of 'credence goods', according to a threefold classification of the traits defining a product's value in the eyes of buyers: 'search characteristics' (detectable by inspection before purchase), 'experience characteristics' (identified with use after purchase) and 'credence characteristics' (relying on sellers' credentials or third-party judgments) (Krouse, 1990, p. 510; Nelson, 1970; Sloth Andersen and Philipsen, 1998). However, this approach risks to not fully consider the ethical, social and political aspects that are mostly appealing for consumers.

A growing literature has started to focus on these formerly neglected factors, which have important repercussions in terms of production, trade and marketing. The lack of direct connections between consumers and agricultural systems amplifies widespread anxieties regarding the origin of food, its safety and its health value, creating the need for new guarantees that can reassure buyers about their purchases. Among other reasons for VBL success, authors have identified the desire to establish alternative systems of food provisions in order to resist the pervasiveness of agribusiness, considered as a major force in processes of globalisation, and to re-embed food production in its social context by creating a connection between people, places and food. VBLs could then be considered a tool that, giving relevance to social and cultural elements, counters market systems based only on price and demand/supply relations (Beckert, 2007; Krippner, 2001; Krippner and Alvarez, 2007; Murdoch, Marsden, and Banks, 2000; Winter, 2003). Using Marx's debated notion of commodity fetishism, which refers to the masking of the social and economic relations under which goods are produced, VBLs would also play an important role in de-fetishising goods, helping consumers make informed and ethical choices by showing the labour and the power relations behind goods.

The analysis of VBLs has also been framed within the convention theories developed by Boltanski and Thévenot, who considered the market as just one among several forms of interactions (defined as 'conventions') between social actors, each obeying to its own dynamics, structure and world view. So the 'civic' convention would explain the relevance of producers' cooperation towards the common interest (necessary for them to work together on obtaining value-based recognition for their products, such as the GI status), while the 'domestic' convention underlines the need for mutual trust and direct relationships, which are what consumers seem to look for when acquiring VBL products (Barham, 2003, p. 129; Boltanski and Thévenot, 1991). These approaches are often accompanied by the underlying conviction that consumption can be not only a field of action where fetishism and unbridled consumerism express themselves, but also a set of empowering practices through which individuals can operate ethical choices that have social, economic, en-

vironmental and political impact on food systems in terms of justice, sustainability and participation (Terragni, Boström, Halkier, and Mäkelä, 2009; Dubuisson-Quellier and Lamine, 2008; Connell, Smithers and Joseph, 2009; Hayes-Conroy and Hayes-Conroy, 2008; Sherriff, 2009; Feagan, 2007). However, other authors have considered these forms of consumption as an elitist performance of distinction, cultural capital and cosmopolitanism (Zukin, 2008).

In other words, the disposable income that allow access to highly prized goods, the education necessary to fully understand their cultural and historical value, as well as the information required to know how to consume them, on what occasions and in what quantity, paired with what other products, would all be elements that contribute to raise the socio-economic status of those who consume them.

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5.2. GIs and competition

Food manufacturers and growers in Europe are fully aware that GIs, besides increasing the value of their goods, have also other advantages in terms of competition.

GIs products have actually been discussed as 'club goods', that is to say a sub-type of public goods that, just as cable TV or actual clubs, are excludable but non-rivalrous in the sense that they might be expensive to have access to but can be equally enjoyed by all users, at least until GI products reach a point where congestion occurs and demand from excessive numbers of consumers actually turn them into rivalrous goods (Langinier and Babcock, 2006; Torre, 2002).

Consumers and administrative authorities in charge of regulating food systems and safety feel more protected from frauds. In fact, with their clear regulations, GIs could partly make up for the information asymmetries, the misinformation and the high search costs that are often referred to as possible failures in the neoclassic theoretical model of perfect competition markets. However, it can also be argued that the respect of production protocols does not guarantee sensory excellence, thus keeping crucial information from the consumer (Josling, 2006).

By banking on differentiation and the exclusive rights of benefiting from the products' reputation of origin, GIs protect producers from competitors selling similar goods of lesser quality under the same name. However, once a GI acquires recognition, there is always the possibility that producers from the same or other regions may try to come up with similar goods of lesser quality that could profit from the fame of the GI and obtain premium prices from consumers, jeopardising the reputation of the whole group (Anania and Nisticò, 2004). On the other hand, researchers have pointed out that all the producers involved in these dynamics may enjoy advantages, albeit of different kinds. These goods have been approached through the concept of the 'avatar',

referring to the copies and variants of a traditional product that can coexist in a structurally complementary relationship with the original. In such environment, GI producers can take advantage of their reputation, of consolidated channels of distribution and of consumers ready to pay a premium, while the producers of the avatars can benefit from the spillover effect of the GI product notoriety (Ceccarelli, Grandi and Magagnoli, 2010). While the EU maintains that GIs should be protected from these occurrences, the U.S. believes that entrepreneurship and creativity should be left free to flourish. New World countries have also pointed out that some of their geographical denominations, although deriving from places originally located in the territory of the colonial powers that controlled them, have actually become autonomous products with very long traditions.

It can be argued that GI producers avoid oversupply also by creating entry barriers for producers who do not have the means to comply with the often complex regulations, which would put traditional producers in developing communities at a disadvantage, unless external organisations and institutions, from governmental agencies to NGOs, intervene by providing know-how, technical assistance in indentifying the potential GI products, legal assistance in drawing regulations, petitioning for recognition and defending the producers against lawsuits, as well as marketing and communication expertise to put the products on the map of high income consumers.

The limitations imposed on product availability by GIs move their supply curve in ways that lead to increases in price, even with production costs remaining stable, which could be interpreted as a monopolistic position from a neoliberal approach, such as the one embraced by the World Trade Organisation, especially in its Agricultural Agreement. Within this framework of analysis, the profit resulting from GIs could be criticised as a form of non-productive rent granted to those who own the GI rights, a distortion of competitiveness and a non-economic barrier to free trade and the emergence of new industries (Linnemer and Perrot, 2000). On the other hand, high prices could be justified as a compensation for the considerable costs involved in identifying developing high quality products and in obtaining and managing a GI, which require either a great number of producers sharing the costs or forms of external subsidies (Moschini, Menapace and Pick, 2008). After all, it is not by hazard that the regulations about GIs are part of the TRIPS, the agreement on intellectual property and are excluded by the general Agricultural Agreement.

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5.3. GI and local income

Considering the advantages in terms of value, price and competition, it would seem that the establishment of a GI could only increase the local income levels, allowing more money to circulate in the community. Part of the income would eventually trickle down to other actors, who might also be external to the GI production chain. For instance, if local producers see their income increased, they might spend more locally, build another home, maybe invest in other economic activities or buy property. Above all, as many examples in Europe have shown, they might become less tempted to leave their rural environment to look for better opportunities in large cities.

Within the European Union, farmers involved in GI production might profit from the changing Common Agricultural Policy (CAP), including the system of European Union agricultural subsidies and programmes that aims at providing farmers with a reasonable standard of living and consumers with quality food at fair prices, while preserving rural landscape and heritage. As a matter of fact, since 2003 the EU agricultural ministers have started a reform of the CAP with the goal of reducing its impact on the EU spending. The reform is based on 'decoupling', that is to say disconnect, subsidies from the quantities produced of particular crops, which have proved to create vicious circles of overproduction. Subsidies are supposed to be gradually limited and eventually eliminated also according to the WTO Agricultural Agreement, although EU member states are still allowed to maintain a limited amount of specific subsidies, which at times still cause overproduction. The new 'single farm payments', which are independent from the quantities of specific subsidised crops produced, are subject to 'cross-compliance' conditions relating to environmental, food safety and animal welfare standards in order to stimulate sustainable management of natural resources and to keep rural economies alive by maintaining the territorial balance and diversity of rural areas. Although GI regulations often do not focus specifically on sustainable method of productions, in case the product proves successful GIs have the potential to provide a steady income at the local level. At the same time, the newly reformed CAP is supposed to include special funds and assistance for young farmers to start

their business, to help older farmers to train in new techniques and approaches, and to sustain the renewal of local infrastructures by improving the marketing of products and encouraging tourism (European Commission, 2011).

The new 'decoupled' subsidies, however, are not devoid of criticism. For instance, since 2003 subsidies have been linked to the size of farms; while this approach allows small farms to exist, larger farms are likely to get larger amounts of subsidies. In the case of GI products, while the new subsidies allow small producers to survive and participate in the GI initiatives, they put the larger farmer in a better financial position, which is often reflected in the local power balance and, as we have discussed, in the decisions taken about production methods, typologies, qualities and marketing of the GI.

In terms of impact on local incomes, GIs, their tradition and their production structures are often included in various forms of culinary tourism, as it will be illustrated in following sections. In our discussion about the economic aspects of GIs, we just need to point out how also the distribution of the income deriving from tourism activities depends on the local relations of power, on the abilities of the producers to insert themselves in the activities and on marketing investment that at times small producers are not able to take on.

Due to growing income, some farmers and producers involved in GIs often acquire social and economic status that allow them to lead comfortable lives around the production sites as well as in urban environments, which are often connected to global networks of trade and marketing. In the case of the most advanced and well-established GIs, it is not rare to see producers directly involved in marketing at the local, national and even international level, at times working with PR and communication firms to create, enhance or change the public image of their products.

With the success of a GI's status and the limited availability connected precisely with specific techniques or the very small area of cultivation and manufacture, at times traditional, local products turn into exclusive gourmet items sold at prices too high for many members of the community from which they originate.

Just to limit ourselves to examples from Italy, **zolfini beans** from Tuscany and **Castelluccio lentils** from Umbria are hard to find in their original place of production and locals now buy them only on special occasions and mostly out of nostalgia.

While in Western Europe this problem seem to affect local communities mostly from the cultural point of view, in other parts of the world where farmers, under the stimulation and guidance of local and state institutions or NGOs, are trying to turn their crops into value added products, this can constitute a major hindrance.

For instance, in the Brazilian state of Paraíba, some preliminary research is being done about the local red rice (*arroz vermelho*). Although the product presents great potential for the national and international markets, it is still a very important staple grain and a constitutive element of their culinary and cultural identity for many locals, who are worried that the possible success would make the rice too expensive for them and they would have to consume cheaper rice from other places.

This is just an example of how the problems connected with GI differ between post-industrial societies and emerging economies. The impact of GIs on development will be the focus of the following section.

5.4. GIs and international trade

Since GIs are internationally recognized legal categories included in trade agreements, we cannot exclude global aspects from the discussion. The status of GIs is one of the hot issues of the Doha round of negotiations within the framework of the WTO, a round with an agenda that has brought agriculture to the forefront. The EU is pushing to have his GI system recognized internationally and it is requesting more protection in exchange for the reduction of import tariffs and agricultural subsidies. In 2002, 21 WTO members (including countries as diverse as Cuba, Turkey, Kenya and India) proposed the establishment of a global registry for GIs. This move would extend to all products the protection afforded by TRIPS to wine and spirits (art. 23), according to which GIs cannot be used in translation or accompanied by expressions such as 'kind', 'type', 'style', 'imitation' or the like, and there is no requirement to prove that use of a geographic name by a non-authorized producer is misleading to the public (Doster, 2006). The EU also suggested the so-called 'claw back' clause, according to which names currently used as generic or as trademarks could be declared as GI-related names and the right for their utilisation could be taken away from the present owners. These proposals were discussed at the Cancun meeting in 2004, with no result. In June 2005, the EC submitted again an autonomous proposal containing the requests already presented in 2002. The meeting in Hong Kong in December 2005 was not able to reach any agreement on the subject. A group of countries (including Australia, New Zealand, the U.S. and several Latin American and Asian countries from the Cairns Group of agricultural exporting countries) proposed instead a voluntary system based on the creation of an international database. However, in January 2011, for the first time in 13 years negotiators have started working on a draft for a multilateral geographical indications register for wines and spirits, which could be used in the future as the model for an international register for all kinds of goods (WTO, 2011).

In the meantime, the issue has been taken up in international litigation. In 2003, the US and Australia requested the establishment of a WTO dispute settlement panel, arguing that the European system of quality indications was not in compliance with TRIPS requirements, did not provide enough protection to exclusive rights of the registered trademark owners and to the principle of priority in respect of senior marks and favoured European producers since it offered protection in Europe only to products from countries that offered a

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name-protection system similar to its own. The Panel report, issued in 2005, established that the European regulations are inconsistent with the TRIPS requirements in the matters of the equivalence and reciprocity conditions, and the involvement of governments in the application, objection and inspection procedures. However, the Panel endorsed the European principle of the coexistence of GIs with all but the most famous of prior trademarks, as two independent but equal forms of intellectual property. The EU issued Regulations 510/2006 to implement the recommendations of the WTO Dispute Settlement Body. As a consequence, foreign applicants whose name is protected in their country of origin can apply for registrations of GIs and object to proposed registrations directly with the European Commission, without involvement of their national government.

The debate is both economic and cultural. GIs as a form of intellectual property challenge the law, culture and economic logic of American business, oriented as it is towards liberal economic practices and values based on individual ownership.

The United States is familiar and comfortable with trademarks as a way of protecting the intellectual property associated with a business name. Trademarks belong to individuals or corporations (the latter being treated as individuals before the law), and can be bought and sold as a business asset. If they are infringed upon, it is up to the individual or corporation to defend their rights to the name before a court of law (Barham, 2003, p. 129).

In the European case, GIs do not belong to individual producers and require interventions and regulations from public bodies at the regional, national and union level. This system, which also implies forms of collective intellectual property, goes against the very essence of American business. The US law protects GIs (both national and foreign) in three alternative ways:

- As simple trademarks under certain conditions: when the name is not generic, when it is used extensively in commerce on specific goods/services and/or when the name refers to an obscure or remote place that consumers don't recognize or believe produces those goods (example: Tillamook Cheese in Tillamook County, Oregon).
- As Certification Marks, a specific type of trademark that includes a geographical description and is owned by the certifying entity, rather than by the producer, such as 'Washington' for apples and 'Idaho' for potatoes. While the certifier sets standards that users must meet, nobody can be excluded from the use of the certification mark, as long as the characteristics of the product are maintained (examples: Florida Citrus, owned by the State of Florida's Department of Citrus; Vidalia Onions, owned by the State of Georgia's Department of Agriculture; and Napa Valley, owned by

the Napa Valley Reserve Certification Board. As a matter of fact, discrimination can be cause for the cancellation of the mark (Montén, 2006, p. 326–327).

- As Collective Marks, used by members of a group of producers organised in a consortium or other similar organisations. Among the foreign certification marks registered in the US Patent and Trademark Office, we can mention Jamaican Blue Mountain Coffee, Gruyère de Comté, Prosciutto di Parma and Darjeeling; among the Collective Marks: the Black Rooster used by Chianti Classico producers in Tuscany and the Frankfurter äpfelwein, the apple cider from southern Germany.

In the EU, the European Court of Justice, the highest court within the Union, has jurisdiction over the TRIPS, EU laws and their enforcement. In particular the court can determine if the legislation of a member nation infringes upon the TRIPS requirements and the EU regulations about denominations of origin.

For example, in February 2008, the Court ruled against Germany that only the cheese from the Italian PDO Parmigiano Reggiano can be sold as 'parmesan', since the word is a translation of the protected GI and not a generic name. However, the court did not condemn Germany, affirming that it is the obligation on a member state to proceed on its own initiative against the abuse of a protected designation of origin (Case C/132-05).

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5.5. Economic viability and sustainability of a new GI

The topics discussed so far have touched on many elements affecting the viability of a new GI and its sustainability in the long run. It may be useful to examine them more closely.

From the point of view of organisation and governance, it is necessary that a critical mass of actors should acknowledge the possible advantages of requesting the GI status for their product. The initiative can come from local producers, from administrative bodies, from governmental and non-governmental organisations or from extension and educational institutions. If the success stories of other similar products can constitute a good incentive in exploring the legal and logistic aspects of establishing a GI, the question of the long-term viability remains relevant. The administrative and juridical procedures are lengthy and expensive, and it is not rare the case, especially in emerging

economies, that producers may withdraw their support (social, political and economic) from the project. From the beginning, it is necessary to provide long-term budget projections that clearly show the risks and costs involved, while also illustrating the possible advantages. However, as we have pointed out, not all economic interactions happen uniquely based on financial calculations. Other factors, such as close social connections among the actors involved, pride in their cultural traditions and in their technical know-how, and the identifications of possible outcomes in terms of tourism, visibility and fame can play an important role in sustaining the GI project over time.

Expert local leadership is necessary to mediate among the actors and between actors and the myriad institutions involved in the GI. Professional leadership hired from outside the community might not be fully aware of the power balances, the customs and the sensibilities of the actors involved, at times trying to apply managerial methods that, especially in tightly knit communities, may prove ineffective, if not counterproductive. The expert local leadership should have the cultural tools (in terms of education, regional and national exposure, and entrepreneurial experience) to be able to access all the available legal, technical and marketing counselling and advising, while demonstrating the political ability to navigate the often tricky waters of local, national and even international debates. Local leaderships should also be aware of all distributive issues that can derive from the possible increase in income expected through the establishment of the GI. However, at times the initiators of GIs are the elites who already enjoy a position of power within the community, securing most of the advantages and increasing social and economic inequality.

Once the GI status is obtained, it is necessary that products reach distribution and sales networks. Buyers in advanced economies, especially big buyers, are imposing increasingly higher standards to producers in order to carry their goods, in terms of quality, safety, packaging and presentation. If, for producers in advanced economies, these standards can present difficulties, the situation becomes extremely complicated for goods from emerging economies, where producers often do not have the know-how and the financial means to incur the costs required to meet the standards. When, besides private standards, we considered also issues of sanitary and phytosanitary international regulations, the barriers for producers from disadvantaged areas can prove insurmountable.

Even if local actors manage to establish and sustain a GI and distributors take the product on, long-term success is heavily dependent on many external factors, among which the most important is, naturally, the commercial appeal of the product. In a consumer culture where product differentiation becomes paramount for satisfying increasingly individualised clients and where markets are heavily segmented in terms of promotion and marketing, having a valid product does not necessarily entail great sales. It is necessary to create a public image for the product, not only highlighting its qualities but also the traditions, the stories and the community behind it. It is fundamental that

the product does not enjoy temporary success only as a fad or as part of a new trend, often heavily influenced by media and communication. The GI producers should be able to attract a solid and stable core group of consumers who are ready to pay the extra price in the long term and who could also function as involuntary (and unpaid) promoters. The failure of a new GI can have a relevant impact on a community, both from the financial and the cultural point of view. However, while in the EU or other industrialised countries the social costs of the set back can be reabsorbed within the same sector or in other sectors, for communities in emerging economies, failure could prove to be fatal. Many producers in those areas are rightly incensed by the fact that the destiny of their communities may reside in the shopping habits, preferences and desires of affluent consumers in other parts of the world, who may easily change their allegiances for the most diverse reasons. As we will see in the following section, the connection between GIs and economic and rural development is not a straightforward one.

5.6. GI and development

All over the world, local and national governments in emerging economies and nongovernmental organisations (NGOs) are attempting to highlight traditional products that could become value added specialty foods, ensuring higher incomes if they become popular and maintain high sales in the long run.

The establishment of GIs as a possible tool of development for rural communities is stimulating reflexion not only in academia, but also among political and economic decision-makers in local, national and international institutions. The commercial and cultural relevance of the perceived connections between specific foods and their place of origin has led to the debate on whether GIs can help in implementing forms of innovative, more just forms of community-based, quality-oriented agriculture in developing areas, or whether they are an expression of agrarian utopias based on romanticised ideas of the past and in fact contribute to the reproduction of global and local inequalities.

Proponents of GIs argue that they play a key role in the sustainable development of local communities. Deeply rooted in the culture and traditional knowledge, GIs can ensure conservation of local resources, which also contributes to food security. A GI can avoid delocalisation of the production of a product but it does not, as we will see later, necessarily mean immediate or necessary benefits for local producers. Nor is it necessarily small-scale by default. A GI needs to be produced in a given area that gives the product unique characteristics. This can mean that important factors, such as gender, labour and scale, are not necessarily given priority or even consideration.

A geographical indication can be a tool for local or community development and the definition of territories but only when the product is legitimately connected to a local area and local people. In Europe, the experience with GIs offers important case studies of successful branding, but there are also lessons to be learned. Outside of Europe, the development of GIs can provide not only increased access to markets, but also opportunities to reform agricultural strategies and enhance rural development.

The identity of GI products reflects the unique combination of local natural resources (climate, soils, local breeds and plant varieties, traditional equipments etc.) and cultural ones (traditions, know-how and skills, some of which are transmitted through generations) in a given territory, linking the product, the people and the place.

Promoting an origin-based product through a GI process can lead to benefits linked to the preservation of agriculture, culture, tradition, social systems, enhanced economic opportunities and enhanced environmental sustainability. To expand on these, economic benefits can be achieved through improvements to producer's incomes. Moreover, gastronomic or culinary tourism can enhance the economic situation of a community. GIs can build community by bringing producers together to develop the standards and the guidelines. This enhances cultural identity and teamwork but can also alienate people or create conflict when people are left out or disagree with the process. Finally, environmental benefits can be achieved when the value of local lands is seen as valuable and essential to the process.

The Organisation for an International Geographic Indications Network (oriGIn) highlights key benefits of GIs, builds on these attributes, highlighting the benefits of GIs for producers and consumers, as a market access tool, as a marketing tool, as an economic enhancer that protects local products and communities. They explain:

- **Benefits for producers and consumers**

GIs bring about several beneficial effects not only for producers, but also for consumers and local communities. In presence of a product whose unique qualities depend on its geographical origin, setting-up a GI can have a positive impact on the production and employment within the region, allowing producers to market the product at a premium price (consumers are ready to pay such a price in exchange of the quality 'certified' by the GI), as well as to allow a better income distribution throughout the whole production chain. Moreover, GIs encourage the diversification of production, representing an excellent tool for market access. In a global market context, consumers are increasingly looking for unique quality products. Thanks to GIs, consumers can benefit from a wider range of

Extra reading

Chapters 1 and 2 of:
Giovannucci, D.; Josling, T.; Kerr, W.; O'Connor, B.; Yeung, T. (2009). *Guide to geographical indications: linking products and their origins*. Geneva: International Trade Centre.

choice and diversity. Likewise, by preserving traditional productions, GIs contribute to avoiding the standardisation of food products.

- **GIs: a market access tool**

GIs have long been considered exclusively as a European phenomenon. However, developing countries have an important potential in that field. Numerous cases of geographical names, either already protected in their country or in the process of being recognized, such as 'Colombian coffee', 'Argan oil' from the Souss Massa Draa region in Morocco, 'Phu Quoc' from Vietnam, 'Blue Mountain coffee' from Jamaica, 'Pochampally Ikat' (a textile) from the Indian State of Andhra Pradesh, 'Pisco' from Peru, 'Quinoa Real de Lipez' from Bolivia, 'Hereke' (a specific carpet) from Turkey, show that GIs can create wealth and add value in developing countries.

- **GIs as marketing tool for agribusiness and handicraft products**

Unlike other intellectual property rights, like patents and trademarks, which require innovative knowledge and a technology capable of industrial application, GIs are generally based on a minimum level of innovation. Developing countries are rich in this kind of traditional knowledge, generated and transmitted over generations. An appropriate use of the GI scheme can help them transform this knowledge into marketable products and reach out international markets. Moreover, poor countries have a competitive advantage in labour-intensive sectors such as agriculture and handicrafts. Through GIs (which by definition apply to these sectors), producers of generic goods in developing countries can turn into exporters of high-quality agribusiness and handicraft products.

- **Spill-over effects over the economy**

GIs have the potential to generate positive effects on the overall economy of a country (employment, creation of opportunities in other sectors such as tourism, prevent rural exodus etc.), the protection of the environment, gender issues, preservation of traditional knowledge and biodiversity etc. These questions have a strategic importance for developing countries. For instance, following several studies, the UNCTAD Biotrade Initiative concluded that, more than other major types of intellectual property, GIs have features that respond to norms for use and management of bio-resources and traditional knowledge that are characteristic of the culture of many indigenous and local economies. Furthermore, GIs have the potential to contribute to the protection of the environment. The argan tree in Morocco (used in the production of argan oil), which contributes to stop the process of desertification in the region of Souss Massa Draa, explains this component well.

- **Preventing delocalisation**

Another advantage for developing countries is the opportunity offered by GIs to prevent the delocalisation of production. A GI can only be produced in a given area that confers the product –by virtue of its climate, 'terroir'

or human factor– its specific characteristics. As a result, big corporations are restricted from 'capturing' the added value of traditional products and related methods through the appropriation of these techniques and the production of the goods outside the area of origin.

- **'Collective rights' and income distribution**

GIs represent a specific case of intellectual property right. GIs do not confer individual rights (such as in the case of patents and trademarks) but rather 'collective rights'. In such a case, the right over a geographical name does not belong to a single company, but to all producers in a given geographic area that respect a specific code of conduct. This type of right fits particularly well the social structures of developing countries, where the community often plays an essential role and has a tremendous potential in terms of income distribution. For small producers of developing countries, GIs present other additional advantages over trademarks (again in the interest of small producers in developing countries): lower registration costs and no need of renewal; the possibility to protect a geographical name without the need for it to have acquired a distinctive character; lower costs and more effective enforcement mechanisms; stronger protection against the use of the name in translation and/or with expression such as 'like' and 'style'.

- **Economies of scale for small producers**

A collective approach among producers and various actors of the value chain is needed to create and develop a GI (e.g.: to define production standards, to set-up a common platform for the GI management, to agree on governance rules of the association of producers, to deal with quality control issues and to elaborate common marketing strategies). This generates economies of scale that are beneficial for producers, especially for small structures that do not have a critical mass to carry out the above-mentioned activities on their own.

- **GIs as a light monopoly**

GIs are a peculiar type of intellectual property asset. The monopoly over a geographical name is not an exclusive right over a certain category of products, as in the case of patents. The producers of 'Coffee of Kenya' are not entitled, neither wish, to prevent others from producing coffee. The right conferred by the GI is limited to banning competitors outside the defined geographic area (or inside the geographic area for those not respecting the code of conduct) from using the name 'Kenya' in connection with their products. There is no factual link between a stronger legal regime for GI protection and reduced competition in the international trade of foodstuffs and other origin products. GIs present limited risks of reducing competition in the marketplace, and have rather the potential to promote competitive behaviours among producers keen to differentiate their offer

of goods through improved quality. Consumers also benefit from GIs as they reduce transaction costs in their search for niche products.

Activity

Do you think GIs could actually have a positive impact for a product in your region? What would the benefits and limitations of a GI be for this product? Write a short (2 page maximum) reflexion that answers these questions. Submit it to the Continuous Assessment Area in the classroom.

5.7. GIs in the Global South: Challenges and opportunities

The adoption of GIs might present several advantages for producers in emerging economies, even if they are in a particularly weak position given the costs involved in creating and maintaining the administrative organisation necessary for the establishment of the GI, the legal counsel for the protection of intellectual property and the marketing and promotion network to sustain visibility and sales (Evans and Blakeney, 2006).

Furthermore, since producers' associations are often weak, it is often development agencies, non-governmental organisations and national institutions – both private and public – that focus on GIs as a possible tool in rural development in disadvantaged areas. Only through the joint effort of these larger stakeholders in terms of legal know-how, administrative organisation and international certification can local producers understand the advantages of creating forms of cooperation and ensuring forms of protection and promotion of their goods.

GIs have sometimes been opposed to as being 'development adverse' instruments, since unlike trademarks and patents they are a form of intellectual property that is not based on innovation and creativity but rather on the reputation of traditions and artisanal skills that are transmitted over generations in specific places (Vittori, 2010). However, this very aspect offers growth opportunities for emerging economies where traditional foods are often produced in marginal or unfavourable areas and where small farmers are unable to reach economies of scale that would allow them to free themselves from a commodity-based export model (CIRAD, 2006; Tregear, Arfini, Belletti and Marescotti, 2004).

Under this set of conditions, the development potential of GIs has been examined within the research on global value chains that focuses on the relationships between buyers, distributors and producers by following the movement of goods or services from the origin to the final consumer, as well as through the analysis of their governance dynamics. According to this approach, the final consumers' perception of the unique qualities attributed to local specialties produced in limited amounts can differentiate them from homogeneous and mass-produced commodities, pushing them up along the global value chain

and ensuring greater portions of the final sale value for the producers. Value-chain analysis suggests that by using certain characteristics of global trade to their advantage, instead of just being its victims, producers and administrative bodies in emerging economies can actually take advantage of the renewed interest in immaterial, value-based qualities in the final markets, usually located in post-industrial societies (Kaplinsky, 2004; Nadvi, 2004; Ponte and Gibbon, 2005). In this sense, GI production chains could be considered both as producer-driven, pushed by the manufacturers' and suppliers' effort to identify specific products while building their commercial value, and buyer-driven, because the possible success of GIs also resides in the renewed interest of retailers, marketers and consumers with disposable incomes who are willing to acquire goods that they perceive as valuable because of cultural traits they attach to them.

While the economic impact of GIs has been widely studied in Europe, the literature regarding their implementation in other areas is still relatively limited, although growing (Marie-Vivien, 2010; Kireeva and Vergano, 2006; Rousel and Verdeaux, 2007; Suh and MacPherson, 2007; Teuber, 2010; Wang and Kireeva, 2007). As we already mentioned, research indicates that GIs may present several advantages for rural development depending on the socio-political environment and whether they are relevant for the producers involved, affordable in terms of administrative and management costs, and applicable on different scales (Bowen, 2010; Bramley, Bienabe, and Kirsten, 2009; Giovannucci, 2008; Grote, 2009; Rangnekar, 2004; Reviron, 2009; Van de Kop, Sautier, and Gerz, 2006). Let us examine these potential advantages more closely.

First of all, protection and reputation offered by GIs can prevent the commercial exploitation of local resources by economic actors who are external to the community. In fact, GIs might tend to discourage possible registrations of traditional local products as commercial trademarks by third parties.

For example, in 1997 the Texas-based company RiceTec was granted a patent for basmati rice by the U.S. Patent and Trademarks Office. The patent was so broad it would have granted RiceTec the exclusive use of the term basmati and a monopoly on farm-bred basmati varieties from Southern Asia in the Western Hemisphere, including proprietary rights on seeds from hybrids (Lightbourne, 2003; Watal, 2001). The international patent was revoked, while the national one is still valid, but the question of the registration of basmati as a GI is still pending for a name that refers to several varieties grown in the northern part of Western Punjab, on both sides of the Indo/Pakistani border. Although India has implemented GI legislation since 2003 and a Trademarks Ordinance came into force in Pakistan in 2004 (with the application for the registration of Basmati as GI filed in 2005), political tensions and pressures from local traders keep national authorities on both sides of the border from resolving the situation (Chandola, 2006; Giraud, 2008). Similarly, an attempt to trademark the name 'Darjeeling' was thwarted by the Tea Board of India, which succeeded in having the trademark cancelled (Le Goffic, 2008).

Furthermore, by employing local knowledge and farmers' know-how, GIs can stimulate entrepreneurial attitudes within rural communities, potentially assuring higher revenues and limiting the migration toward urban centres and to the Global North. However, this is not a guaranteed outcome; depending on the social and political structures surrounding the GI production, the new

income can increase inequality. Some research has evaluated the impact of GIs on the real estate market of the area of origin, whether increased commercial values would exclude the less affluent producers (Blackwell, 2007). On the other hand, if GI property rights were considered as collectively owned and a common good that cannot be delocalised or sold, the resources derived from their commercial value could be reinvested in the development of local communities and in the conservation of the environment through sustainable agriculture (Zografos, 2008). Finally, since the revenues from the commercial value of GIs are a common resource, they could be reinvested in local community development and conservation of the environment through sustainable farming.

Not all countries are following the GI road. For example, over 40 years ago the Colombian farmers created The Colombian Coffee Federation, which was owned and controlled by over 500,000 members. They developed the Juan Valdez branded coffee, followed by the creation of the chain of Juan Valdez cafés, with an intellectual property portfolio that includes trademarks, certification marks, patents, and geographic indications. However, in 2007 Colombian coffee became the first non EU Protected Geographical Indication (PGI), to be recognized in the EU. More recently, in 2007 Ethiopia's pro bono lawyers at Arnold & Porter became involved in a very public debate with Starbucks about the trademark registration of three of Ethiopia's more famous varieties (Sidamo, Harar and Yirgacheffe) in more than 30 countries (Barracough, 2007). Starbucks polemically pointed out that Ethiopia should have protected its coffees with GIs rather than intellectual property legislation. Rather than charging royalty fees, the Ethiopian government is issuing royalty-free licenses to international companies for the use of the three trademarks in exchange for their promotion and marketing, hoping that the increase in demand will also lead to a rise in price.

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5.8. GIs and the environment

While much of the discussion regarding GIs is still limited in the assessment of their effects on biodiversity and the environment, authors that address the issue tend to state that "[b]eyond the legal protection of the geographical name, which represents their founding principle, [GIs] can contribute to maintaining biodiversity in general and genetic resources in particular" (Berard and Marchenay, 2006, p. 109). Many of the plant-related traditions and productions that are a part of cultural heritage and indigenous knowledge, and could also be protected as GIs, are in fact quite specific to certain areas and usually not cultivated on a large scale. In this sense the diffusion of these legal categories not only in the Western world but also in emerging economies would contribute to maintaining and defending biodiversity, which could thus turn into an economic asset with a potentially noticeable impact on rural development.

In the current landscape of global agriculture, suppliers of food are forced to pursue different tactics of production in order to maintain a profit. This may include the homogenisation of crops or even a complete switch to cash crops that are deemed to be more profitable. From the environmental point of view, problems may arise from the fact that much of the new crops are non-traditional and often do not adapt to the soils where they are grown. Such changes in production practices and crops have unavoidable effects on all aspects of the surrounding environment, resulting in the disruption of the ecosystem. The other side of such drastic change in crops that many seem to face is the danger of homogenisation. When producers are lured into harvesting a certain product for economic incentives and devote their entire production to that one breed, it becomes highly susceptible to complete annihilation when a disease hits. Without variety, a single plague can wipe out entire areas as it happened in the Irish potato famine in the 19th century.

Against such background, there would seem to be great room for GIs to play an important part in reversing and preventing environmental damage. In Western countries, with the right amount of incentive, the cultivation of high value-added crops outside the commodity model could attract people back to the countryside to continue or rediscover the utilisation of traditional and local knowledge. In emerging economies, it could counter the long-term trend of intensive urbanisation that is causing social and economic trouble in many

countries. The pull to produce plants that are native to the area could in turn lead to a better stewardship of the environment by sustaining its characteristics to protect the farmer's profits and livelihood.

Research suggests that these traditional practices can "contribute to productivity, resilience in farming systems, income generation, nutritional values and food and livelihood security for numerous societies... [A]gricultural biodiversity also provides ecosystem services on farms, such as pollination, fertility and nutrient enhancement, insect and disease management, and water retention" (Thrupp, 268). However, these benefits cannot be considered automatically inherent to the establishment of a GI for a local traditional crop, also because the legal definition of a GI only refers to its origin without any mention of agricultural practices.

GIs, especially in emerging economies, are often economically viable because they can count on an international audience of gourmets. What impact would the use of fuels have in transporting the products? Very often GIs become the focus for the inflow of visitors interested in culinary specialties and tradition. What is the environmental impact of this kind of culinary tourism on the area of production? Do GIs inherently tend to promote forms of sustainable tourism or could they become also appealing for mass tourism? Theoretically, the higher values of their crops could push farmers to grow more in larger areas and more intensively, with risks of soil degradations and water scarcity. At the same time, the growing market value of traditional crops could make them unattainable for the very communities where they originate, turning them into luxury items and excluding them from the local cultural life. On the other hand, farmers might want instead to ensure the sustainability for their production in the long run, thus engaging in a better stewardship of their environment. Depending on the social dynamics within the different communities, parts of the GI crops could be kept for local use at accessible prices in order to maintain their cultural significance.

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6. Case studies

In this section we will take a closer look at two GI products. These case studies are best approached by asking many of the questions that were addressed in the previous section of the course.

6.1. Costa Rica: Queso Turrialba (Turrialba Cheese)

In the past few years, Costa Rica, one of the most developed countries in Central America, had been trying to add value to its food productions. Attempts at differentiating products through labels and other marks of qualities have been carried on in various Central American countries (Oyarzun and Tartanac, 2002). This section explores the social, economic and political negotiations behind the development of one of these labels, the denominations of origins (from now on DO) and their interaction with the actual cultural, historical and geographical realities of the country. Following the adoption of TRIPS by the World Trade Organisation, in the last decade Costa Rica has been working to create its own system of geographical indications. To do so, the Central American country has chosen the European Union approach as its model to create legislation on DO, which from the point of view of the WTO can be considered as a specific type of GI.

We will pay particular focus on the case of the cheese from Turrialba, a district on the slopes of the Turrialba volcano in the province of Cartago, on the Caribbean side of Costa Rica, with an extension of about 127.40 km² and a population slightly over 3 000 inhabitants (Cascante, 2006, p. 286). This area produces about 70% of the fresh cheese consumed in the country (Boucher and Blanco, 1991). Although very often the establishment of a GI or a DO are often perceived by consumers as the acknowledgement of food items that already exist as parts of local traditions and that only need to be brought to light and protected, the analysis of the Turrialba Cheese case suggests that typicality and its legal expressions, such as GIs and DOs, are actually constructs that result from political, social and economic negotiations, both internal and supranational. The Turrialba Cheese case problematises the concept of *terroir* and its use in the establishment of DOs.

Within the recent juridical framework adopted by Costa Rica to establish its DOs, Turrialba cheese offers a very interesting case to analyse the opportunities offered by the system but also its difficulties and its inherent entanglement with domestic and international trade policies. The cheese is produced by about 250 small family-owned units, using whole raw milk, and 12 small industrial plants, which on the other hand work on pasteurised skim milk

(Granados and Álvarez, 2006). According to the *pliego de condiciones* (technical specifications), Turrialba cheese is "a natural, fresh, semi-hard, low fat, creamy white to creamy yellow cheese" (ASOPROA, 2008, p. 1).

Turrialba cheese is not a very specific product from the point of view of its organoleptic characteristics. In nearby hilly areas, farmers produce similar raw cow milk cheese, often selling directly to neighbours and local shops. These generic cheeses, produced in basic facilities within minutes from the cow milking places (if not in the same place) and with limited hygiene, need to be consumed within very few days. However, in the area of Turrialba, many producers are trying to improve the manufacture procedures by building better, more hygienic facilities with good refrigeration systems. A certain number of semi-industrial firms, organised in cooperatives, buy milk also from other areas and produce items such as cream, yogurt and butter, besides cheese, resorting to more advanced marketing and distribution strategies. In 2002 these firms created the *Asociación de Miniplantas Caseras de Turrialba* (ASOPLUT), an association of local mini-plants, with the goal of improving production in terms of quality standards and controls. (Cascante, 2006, p. 290; Martínez-Piva, 2009, p. 4647).

The lack of extraordinary –or at least very specific– organoleptic qualities, the fragmented manufacturing structures and the varied methods would seem to make the establishment of a DO for the cheese quite complicated. Nevertheless, the *Asociación de productores agropecuarios de Santa Cruz de Turrialba* (ASOPROA), the association of small and medium producers from Santa Cruz de Turrialba, one of the villages on the slopes of the volcano, went ahead with the elaboration of DO application. According to Leonardo Granados, an agronomist that worked on the application on behalf of the producers' association, the specificity of the product has two dimensions: a vertical dimension and a horizontal one. For Granados, the vertical is the connection to the territory and its specificities and the horizontal is the history of its manufacture. While it is not easy to argue for a strong link between the product and its area of origin, in the sense that it cannot boast specific cow breeds or native grass on which the animals feed, the product history is sufficiently marked in the case of Turrialba cheese. Although there are no published studies on the topic, from the analysis of the local traditions it can be proved that specific production methods have been present in the area from more than a hundred years, introduced by farmers who probably came from Castilla-La Mancha in Spain (Blanco, 2007, p. 12-16).

However, the manufacturing or aging methods are not particularly distinctive. According to the technical specifications of the DO (*pliego de condiciones*), Turrialba cheese should be pressed for a minimum of eight hours, with possible increases and decreases up to 4 hours (ASOPROA, 2008, p. 21). However, there are small producers that do not press it: they remove the curd from the whey, put it in a mould for ten minutes, overturn it, put it in the fridge, and they take it off to the market. The cheese can be manufactured with an industrial

process as well. However, the technical specifications list a more specific category, known as 'Turrialba maduro', which literally means ripe or aged. In this case, the mould is cylindrical, originally made of wood, and the cheese is aged for a period that can vary between 8 days to 3 months (ASOPROA, 2008, p. 21). This type, yellow and creamy, finds its historical origins in the difficulties in transportation that in the past did not allow it to get to the market before a month or more. Both the fresh and the aged cheese can be marked as '*queso artesano*' (meaning artisanal cheese), if it is produced manually by family-owned units, using exclusively the milk from their farms (ASOPROA, 2008, p. 1).

After four years of preliminary studies, the application for the DO was finally filed in 2006 by ASOPROA. According to Carlos Víctor Gómez, one of its directors, ASOPROA, the association originally formed in 2000 to coordinate the distribution of aid coming from the central government on the occasion of torrential rains that threatened the farmers' livelihood, had at first about 230 producers as members. Among those, only 65 are still paying the fees to maintain their membership and around 20 were directly involved in the elaboration of the DO project (Gómez, interview, January 13, 2010). Daniel Rueda, professor of agricultural sciences at the Universidad Nacional de Costa Rica and in charge of the *Centro Nacional para el Desarrollo de las Denominaciones de Origen Agroalimentarias* (CADENAGRO), the National Centre for the Development of Agricultural DOs, argues that many producers have given up with the DO project because they have lost faith, since it is a lengthy process and the costs of implementation are high (Rueda interview, January 7, 2010). Moreover, although cheese Turrialba is the most advanced DO in Costa Rica in terms of application, regulations and technical specifications, the approval by the Register of Industrial Property has been hindered by the legal objections of Dos Pinos, the largest milk producers' cooperative in Costa Rica and possibly in Central America. They sell a 'Turrialba cheese' and claim that the name can be used for generic, undifferentiated fresh cheese.

In Costa Rica the number of consumers who search for information, who are careful about products and look at the labels are still relatively few, however there is a relevant part of the population who is familiar with the name 'Turrialba cheese', also thanks to the products distributed and exported from Panama to Mexico by Dos Pinos, which has made a multimillion-dollar investment in the name Turrialba. The main difference is that the Dos Pinos cheese has a fat content of around 2.5%, while the products from Santa Cruz boast a 4% fat content and up, which implies a different colour and creaminess (Granados, interview, January 7, 2010). However, in Santa Cruz, producers cannot claim a specific process of manufacture, since similar methods are employed throughout the country. The main issue is that the Dos Pinos does not produce Turrialba cheese in the territory of Turrialba, so they could not participate in the DO, if this is finally established. The solution would be to establish a 'Santa

Cruz de Turrialba' DO, but apparently 'Santa Cruz' has already been inscribed in the register of intellectual property as a brand name by a private company (Gómez, interview, January 13, 2010).

To make the whole situation even more complicated, in January 2010 the volcano Turrialba started a series of eruptions whose consequences on the cheese production and the DO project are still to be fully assessed, in terms of ash fallout and subsequent acid rains, which apparently have been burning pastures and causing dermatitis in the cattle. The biggest milk producing firms, which were located closest to the crater, have been forced to sell or move most of the cattle. The smallest milk producers, however, who are located in the lower slopes of the volcano and also make cheese, have been apparently less damaged.

Besides the problems specific to the Turrialba cheese, there are wider issues concerning the laws and regulations covering DOs in Costa Rica. There are some general issues that make the application for a DO complicated and expensive for producers, since the administrative process requires technical and logistical skills that most local producers do not master. In fact, the application must include technical specifications such as the detailed description of the product and its methods of manufacture, its connection with the territory and the precise boundaries of the area of production (and the criteria for its definition), as well as administrative regulations, specification about the product quality standard, security, traceability etc.

Thanks to its technical and administrative organisation, together with the financial support of the Spanish International Cooperation Agency (AECI), the Costa Rican Coffee Institute (Icafé) has launched several processes to deliver the DO for the coffee that is produced in eight regions of the country: Brunca (South), Turrialba, Orosi, Los Santos, Central Valley, West Valley, Three Rivers and Guanacaste, with different varieties and geographical altitudes, quality of soils and waters, and cultural characteristics of production (Nacion.com, 2007). The potential DOs chosen by Icafé, however, do not seem to necessarily coincide with the production areas that so far have managed to make a name for themselves in the international coffee markets, such as Dota and Tarrazú, which are often featured by sellers of single origin coffees, such as, for instance, the online store Down To Earth (Down to Earth, 2010). As a matter of fact the *Asociación Reguladora de las Normas de Origen de Los Santos*, the organisation created in October 2005 to obtain the DO for the Tarrazú coffee, is determined to work independently from Icafé because the national organisation considers the Tarrazú as much larger, to include some producers from lesser areas, a move that the producers from the most renowned areas argue would impact the quality and the fame of their coffee. (Camacho Sandoval, 2007). The internal tensions in the coffee sector have been exacerbated by the

negotiations that have taken place between the states from Central America and the EU that have led to the signing of an association agreement in May 2010 (Council of the European Union, Press Office, 2010).

During the negotiations, Central American coffee producing countries were pushing to have their roasted and soluble coffees enter the EU tariff-free, as that far tariffs had ranged from 7.5 to 11.5 %. Furthermore, while the Central American countries wanted the origin of a coffee to be determined by the place where the beans are grown and harvested, the EU pushed for the origin to be determined by the place of roasting (Barquero, 2008). According to the new agreement, the origin of the coffee will be established according to the growing place and DOs of products such as *café de Costa Rica* and *banana de Costa Rica* will receive protection in the EU in exchange for the protection of DOs from the EU, including the dairy sector (Sanabria and Bermúdez Mora, 2010; Comex, 2010). Of course, it is not clear when all the EU countries will ratify and implement the agreement. In fact, in January 2011 the Costa Rican Registry of Intellectual Property approved the first GI, 'Banano de Costa Rica', with the request presented by Corbana, the National Banana Corporation, founded in 1971 to help develop the sector and funded in equal parts by the Government, the three Central Banks and the banana producers (Vindas, 2011). As stipulated in the association agreement with the EU, the geographical indication should find recognition also in the EU system.

The banana case might change the balance of the game in the country. The possible consequences for the Turrialba cheese and the lawsuit filed by Dos Pinos, which produces parmesan and mozzarella are still unclear. At any rate, it is likely that the DO system will receive a boost by the conclusion of the agreement with the EU, bringing Central America on the EU side and probably against the approach spearheaded by the USA that sees in the trademarks the most important regulatory instruments in the negotiations at the WTO level.

Side by side with the efforts to create a DO system, other initiatives have been launched by producers, such as the Cheese Fair (*Expoferia del Queso*) that has taken place in Santa Cruz de Turrialba every summer since 2005 with the goal of promoting local dairy products and of turning the event into a tourist attraction, apparently with growing numbers of visitors and media buzz. (ASO-PROFOLAC, 2010). According to Eliecer Vargas, specialist in rural economics at CATIE (*Centro Agronómico Tropical de Investigación y Enseñanza*), located in Turrialba, these kinds of projects stimulate the inventiveness and the entrepreneurial skills of the local producers without requiring excessive investments or administrative burdens (Vargas, interview, January 8, 2010).

Furthermore, other policies and commercial strategies have been adopted in Costa Rica (and in all Central America) with the goal of facilitating rural development, including labels such as *Artesanía agroalimentaria*, *Calidad superior*, and *Sello nacional* (Granados, 2005).

Considering these technical, structural and cultural aspects, it would seem that the DO system might be too complex for Costa Rica, at least in the present political and economic environment. Why was the system adopted in the first place? There were several factors that led to its establishment. According to Liliana Alfaro, former director of the Register of Industrial Property, the introduction of the theme of geographical indications in the political and juridical debates in Costa Rica seems to have origin in external pressures, rather than internal dynamics (Alfaro, interview, January 12, 2010). The law 7978 on trademarks (*Ley de Marcas y Otros Signos Distintivos*) dated January 6, 2000 (SCIJ 2010a), whose articles 2 and 21 define DOs and GIs, was introduced also to meet the requirements of the international treaties such as the Paris Convention for the Protection of about Industrial Property and the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration, which Costa Rica joined respectively in 1994 and in 1996.

Following the introduction of the law, in 2002 Leonardo Granados and Carlos Álvarez organised a survey that involved key people in the private and public sectors, all of them somehow connected with agricultural production (Granados and Álvarez, 2002). Dr Granados earned his doctorate in Spain with a dissertation about denominations of origin, while Dr Alvarez had worked with him on it, so they brought to Costa Rica an expertise acquired in Europe. According to the authors of the survey, although those who responded had limited knowledge about DOs, they showed a positive attitude towards the establishment of the system, especially in terms of quality, image and access to new markets. Also in the business sector the new law elicited some interest. Between the issuing of the law and 2007, fifty-four applications were filed with the Register of Industrial Property of Costa Rica. However, a regulation for the dispositions about GIs and DOs that actually organised the procedures to apply for the label was issued only later as the Executive Decree no 33743 of May 2007 (SCIJ, 2010b). Until then, the Register claimed it could not process any request because there was no regulation. After the 2007 regulation was issued, forty applications were rejected in one year (Rueda, interview January 7, 2010). According to the Executive Decree, the Register of the Industrial Property has legal responsibility and authority to order, organise, process, certify and register the DOs. The same decree contemplates the specifications necessary for the recognition of each DO, including the link with the territory, geographical boundaries, history and specific features. But nobody knew how to actually prepare such documents, since the decree did not contain any accompanying forms or specific guidelines, as in the case of the European countries on whose procedure the law was modelled. In Costa Rica, according to Rueda, almost anything can get to the register, with the consequence that so far no DO has been approved. Furthermore, the register in reality has only the competence to assess the legal aspects of the application and their adherence to the formal requirements, but is not able to judge whether the product for which the DO is requested actually has the potential and solid bases to apply for the recognition.

To facilitate the process, the *Centro de Apoyo para el Desarrollo de Denominaciones de Origen Agroalimentarias* (CADENAGRO) was established in 2009 in the School of Agricultural Sciences in the Universidad Nacional and it has already received the approval of CNP and the Register of Industrial Property (Infoagro.net, 2010). The institution should have the task to "identify, characterise and provide services for the differentiation of products", although so far no full time staff has been assigned to it due to lack of funding (Rueda, interview, January 7, 2010). The CADENAGRO could offer agricultural producers the services necessary to evaluate the possibility of protecting products under the DO regulation. The organisation, which in the plans will have a multidisciplinary team to deal with both the research and practical aspects of DOs, could also examine the application filed with the Register of Intellectual Property, which only has the juridical task to determine that the names proposed for the potential DOs are not already in use as commercial trademarks. The CADENAGRO would provide the technical expertise to evaluate the content and the form of the DO applications and specifications, although it is not clear whether this falls under the Register's jurisdiction.

The legislation for the defence of intellectual property and trademarks and the regulations for the creation of GIs are the result of a series of international agreements and the push for actually establishing GIs has come from various stakeholders, including institutions of higher education, agricultural development professionals and only secondarily from actual producers, since the very concept was foreign. As a result, very high expectations have clashed with administrative quagmires, logistic difficulties and frustration, which have pushed many producers away from the project. At the same time, the very discussion about the possibility of DOs has elicited reflexions on the historical and cultural value of *terroir* and typicality, while at the same time highlighting their economic potential for local communities.

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6.2. Tokaj Region, Hungary

6.2.1. Background

The wine region of Tokaj-Hegyalja (Hungarian for Tokaj Foothills) is the most important and internationally known wine-producing region in Hungary and, probably, in Central Europe. It is located in the northeast (specifically, 48° 15' north and 21° 20' east) about 200 kilometres from the capital, Budapest, near the Slovak border and near the current borders of Romania and Ukraine.

Mount Tokaj (1,372 m) looms over this historic region and the rivers Tisza and Bodrog flow along the feet of the Zemplen mountains and, from there, the area extends to the Great Hungarian Plain. It occupies an area of about 7,000 hectares, mainly vineyards, and is composed of 27 municipalities (29 if we also include two locations occupying 5.65 km² located across the border in Slovakia, with which the dispute over whether or not they form part of the Tokaji protected denomination of origin (PDO) has not yet been completely closed, despite the agreement between the two countries in June 2004³).

⁽³⁾The agreement between the two countries states that locations in Slovakia are welcome to adapt its wine production to the standards set by the PDO from Hungary.

The soil is mainly volcanic clay and yellow loess with a base of volcanic rock. The climate is distinctly continental with hot dry summers, cold winters and long and warm Indian summers in the autumn.

It would certainly be a truism to say that this region is internationally known for its wines. Producing only white wines, Tokaj-Hegyalja has become particularly famous for its *aszú* wines: sweet wines that are characterised by their interesting balance with acidity.

Aszú⁴ Tokaji wine is obtained using berries affected by noble rot, *botrytis cinerea*, to which the four varieties of grape (grown and licensed) in the region: Furmint, Hárslevelű (Hungarian for linden leaf) Sárgamuskotály (or yellow muscatel) and Zeta (a cross of the Bouvier Furmint variety) are prone. These varieties produce different types of Tokaji⁵, although the most important and predominant variety of the territory is the Furmint, which occupies 70% of the cultivated area.

⁽⁴⁾Aszú is the Hungarian term which specifically refers to the resulting wine from the fermentation of grapes that have been attacked (and dried on the vine) by the *botrytis cinerea* fungus.

The main characteristic that favours the infestation of *botrytis cinerea* is the microclimate of the area, the foothills of Tokaj. Tokaj mountain, shields the vineyards from the cold weather from the north and the foothills face the great Hungarian Plain, which stretches south and, along with its altitude, favours a climate for the cultivation of the vine. The two rivers that flow along the area, the Bodrog and Tisza, bring frequent fog and moisture necessary for the infestation and development of *botrytis*. This creates an exceptional microclimate, moist periods of fog and occasional temperature rises, the ideal conditions to further noble rot and make the grapes partially raisined while still on the vine.

⁽⁵⁾We will use the term Tokaj-Hegyalja for the region, on the one hand, and Tokaji (the inflected form, literally 'from Tokaj') for the wine.

Aszú berries are harvested by hand, one by one, during various phases (3 to 4) during harvest. This fact, together with the large amount of grapes needed for the production of aszú wines, plays an important role in the price of these wines, which can be significantly high.

The aszú wine classification is made in terms of its degree of sweetness. This degree of sweetness is given in *puttonyos* (baskets containing 25 kg of botrytised, raisined grapes). The number of puttonyos of aszú berries added to the same volume of wine or must (the volume of wine or must base is always set

using *gönci*, 136 litre barrels) determines the richness and concentration of aszú wines: 3, 4, 5 and 6 puttonyos and *aszú eszencia* (a highly rated wine, with a high concentration of sugars and an exorbitant price).

Aszú berries are added to the wine or must base and then left for between 12 and 36 hours. This favours the extraction of sugar, acids and all the complex aromas of the grape. Aszú dough is pressed and fermentation takes place later in stainless steel tanks and in Hungarian, or in some cases, French oak barrels. Aging lasts for a minimum of three years, two of which must necessarily be in oak barrels.

However, although the region is internationally known for its aszú sweet wines, it should be noted that it is also a producer of excellent dry white wines. Especially noteworthy are precisely the wines made with the Furmint variety, increasingly valued both inside and outside Hungary.

A third type of wine is called *szamorodni*, which is a wine made with late harvest grapes in which aszú or raisined berries are harvested and vinified mixed with grapes not affected by *botrytis* resulting in wines with a distinctly sweet, though lighter, soft and fruity character.

6.2.2. The history of Tokaj-Hegyalja: Rise, decline and... Renaissance

Tokaji wine has always been internationally appreciated and is considered one of the jewels of the wine world. Its origin is dated around 1630, when the legend says that the evangelist Laczko Szepesi Máté, having delayed the harvest day after day due to the war against the Ottomans, decided not to lose, but still collect the grapes that had already been attacked by *botrytis*. The resulting wine was certainly a surprise and he presented it as an Easter gift to the table of his wife, Szuzsanna Lórántffy, daughter of the Prince of Transylvania, György Rákóczi I (cf. Alkony, 2000, pp. 84–87). From that moment, Aszú Tokaji wine found on its path to glory.

The year 1737 is especially significant regarding the future establishment of the PDO. In that year, the first official territorial delimitation of the wine region of Tokaj-Hegyalja was established by imperial decree. Thus, the decree stated that the recognized wine-producing region covered 30 towns in the area (the current region of Tokaj-Hegyalja) and basically corresponded to the area recognized in the current PDO.

In 1730 a process of classification of the vines began. It was to be completed years later with a national census, between 1765 and 1772, when, again by royal decree, the first classification system of the internationally renowned

vineyards, describing certain estates (some of which are still producing wine today) in terms of their vines and the quality of their production (first, second and third class), was completed in Tokaj-Hegyalja.

Tokaj-Hegyalja and Porto in Portugal (along with Chianti in Italy) claim the honour of having established the first denomination of origin in the world. In the case of Porto, in 1756 the prime minister, the Marquis of Pombal, created the *Companhia Geral da Agricultura e Vinhos do Alto Douro* by law and, with it, the demarcation of the Alto Douro region, which extended throughout the wine-producing area of the valleys of the Portuguese Douro and its tributaries as a way to protect both the product itself and the national interest. Usually, this honour is granted to Porto because although the boundaries of Chianti and Tokaj-Hegyalja were defined in 1716 and 1737, respectively, none of these regions were technically PDOs subjected to continuous monitoring and strict regulations by the government as occurred in the case of Porto (cf. Gatti, Giraud-Héraud & Mill, 2003, p. 8).

The phrase '*vinum regum, rex vinorum*' (wine of kings, the king of wines) is credited to the French monarch Louis XIV, who, they say, had a fondness for sweet Tokaji wines (Alkony, op. cit. p.84). But he was not the only authority who praised their properties and consumed them: so did Peter the Great and tsarina Elizabeth Petrovna, Napoleon III and Empress Eugenia, Gustav III of Sweden ... as well as different personalities like Beethoven, Rossini, Liszt, Schubert, Goethe and Paracelsus. Schubert even wrote in its honour the lieder *Lob des Tokayers* (Praise of Tokaji, D.248, Op.posth.118, No 4), praising the wine of the region. And let's not forget that Tokaji wine is even mentioned in the Hungarian national anthem!

In the nineteenth century, the *phylloxera* devastated all the vineyards of Europe and Tokaj-Hegyalja was no exception: between 1889 and 1892, the vineyards of Tokaj-Hegyalja were completely destroyed, forcing a complete reconstruction and replanting on American rootstock of all the wine region of Tokaj-Hegyalja between 1892 and 1908. One of the important points to consider at this time, for our analysis, is that it was then when it was decided that only three unique local grape varieties, Furmint, Hárslevelü and Sárgamuskotály were to be grafted. They remain the basis of the production of the PDO today.

The twentieth century, with its two World Wars, would be a major crisis for Hungary and Tokaj-Hegyalja. In particular, Hungary would lose much of its territory (about 70%) to Romania, Czechoslovakia and the future Yugoslavia in 1920 by the Treaty of Trianon. This directly affected the Tokaj-Hegyalja region, as part of its territory (120 hectares) was across the border in Czechoslovakia (now Slovakia), with the implications that this had, as we shall see, for the PDO, as the *terroir*, since then, has been split by the border.

World War II also had far-reaching consequences for Hungary –a forced ally of Germany. On the one hand, the Nazis annihilated much of the Jewish settlement in the region, strongly associated with wine production and especially with its marketing and export. The producers and professionals in the wine trade throughout the PDO were decimated and the region was left with much less manpower.

Hungary was occupied at the end of the war by Soviet troops, the communist government imposed nationalisation and collectivisation of all wineries in Tokaj-Hegyalja, practically putting an end to exports. Thus began a period of decline in which Tokaji wine was still produced, but locally and with minimal investment in infrastructure and improvements, while its quality and reputation inevitably decayed (cf. Atkins, nd).

After the fall of the Berlin Wall and the Iron Curtain in 1989, the new democratic government of Hungary made some improvements in the region in the 1990s. When the new private sector took charge of the production and marketing of wine, the renaissance of Tokaji wines started. As the writer Hugh Johnson (2007, p. 7), a connoisseur of the region, wrote:

"I arrived in Tokaj-Hegyalja in 1989. It was a cold, sad and depressed region. Eighteen years later, is like it is springtime, and it has everything to offer visitors".

As Cros and Luginbühl and (2000, p. 28) noted:

"1989 was a turning point. The liberalisation and privatisation policies associated to the political change lead to erasing the more or less brutal traces of the collectivist period and reassessed everything related to private property, as well as everything connected with the previous history, such as the local traditions."

The renaissance of Tokaj-Hegyalja and its wine brought about a quick revolution in the region. On the one hand, large international investors from the wine trade (and even outsiders) from France, Spain, the USA, Germany and Japan came and bought some of the wineries and boosted production and export. On the other hand, the Hungarian producers, driven by the dynamics of the situation, embraced change and modernised their facilities (cf. Atkins, op. cit.).

In this context, 17 companies have signed a statement for the Renaissance of Tokaji (Tokaj Renaissance⁶), laying the foundation for consistent and organised production and export as a wine region based on the quality and recovery of its lost prestige.

⁽⁶⁾Significantly, the Wine Museum in Tokaj (the most important museum in the town) features an important exhibit of this charter in Hungarian, English and French.

An important aspect that we wish to emphasise here is that the signatories of the letter (including, notably, the most important wineries in the region) are engaged in one of its points: to open their cellars to interested visitors and give them the opportunity to learn about their wines on site wherever possible.

At the same time, a collaboration between the private and public sector was fostered to create a Tokaji wine route that includes some sixty wineries in the area.

This openness to wine tourism has had unusual consequences in the last twenty years, encouraging an interesting (though not massive as in other international wine regions) influx of international visitors interested in the wine culture and the landscape associated with the vineyards.

Moreover, in 2002 the unesco declared the unique landscape of the wine region of Tokaj-Hegyalja as a World Heritage Site, thus adding further appeal for international visitors.

But the creation of Tokaj Renaissance also had a direct relationship with the full establishment of the PDO and the specificity of its functions. In a recent interview with Rafael Alonso, export manager of Vega Sicilia (one of the international wineries that have invested in Tokaj-Hegyalja the most in recent years), we can read that:

"We started an association, Tokaj Renaissance, aimed at promoting the quality and availability of Tokaji wines. Until then, in Hungary there weren't any entities that could be compared to our regulatory councils or the French AOCs, which control the quality and authenticity of wines. This function was performed by two central government agencies, the OBI and the OBB. The Tokaj Renaissance association seeks to advance the regional orientation, promotion of differentiation and control of quality of Tokaji wines, and promote their global marketing. Six wineries were the initial promoters. Today the association has more than 20 members".

The Hungarian government, from Budapest, provides quality control of Tokaji wines through the OBI and the OBB. The parameters are generally similar to the PDOs. However, its relation with the territory, the 'regional perspective' and the clear will to differentiate without regard to wider interests, can only occur from Tokaj. And those are the shortcomings, beyond the quality controls and strict legality, which the Tokaj Renaissance association has tried to fulfil.

However, the road to designations of origin that are more comparable to those in Western Europe has been travelled for some time. As Kekés and Botos (1990, p. 72) remarked in the early nineties:

A developed appellation origin control system has three functions in Hungary: technical control, economic and market integration. We regard all of them, as equally important but nowadays, in Hungary, the second and the third are the most urgent. The great variety in grape growing and wine making technology in the Hungarian wine districts are unreasonable. It is very difficult to describe typical technologies and their elements, and so it is almost impossible to control them. Economic regulation may be the most important function of the appellation origin control, because this system determines and controls the production process. The A.O.C. system may help to differentiate wine districts, regional structure changes as well as privatisation because of the stronger regional associations and regional autonomy. Economic regulation will become indirect rather than the former direct, central planning method.

Today, Tokaj-Hegyalja is the first of the 20 wine regions of Hungary in wine production. [The international recognition is still important and contributes to the idea of the return of Tokaji wines to the world stage. [It is clear that in the past two decades, the PDO and the Tokaj-Hegyalja region have recovered all their glory. [Its production, its exports and its international prestige have been restored, if not increased, and its place in the world of wine has been recovered. The crown jewel of Central European wines shines again as in the past. However, the road has not been easy or without hindrances, and the international goodwill that Tokaji wines currently enjoy is the result of years of struggle fought by both the region of Tokaj-Hegyalja and the Hungarian government.

6.2.3. Tokaji: Denomination of origin and the question of branding

The region of Tokaj-Hegyalja is a land border today. The Tisza River was designated by the Treaty of Trianon (1920) as a natural boundary in this part of the country, dividing the territories on either side. The Tisza traces the border along its route as it forms a great curve: first, between Hungary and Ukraine, near the village of Zahony, then a triple border between Hungary, Ukraine and Slovakia, and finally between Slovakia and Hungary, to then finally continue through Hungary.

After the Treaty of Trianon signed on June 4, 1920, the land on either bank of the Tisza became part of different states, splitting farms and vineyards, separating families and inflicting the Hungarian national pride the strongest corrective ever received. And more than eighty years later, the wounds are not completely healed yet.

But the separation of this region in two different states also affected the vineyards and the production of Tokaji wine in a particular way. [As we mentioned earlier, two municipalities (of about 5.65 km² of territory) in the region, that are Tokaji wine producers, were on the Slovak side: Kistoronya and Szoloske. Since then, the Tokaji wine-producing area has been very unevenly split: the larger area stayed in Hungary and a tiny, albeit important, part was on the Slovak side.

Since then, the relations between the states on either side of the border have not been easy. Although, during the communist era, the collectivisation of land and wineries led both wine production and its quality, and therefore exports, to a relative neglect and to their lowest levels in years, after the fall of the Berlin wall at the end of the 1980s, the important reaction of civil society and the small business sector (with the creation, as mentioned above, of initiatives such as Tokaji Renaissance) and the re-privatisation of land and the conflicts between Hungary and Czechoslovakia first and Slovakia after its independence from the Czech Republic in 1993 were revived with a vengeance. Issues, such as: who can produce Tokaji and who cannot, who makes the rules

for the PDO and who has control of production, were back on the table amid belligerent attitudes on both sides. And all this in a context of diplomatic hostility that, for decades, has clouded relations between Hungary (and the ethnic Hungarians and Hungarian speakers) and the state that, at one time or another, has had sovereignty over the area that, until the early twentieth century, was known as Upper Hungary, where Bratislava (Pozony in Hungarian), the current capital of Slovakia, is located. It is not unusual to hear about social conflicts that often surface with the Hungarian minorities living in Slovakia, Serbia or, especially, Romania in different media. These conflicts are the result, even today, of political boundaries that split complex cultural territories in which, we often forget, people live and suffer the consequences of decisions they have not taken.

The conflict (known by some as the Tokaji War) has been kept alive for decades. But the conflict is not only with Slovakia, but with many other countries that have copied or used this territorial brand for a long time. Thus, in the Alsace region of France, sweet wines made with the Pinot Gris variety were branded as Tokay d'Alsace. In northern Italy a varietal wine is produced, even today, with a grape known as Tocai Friulano, which has no relation with those produced in Tokaj-Hegyalja. Also in Italy, the Tocai Italico denomination was used until 2007.

International litigation to obtain the exclusivity of the Tokaji brand (as on the other hand, with other territorial brands such as Parmigiano, Jerez or Bordeaux) has dragged for years. In 1993, Hungary received European recognition for the uniqueness of its Tokaji brand. Finally, with its entry into the European Union, Hungary proclaimed the Protected Designation of Origin for Tokaji wines on 31 March 2007 and, therefore, French and Italian winemakers cannot continue producing wines with the Tokaji denomination. The litigation, however, was not only with Italy and France, but also with countries like Slovenia, Serbia, Israel and Australia, which produced (and produce) also wines under the Tokay or Tokai names and these conflicts and competition are still far from being resolved. As Miranda (2003) noted:

"Another major problem for the Hungarian authorities is the abusive use of the name Tokaj, since we can find Australian Tokay, Carmel Tokay and Israel Tokay in Israel, Tokay d'Alsace in France, Flurlingen Tokayer in Switzerland, Tokajec Tokaj in the former Yugoslavia, Friuli Tocai and Tocai Italico in Italy, Californian Tokay, Canadian Tokay, Tokaj Juzsnoberezs in Crimea... and others in Ethiopia, Romania, the Czech Republic (...)"

The problem has become a subject of contention for the Hungarian authorities in the past decades. The battles won, though partial, are not, however, negligible. With regard to Europe, the Official Journal of the European⁷ Union of 4 April 2007 specifically says that:

"The name 'Tokaj' designates a 'quality wine produced in a specified region' originating in a cross border region of Hungary and Slovakia and is also part of the Italian and French vine variety designations: 'Tocai italiano', 'Tocai friulano' and 'Tokay pinot gris'. [The co-existence of these three vine variety designations and the geographical indication is limited in time, until 31 March 2007 and results from the bilateral agreement of 23 November 1993 between the European Community and Republic of Hungary, which has become part of the *acquis* since 1 May 2004. [As from 1 April 2007, these three vine varieties designations are removed from Annex II of Regulation (EC) No 753/2002, and as far as the vine variety designation 'Tocai friulano' is concerned, it is now replaced by the new vine variety designation 'Friulano'."

⁽⁷⁾Commission Regulation (EC) No 382/2007 of 4 April 2007 amending Regulation (EC) No 753/2002 laying down certain rules for applying Council Regulation (EC) No 1493/1999 as regards the description, designation, presentation and protection of certain wine sector products

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:095:0012:0020:ES:PDF>

And equally, and in a disaggregated way, states⁸ that:

"The name 'Tocai friulano' may be used exclusively for quality wines [produced in a specified region] originating in the regions of Veneto and Friuli during a transitional period until 31 March 2007.

The synonym 'Tokay Pinot gris' may be used exclusively for quality wines [produced in a specified region] originating in the departments of Bas-Rhin and Haut-Rhin during a transitional period until 31 March 2007.

The synonym 'Tocai italiano' may be used exclusively for quality wines [produced in a specified region] originating in the regions of Veneto and Friuli during a transitional period until 31 March 2007".

⁽⁸⁾Commission Regulation (EC) No 1429/2004 of 9 August 2004 amending Regulation (EC) No 753/2002 laying down certain rules for applying Council Regulation (EC) No 1493/1999 as regards the description, designation, presentation and protection of certain wine sector products (Official Journal L 263, 10/08/2004 P. 0011).

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2004:263:0011:0020:ES:PDF>

A visit to the Wine Museum in the town of Tokaj can be of interest to see how influential the Tokaji brand has been and how important the copying and/or misuse of its name were. (On the top floor of the museum we can take a tour of different bottle labels from the late nineteenth and, especially, twentieth centuries. They show examples of wines produced abroad under the Tokaj name.

The conflict between Hungary and Slovakia, however, is more complex. The latter country does not produce Tokaji wines outside the region, but it has a part –albeit small– of the area. For this reason, the wines produced in that territory are entitled to be called Tokaji wines. However, important issues, such as the exact extent of the Slovak part (Hungary bases its arguments on the historical territory of the region of Tokaj-Hegyalja and Slovakia on its national law of 1959) and the methods of production used, are at the centre of the debate. Hungary fears that lax quality control in the production of the Slovak wines may damage the reputation of its prized wines. Slovakia, meanwhile, does not accept foreign interference in its territory or legislation.

The tense negotiations between the two governments finally resulted in an agreement in June 2004: the wine produced on 5.65 square kilometres (within them there are about 120 hectares of vineyards) occupying the two municipalities of the historical region of Tokaj in Slovakia can use the name and ascribe to the protected designation of origin of Tokaj. For its part, Slovakia committed to introduce the same features and production standards and quality using the Hungarian wine laws legally in the region and, more specifically, the designation of origin.

The agreement (between two member countries of the European Union, let's not forget) was historic and provided the basis for further discussion leading to a definitive solution to the problem. However, several important practical issues remain unresolved. Slovakia has agreed to the commitment to unify production standards and quality with the Hungarian side, but who will be the guarantors of compliance with these laws and control of production standards has not been decided yet. Hungary claims it is the legitimate repository of the historical rights of the name of the territory and know-how of Tokaji wine, while, Slovakia considers part of that territory as her own and is not willing to accept foreign interference in its management or legislation.

The problem, as we see, goes far beyond the wine. It is the result of the vicissitudes of history in an area of Europe that has often been carried unwittingly by the vagaries of state or international policies and, finally, has been forced to survive as a frontier land.

6.2.4. Designation of origin and socio-economic development: Wine tourism

This whole situation of socioeconomic change in the region has had a direct influence on the prospects of small producers and farmers in the past two decades. Faced with the ambitious and technologically innovative strategies of large companies, the small producers claim to be the 'guardians of tradition', of the territory and of the local heritage (Cros and Luginbühl, 2000, p. 36). Although this relationship is more symbolic than economically viable, since most do not have enough land to launch extensive and competitive vine cultivation, nor can they sell (and much less export) production in large quantities, but in the small space of direct sales within their own cellars and often in bulk⁹.

⁽⁹⁾"The vineyard does not really represent but a small supplemental income, a hobby; neither do they have the land nor the means to become a modern form of exploitation. If they make wine, is for their own use or for direct sale at the winery". (Cros and Luginbühl, 2000, p. 37)

Within this new situation, the role of tourism becomes a significant dimension for the local and family economies. The links with the land and the tradition of the region put small producers in a privileged position within the know-how and local knowledge, while they become the experts who can re-

veal and explain their own territory and their way of life. ¶Thus, certain initiatives related to rural wine tourism have been developed since the early nineties and they have become interesting economic complements (mainly in the summer) for the small local economies.

On the one hand, opening a part of their holdings, farms, wineries and homes to visitors comes, generally speaking, in a time of major change: with the difficulty or the need to make an investment of some importance and as an attempt to improve their revenues. ¶On the other hand, it also gives them the opportunity to offer their local knowledge and therefore their products directly to consumers interested and willing to buy them. And this is also a way (albeit seasonal) of adding some profit to a domestic economy that is not always buoyant. ¶In addition, this type of investment can often count on aid funds, either from the national government or, especially, from the EU (the LIDER programmes, for example, have been implemented in the region, as in other European developing wine-producing areas).

Within this context, the role and initiative of women is of particular significance (cf. Medina, 2010). While men continue to work on their small farms and in wine production, women have taken control of the conversion of some of their homes or part of them in lodgings or pensions and they are the ones involved in their management and their seasonal maintenance.

This is not, however, a unique feature of the region of Tokaj-Hegyalja and is also common elsewhere. As Téchoueyres (2007, pp. 257–258) pointed out in relation to the French region of Aquitaine:

"For some women (this type of family business) becomes the means to find their place in the enterprise, in parallel or complementary to the role of their husbands. ¶They like the ability to interact with people and be recognized for what they do".

It should be noted, on the other hand, as Téchoueyres also said about the case of southern France, that these women are not professionals of the hotel industry and have not had any training in tourism. Their context is to offer visitors a kind of place other than a typical commercial setting, bringing them closer to a "family" lifestyle of rural enterprise and, especially, to the making of a product (in this case wine) and explaining its culture and production process on site.

In this way, and while the husband and children carry on with their tasks, the women manage and maintain the rural accommodation facilities, have direct contact with visitors and set themselves up as a qualified intermediaries between the visitors and the local community (for instance, pointing out the places to visit, telling them where to eat or enjoy a good wine or where to go shopping). In some cases, they also become ambassadors of the local

cuisine, including half board (usually dinner), offering visitors typical home-made dishes of the region and possibly some products grown or produced by the family themselves.

In this sense, the PDO has become an instrument of the territory through which multiple dynamics are created: regulations and internal production guarantees create the basis for consumer confidence resulting in a greater knowledge and greater consumption of Tokaji wines, both domestically and internationally through exports. Based on the above, the Tojakji name acquires importance and international significance, while at the same time linking it with a specific territory.

Moreover, wine is part of a specific culture established over time and particularly influential in recent decades. The link between the wine and the land where it is produced, the landscapes that give it life, the characteristics of the soil where the vines grow, the climate and the knowledge of the people who produce it, create in consumers (both tourists and visitors) an interest in the territory that has produced the wine and the culture that has created it. And hence the need to taste this wine in its own context and to visit the area to enjoy the product in all its intensity.

The 2002 declaration of the Tokaj-Hegyalja region as a World Heritage Site by the unesco has been key in fostering interest in the region, so far, one of the great unknown regions in Europe for tourism. And the world of wine (rotating around this protected denomination of origin and its own inimitable brand) articulates all this discourse.

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7. Conclusion

In this section of the course we have considered some of the social, economic, cultural and environmental implications of geographic indications. To conclude this section, we will review the opportunities and challenges presented by such an approach.

7.1. Opportunities

The most relevant opportunities from the economic point of view consist in the potential for rural community development: by selecting local products and enhancing their commercial value by obtaining GI recognition and protection, producers can ensure steady income into the community, providing a deterrent against the abandonment of the countryside and the disappearance of non-urban cultures. By acquiring GI status, traditional and/or rural products can escape the destiny of mass-produced crops and turn into value-added products. Limited supply, connected to the GI regulation and production methods, can lead to increased prices, even if the costs of production remain stable and the demand grows with the renown and notoriety of the product. Higher prices however –producers argue– help compensating the logistic, legal and promotional cost connected with GI status. Furthermore, the legal protection creates entrance barriers, further limiting supply and the number of actors allowed to take advantage of the GI status. Pending on the outcome of the WTO negotiations, worldwide protection of GIs could lead to a stronger market position for the products involved. From the consumer point of view, buying goods defined by GI regulations can partially make up for the lack of information that many feel is one of the relevant problems of contemporary food distribution. GI regulations can positively affect the environment, in the case that they require production methods that take into consideration the long-term impact of production. However, the sustainability of a GI is not a given and depends on the negotiations at the local, national and international level.

7.2. Risks and limitations

Since all economic activity and every economic actor (from the individual worker to firms to larger organisations) are embedded in social contexts and networks, in order to fully assess the impact of the establishment of a GI on a specific community and the distribution of the new income among all involved actors, a great number of aspects referring to its socio-political aspects and its economic consequences need to be considered. Among them, we can point out:

- local arrangements and regulations, as well as national legislation, about land property;
- property distribution of plants, technology and machinery necessary for the production of the GI;
- connections with local, regional, national and international authorities and institutions, including the state;
- structure of governance in terms of connections, power relations and leadership among the different actors along the product chain;
- labour relations;
- attitude of local elites;
- level of systemic corruption and inefficiency;
- local social structures (including gender, class, race and ethnic relations);
- access to technological, legal and marketing advising and support;
- integration of the various actors in distribution networks.

In the case of possible GIs in developing areas, other limitations can occur, besides those already mentioned, especially in terms of costs necessary to establish and maintain the GI: administrative structure, legal counsel and the marketing and promotion effort to make the product visible. Besides, when local producers' organisations are weak or non-existent, external actors such as local and national governments, NGOs, international organisations and other institutions may have to take the initiative to start the GI. Another risk for rural communities in emerging economies is that, when their traditional staples become internationally renowned (not exclusively through GI status), the growing demand in hard currency might increase the local prices effectively putting the staple outside the reach of the poorest segments of the population. The recent spike in quinoa prices in Bolivia provides a perfect example of these dynamics.

In conclusion, there are no automatic benefits connected with the establishment of a GI. Its cultural, social, political and economic impact on the community of origin needs to be analysed case by case taking into consideration the global network of trade and exchanges that can affect its value.