

# 9

## Geographic origin and identification labels: associating food quality with location

**Emilie Vandecandelaere, Food and Agriculture Organization of the United Nations (FAO), Italy**

**Abstract:** Agricultural and food products differ from others by some characteristics, qualities or reputation resulting essentially from their geographical origin. This specific quality can be promoted with a designation or 'label' referring to the origin location – the geographical indication (GI). There are different motivations for implementing and protecting GIs as recognized intellectual property rights. Indeed, GIs' implementation can add value to origin-linked quality products and so improve livelihoods of rural households. When correctly implemented and managed, they can be a tool for rural development by contributing to local resources preservation and strengthening the organization of local stakeholders. GIs' implementation is a twofold approach: based on voluntary action by producers to define the product's characteristics collectively and to produce the product in accordance with these specifications or code of practice (CoP), GIs can be recognized and registered by public authorities.

**Key words:** geographic origin and identification labels, associating quality with location.

### 9.1 Introduction

Some food products are labelled with famous geographical names or indications linked to their place of production (Fig. 9.1). This type of information is therefore not just an indication of source,<sup>1</sup> but refers to a specific quality and reputation due

---

<sup>1</sup>'Indication of source' refers to a sign that simply indicates that a product originates in a specific geographical region, in particular some countries, such as 'Made in Germany', 'Product of the USA' or 'Swiss Made'.



**Fig. 9.1** Product GI logos: (a) Chivito Criollo del Norte Neuquino Consejo Regulador de la Denominación de Origen (Chivito (baby goat) from the Neuquen region – Argentina). Reproduced with permission of the Counsel of Denomination of Origin (b) Darjeeling Tea, India: Darjeeling logo – Registered intellectual property of the Tea Board of India. Reproduced with permission from the Tea Board of India (c) Le Gruyère – Switzerland: Le Gruyère AOC Switzerland, the true Swiss raw milk tradition. Reproduced with permission of Interprofession du Gruyère (d) Idaho Potatoes: a collective trademark registered by the Idaho State. Reproduced with permission of the Idaho Potato Commission (USA).

to the local natural and human resources of a delimited area. Some of these are internationally well known such as Champagne wine from France or Parmigiano-Reggiano cheese from Italy, while others have only a national or local reputation.

In fact, concerning the wine sector in particular, geographical indications have long been in existence. The first references can be found in the Bible, where wine of Samaria, wine of Carmel, wine of Jezreel or wine of Helbon are mentioned, and references continued throughout Antiquity and the Middle Ages. Then official rules were implemented. Regarding cheese products, Roquefort cheese was first mentioned in historical records in 1070. Then in the 15th Century, King Charles VI of France granted the villagers of Roquefort the exclusive rights to produce Roquefort cheese that should be matured in nearby communal caves, and thus producers of counterfeit Roquefort risked punishment. With regard to wine, the oldest regulation referring to classified vineyards and controlled appellation took place in the 18th Century. Chianti in Italy, Port wine produced in the region of the Douro Valley (Portugal), and the Tokaj-Hegyalja Habsburg Empire (in modern day Hungary).

## **9.2 Labels on quality linked to geographical origin: rules and diversity in the international context**

### **9.2.1 Quality linked to geographical origin and geographical indications**

Some food products can be promoted with a designation or label referring to the origin which is very often used by local actors and consumers to identify some particular and well-known food (FAO, 2004). This designation referring to the origin then differentiates such products from others in the same category based on some specialized characteristics, quality or reputation essentially due to their geographical origin.

This specific quality can be attributed to the history of the product and to a distinctive character linked to natural and human factors such as soil and climate, local know-how, or traditions. In this sense, the ‘terroir’ demonstrates the interaction between the physical (natural) and human factors built up over time and leads to uniqueness, identity and value of the products.

Geographical indication (GI) is a place or country name that identifies the origin, quality, reputation or other characteristics of products. A GI signals to consumers that the goods have special characteristics due to their geographical place of origin. ‘Appellation of origin’ represents a more restrictive category of GIs as: geographical designations of products whose quality and characteristics are due exclusively or essentially to the geographical environment, including both natural and human.

GIs are different from an ‘Indication of source’ reference which simply indicates that a product originates from a geographical region or particular country, such as ‘Made in Germany’, ‘Product of the USA’ or ‘Swiss Made’, without referring to the product quality.

The use of geographical indications calls therefore for a definition of the specific quality and a demonstration of its link to the geographical origin. The definition of the product and the local rules that are followed by the value chain actors in the production of a GI product are described in a document called code of practice (see Section 9.4.1). This code of practice should give both clear guidance to local producers and quality assurance to consumers.

A geographical indication associates a specific product with a territory and therefore its related code of practice and encompasses three main elements:

- a defined geographical area of production;
- specific quality of the product due to specific characteristics of production and processing;
- a name and reputation that differentiate the product from others.

Different types of geographical indication exist: it can be a geographical name that becomes the name of the good such as Champagne or the wines of Bordeaux. Alternatively, the geographical word can be linked to the common name of the good, as for example: Coffee of Colombia or Chivito (baby goat) of Neuquén in Argentina, or Limon of Pica in Chile. The name or symbol – with or without the common name of the good – can refer to a place and its local people without bearing a geographic word such as, for example, Tequila in Mexico, Feta cheese in Greece or Basmati rice in India. Additional associated characteristics can also be considered as geographical identifiers, such as: images of famous places like mountains or monuments, flags, images of specific objects, folkloric symbols, etc., as well as a specific traditional shape or appearance of the product, such as a specific packaging or a common element of the label.

Because of the reputation and value attached to the local name, origin products can be subject to imitations and counterfeiting, thus misleading consumers, by the use of the GI for products that do not conform to the code of practice. These unfair practices may endanger the reputation of the product and the functioning of the value creation process or hinder beneficial outcomes to the local community. It is therefore necessary to protect geographical indications and to ensure conformity with the code of practice in order to avoid unfair production and commercial practices, guarantee the quality of the product and of the geographical origin, and foster consumers' confidence. This regulatory process is also useful to enhance coordination and cohesion among GI producers.

### **9.2.2 Legal and institutional framework for geographical indications**

Historically, some official recognition has existed since the Middle Ages in Europe. Today, various legal instruments are available to protect GIs depending on the country. These include:

- national laws on business practices relating to the repression of unfair competition or the protection of consumers either in general terms or more specifically in regard to such matters as the labelling, certification and agricultural control measures, etc;
- regulation of GI registration under intellectual property rights: specific geographical indication laws and trademark laws, with different categories depending on the countries.

International instruments are quite recent and consider GI as intellectual property rights. They include: the Paris Convention for Protection of Industrial Property, the

Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods, the Lisbon Agreement on the Protection of Appellations of Origin and their Registration, and TRIPs (Trade-Related Intellectual Property Rights) (see Chapter 3).

For example, Champagne enjoyed an appellation control by virtue of legal protection as part of the Treaty of Madrid (1891) that aims at ‘the repression of false or deceptive indications of sources on goods’ (WIPO, 1891). The 1958 Lisbon Agreement on the Protection of Appellations of Origin and Their Registration offers the strongest protection for GIs (WIPO, 1958). It defined the Appellation of Origin as the name of products whose ‘quality and characteristics are due exclusively or essentially to the geographical environment, including natural and human factors’ (WIPO, 1958).

More recently, geographical indications were defined as such in 1994 within the Trade-Related Intellectual Property rights (TRIPs) Agreement of the World Trade Organisation (WTO) as: ‘indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin’.<sup>2</sup> So, a GI also indicates that a product originates in a specific region, but implies a specific quality due to the geographical origin (WTO, 1994).

The TRIPs agreement requires that the WTO Members provide the legal means to prevent the misleading use of GIs, including when the origin indicated on a product is other than its true place of origin, or when the use of a GI in some way constitutes an act of unfair competition. Countries can meet these obligations through a variety of legal tools, either through existing intellectual property laws (collective or certification trademarks if appropriate), consumer protection or competition laws or by enacting a specific legislation dedicated to the protection of GIs and appellations of origin (AO) (*sui generis system*).

In practice, at the national level, there are two main categories of protection under intellectual property rights:

- Public approach through an official recognition and regulation of the name associated to a specific quality product: this type of scheme aims at protecting the real identification of the origin and its link with quality and reputation. It is based on a strong involvement of public authorities with the definition, implementation and enforcement of the scheme. The code of practice is elaborated by private stakeholders, and then recognized by the public authorities. Any producer who can meet the requirements of the code of practice can benefit from the GI. This is the case for Protected Designation of Origin (PDO) and Protected Geographical Indication (PGI) in the European Union, the Geographical Indication and Appellation of Origin in Morocco, the Appellation of Origin (Denominación de Origen) in the Latin American countries who are part of the

---

<sup>2</sup>Article 22.1 of the trade-related aspects of intellectual property rights (TRIPs) agreement of World Trade Organization (WTO).

- Andean countries Community (Bolivia, Colombia, Ecuador, Peru and Venezuela) as well as Brazil and Mexico, the AO and GI in Chile and Costa Rica.
- Private approach through trademark law: Some trademarks can be used by a group of producers (collective or certification trademarks, depending on the national framework). They aim at certifying quality, characteristics, geographical origin and/or a method of production according to the requirements of a self-established regulation. The protection is therefore based on private actions and the membership of the association may be restricted according to the decisions of its members.

### **Case study 1: *La marca colectiva del queso ‘Cotija región de origen’ – Mexico***

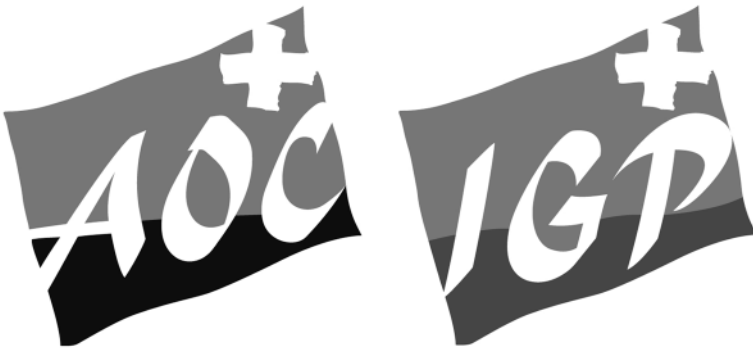
The Cotija cheese from the Jalmich mountain range in Mexico takes its name from the nearby city of Cotija and is very well known for its high quality throughout the whole country. However, the genuine ‘queso Cotija’ is threatened by usurpation of the name by cheeses called ‘type Cotija’ which are produced outside the original production area and have caused the name to become generic. These cheeses are usually industrial (intensive production, no maturation, with filling, etc.) and the taste is very distinctive from the authentic types, but they tend to be cheaper. In order to fully protect the name and reputation of their product, the producers of the typical Cotija cheese applied to the authorities in charge of intellectual property rights to register the product, based on elaborating the code of practice involved in its manufacture. However, because the name ‘Cotija’ had come to be so widely used, they were unable at that point to obtain the denomination of origin (DO) status which they considered to be the most effective legal protection for Cotija and its reputation. However, they were able to retain the collective trademark ‘Cotija Region of origin’.

(adapted from Poméon, 2008).

### **9.2.3 Importance of labelling and the guarantee system for conformity assessment**

Geographical indications help consumers to recognize, through the label, the specific quality linked to geographical origin, but this reference has to be guaranteed. In some cases, particularly in local markets, consumer confidence may be based on the short distance between consumers and producers. But, as the distance between the places of production and consumption widens, a certified and monitored information system must be established both to inform the consumers and to guarantee the conformity of the product with the requirements on the code of practice.

Regarding labelling, in the case of the public scheme, a national or official and common logo often allows consumers to recognize the GIs more easily and to



**Fig. 9.2** National GI logo: The Common Swiss logos. The *Association suisse pour la promotion des AOC et des IGP* was set up in Bern in 1999 to associate all the supply chains willing to protect their products with a PDO or a PGI. The aim of the Association is to promote the AOC (PDO) and the IGP (PGI) label in Switzerland to consumers and retailers. The Association encourages the use of its common AOC or the IGP logo by its members so that all the Swiss registered products have the same visual identity to inform the consumers they are AOC or IGP products. <http://www.aoc-igp.ch/>. Appellation d'Origine Contrôlée, Indication Géographique Protégée.

know that the GI is guaranteed (Fig. 9.2). Those logos became so meaningful in the consumers' minds that it took on the significance of a quality sign thus contributing to creating a ranking system for consumers and so helping them to choose knowingly.

In some cases, national authorities can monitor the integrity of the verification applications for geographical indication. It was the case in France with the French National Institute for Appellation of Origin (INAO); now controls are done by third party organizations under agreement with public authorities.

Verification systems serve to ensure the product is conforming to the CoP (Code of Practice), on a voluntary basis. They may differ among countries or regions, depending on the objectives, type of markets, and the economic, social and cultural contexts (Liu and Vandecandeleare, 2008). In any case, internal control should be ensured by the producers themselves. The different verification systems that can be implemented and combined are:

- *Internal control system (first party verification)*: in which a stakeholder (being part of the GI system) gives a self-declaration of conformity to the code of practice. This can be managed by a local association of stakeholders (producers, local authorities, buyers, etc.) that do their own GI supply chain control. It is, for example, the case for Chivito of Neuquén, which is sold essentially on local and regional markets. The local organization verifies the meat conformity, carried out in practice through the local slaughterhouse.
- *Second party verification system*: involves a trading agent who verifies that suppliers comply with the CoP criteria.
- *Third-party certification system*: involves an independent and external body, without direct interest in the economic relationship between the supplier and

buyer, which provides assurance that the relevant requirements have been followed. Specific certification bodies can be organized with public authorities (fully public certification or joint public and private initiatives). For example, the National Federation of Coffee Growers of Colombia is an independent not-for-profit organization for the collective of over 560 000 coffee growers of Colombia that demanded the recognition of the Appellation of Origin Café de Colombia in Colombia and in the European Union. It has since been accepted and protected in the European Union as a PGI according to EU Regulation 510/2006, the control being made by ALMACAFE, is satisfying the international norms for certification (ISO 65).

- *Participatory guarantee system*: a locally focused quality assurance system based on active participation of stakeholders, internal and external to the GI value chain (even consumers), and built on a foundation of trust, social networks and knowledge exchange. Such an alternative system is entirely realistic in the context of small farms and local, direct markets. It is, for example, the case for the special Gari missè (staple food made from toasted cassava semolina), produced in the village of Savalou (Benin) where the quality control is carried out by the group of women processors. They ensure that the processing rules and marketing practices are carried out; a lack of respect for the rules entails the risk of being expelled from the group.

### 9.3 The reasons for the development of geographical indications

#### 9.3.1 The consumer demand and social expectations

Consumers are becoming increasingly concerned about how the food they consume is produced. These concerns often relate to the sustainability of the food and how it is produced, as well as its environmental and ethical attributes. Therefore, the origin (country, district, and producer) of foods is very important, especially for consumers who are looking for roots, familiarity and continuity in places, identity and tradition (Wilson and Fearn, 2000). Some consumers may want to support the local or national economy; or they are proud of their cultural identity; or they are sensitive to the specific organoleptic characteristics of these products. These consumers are generally willing to pay more to find such characteristics in the product (Giovannucci *et al.*, 2009).

Moreover, consumers are demanding more guarantee and clarity on labelling, for example in Europe, as shown by various studies (Consumers International, 2004). Problems arise concerning ‘implied green claims’ that give the impression of more traditional production practices without specific substantiation to verify the claim. The survey shows that some consumers were becoming confused by the proliferation of unfamiliar logos and labels which had no direct meaning for them, or that were too difficult for them to interpret with confidence (official guarantee or not).



As the market becomes more global, it appears that there is more importance given to the differentiation of products linked to their origin, not only for export products, but also for locally marketed products in relation to their competition with imported products. This is increasingly the case in developing countries.

In general, the demand for these products increases with economic improvements in societies, urbanization and the degree of integration in the global market. Indeed, regional traditional agricultural and food products are often seen as a response to environmental concerns generated by globalization (transport of products over long distances) and to retailers' driving the supply of food. In the case of transition economies, it can be a response to the rapid modernization process, and the increase of imported processed foods marketed by multinational firms (FAO, 2008).

In developing countries, local products are often very prevalent. With increasing urbanization, origin can be a proxy of quality conveying trust to consumers. These urban populations are keen to eat traditional foods from their place of origin or items that have acquired a certain reputation. There is an increasing demand for such products by immigrants who miss them, leading to some specific channel markets, also known as a 'nostalgic market'.

These consumers' perceptions and expectations explained the development of specific labels related to geographical origin and of specific production practices linked to local know-how, and the importance of credible and officially guaranteed labels for these products. In this sense, consumers are expecting guarantees with regard to:

- origin, method of elaboration, and specificity of the products;
- identification presented on clear and informative labelling;
- traceability.

### **9.3.2 The producer's view: protecting the local name reputation**

Development of such labelling is also driven by producers' motivations, particularly for small and medium size enterprises, which consider GI as a marketing tool in relation to differentiation strategies on market segmentation (niche high quality or popular commodities).

GIs are not only a defensive strategy to protect from usurpation but also correspond to a pro-active strategy to reinforce differentiation of a product, build niche markets, increase added value, or to be a driving force to structure a value chain and meet basic safety, quality and traceability requirements of regulated markets.

Origin-linked quality strategy is also extremely relevant for producers, generally small scale and low capacity, in fragile or marginal agricultural zones to turn constraints into assets so as to access niche markets and increase income levels. Indeed, here the particular production constraints (isolated location with distance and weak transport structures, low level of modernization) can be considered as comparative advantages because they become factors that maintain the traditional and unique characteristics of the product.

Another major key aspect of a GI is the fact that the specification of the product, the code of practice, is locally defined by stakeholders, especially producers, allowing for the placement of producers at the centre of the value chain strategy. This has the added benefit of restoring a decision-making role to local communities, guaranteeing their right to manage their own resources and engage their active participation in value-added food chains.

### 9.3.3 Rural development: supportive projects and policies

The last and most important driving forces for the development of GI labelling are the supportive project strategies or public policies that can promote the potential of GI as a tool for a sustainable rural development.

These origin quality products can serve as a noteworthy focus for action and local organization. In the framework of agricultural and rural development policies for rural territories, GI products can play an important role in promoting collective action for local management of human and physical resources – becoming a motivation for the organization of actors at the local level. These products can be viewed as a tool for preserving traditions and preventing emigration or firm relocation.

Their contribution to sustainable development can be highlighted according to the three pillars of sustainable development: economic impact, social impact and environmental impact.

- *Economic impact: accessing markets, adding value and benefiting from collective organization.* The setting up of a GI label provides access to new niche markets and/or maintains access to existing ones. The differentiation of the product often leads to premium price and added value and therefore improves the income of local producers. The fact that the code of practice should be set up by the local producers represents an opportunity for a fair redistribution of the added value among the value chain actors. Moreover, the organization of stakeholders around origin quality products strengthens the value chain through a collective approach and a common goal: the territory reputation. Rural activities can therefore be maintained, preventing rural exodus and creating possible diversification activities, especially tourism and gastronomy.
- *Social impact: maintaining activities in remote areas, improving the self-esteem of the producers and preserving the know-how and traditional food.* Collective organization around a GI product strengthens relations between the stakeholders involved in the production process, but also creates a wider social network in the area with other stakeholders, public actors, schools, tourism's actors, etc. The societal recognition of the specific value of the product in relation to local know-how and traditions increases producers' and local inhabitants' self-esteem. This is important, especially for small producers in remote areas where traditional farming system is a way of life and for women who are often involved in the production or processing of these products. Promoting the marketing of origin products can prevent their disappearance and

contribute to food diversity. The link between product, people and place often goes beyond the mere economic aspect making the GI product a cultural or symbolic marker and an element of identity for the local population.

- *Environmental impact: sustainable use of natural resources and biodiversity.* GI production is often based on traditional farming systems that have a lower environmental impact on natural resources than modern techniques and inputs. Consequently, the GI process contributes to preserving natural resources (landscapes, soils, biodiversity) and provides a framework, thanks to the code of practice, for a long-term sustainable use of natural resources. Furthermore, origin products often use traditional and specifically local-adapted species, varieties, breeds and ferments that represent genetic resources. Maintaining these products and production systems could also contribute to maintaining the biodiversity (Larson, 2007).

Therefore GI process and labelling can be a tool for sustainable rural development; it explains the increasing number of GIs in developing countries. Nevertheless, the effects are neither automatic nor systematically positive, depending on how the local process is developed and with whom (participative approach) and on the definition of the product characteristics (what local resources are taken into consideration and how). Indeed, if substantial benefits can be developed, there are also some implementation costs and constraints (Anders and Caswell, 2009): in each case, an assessment should be carried out to see whether the favourable conditions are met, at the two levels involved: the local with the value chain and market requirements and the national with the institutional and legal framework.

## 9.4 Setting up a GI label, a two-level approach

Unlike other specific quality standards, each GI has its own specific code of practice corresponding to the definition of the characteristics of the product linked to geographical origin. The setting up of a GI assumes a twofold approach involving:

- *Local level:* the value chain stakeholders (farmers, producers, processors) and other local actors, public and private, supporting the local process.
- *National institutional level:* the regulatory framework to recognize, support and protect the GIs.

### 9.4.1 The local level

There are two main phases to be considered by local stakeholders when implementing a quality scheme linked to geographical origin (FAO-Sinergi, 2009).

*Setting up the local rules for using the GI, i.e. the qualification of the product*  
Setting up the rules of the GI requires a precise definition of the product's specific characteristics and the demonstration of the link with the geographical origin that differentiates it from other products of the same category. Even if the process can

### **Case study 2: *Turrialba market research and consumer surveys – Costa Rica***

In 2006, a researcher from the University of Santiago di Compostela (Lugo) studied the origins and special characteristics of a cheese produced in Costa Rica. Moreover, he carried out market research and consumer surveys for the registration of 'Queso Turrialba' as a DO (Denominación de Origen). The study allowed for the collection of data and information to support the request and involved surveys of 25 farms and five industrial cheese making units as well as chemical, micro-biological and sensorial analysis. To learn about consumers' opinions and whether they appreciated different aspects of the product, the market research included tasting sessions and testing of images. The market analysis also allowed for identifying the place of purchase preferred by the consumers, their awareness and proof of the product's long-standing reputation. For example, one result that came out from the consumer survey, was that 81.6% of polled consumers agreed with the fact that, among different types of white cheeses, 'Queso Turrialba' was a very distinct and recognizable one.

(Blanco, 2008)

be initiated and supported by external actors, for example NGOs or development public actors, this step requires the active involvement of the legitimate local value chain stakeholders who have to define these aspects, since they are the most knowledgeable about their product and the natural resources involved and the related know-how inherited over generations.

These rules are defined in the document named 'code of practice' (CoP) (or 'product specifications', 'book of requirements' or 'disciplinary document' depending on the context). The code of practice includes the definition of the product (name, characteristics, production and process methods), the delimited area concerned and the guarantee system (control plan with the criteria to be assessed and how). As a consequence, the CoP is a tool for internal coordination (collective rules for a fair competition between producers) and external trust (information on quality guarantee for retailers and consumers).

The definition of product and delimitation of the production area require studies and analyses for which supportive actors are helpful for research, development expertise and networking. Consumer studies can be considered to define the marketing strategy: for which consumers, on which market and for which product presentation.

When the code of practice is elaborated, it can be therefore presented and possibly assessed for the GI registration by public authorities in the case of a public approach.

#### *Management of the quality label*

Once the GI label is officially recognized, it still needs to be managed locally. More specifically, this management includes the collective marketing of the produce, the

### **Case study 3: *Chivito Criollo (baby goat) from the North Neuquino region in Argentina, Patagonia***

Chivito (baby goat) meat comes from a specific local breed that has a particular taste due to specific pastures in the mountainous regions, to its breeding based on transhumance, and on a specific related know-how. The identification of the potential of the product started with the programme for the conservation and improvement of the Neuquén Criollo goat established in 2001 under the auspices of the Instituto Nacional de Tecnología Agropecuaria (INTA) that developed a system for providing improved strains of local ecotypes based on selection criteria proposed by the breeders themselves.

The INTA determined the criteria for quality meat on the basis of what they implemented and the classification of the products. Various workshops were organized with producers and retailers in order to analyse the best tools, not only for protection and promotion on the market, but also with regard to the culture and know-how. A writing committee elaborated the specific rules of production of the Chivito Criollo del Norte Neuquino (code of practice). A total of 150 producers participated in developing the request for 990 of them in total.

In 2006, an association named ‘Consejo Regulador Denominación de Origen,’ was created for the Appellation of Origin; composed of producers, some intermediaries, and local public authorities in charge of research and development (INTA, municipality, the regional offices in charge of production and social affairs). The dealers were few, but all of them were strongly convinced that they needed to differentiate the product on the market and that they needed to work jointly with breeders.

(Pérez Centeno, 2008)

conformity assessment and the possible evolution of the rules (changes in the code of practice as necessary over time). Collective action should also help to look for continual improvements in sustainability within an extended territorial strategy, by linking with other local economic activities, for example, tourism. Therefore, a GI organization involving all the stakeholders of the value chain is highly recommended, in fact, for all stages of the process, from the setting up and the request for GI's registration to the definition of collective marketing strategy. This collective approach allows lowering the cost of marketing plans and conformity assessments (control) but does not replace individual decision and strategy at the firm level.

#### **9.4.2 The national institutional level**

At the national level, public actors play an important role in providing an adequate institutional and legal framework for the recognition and protection of GIs, but also in supporting their implementation in such a way that they contribute to rural development and food diversity preservation. The recognition of the specific quality linked to geographical origin as intellectual property rights is now international, even if there are still a great variety of legal tools in different countries.

#### **Case study 4: *Limón de Pica – Chile***

In the driest desert of the world, Oasis of Pica in Atacama, grows a kind of lemon that is special for its unique scent and high juice content. Such attributes have made this a sought-after product on the market, especially for making spirits. Due to this reputation and the risk of usurpation, a group of producers, supported by several institutions, have proposed to achieve a Origen Denomination for the Limón de Pica (lemon from Pica) in order to protect the good will, prestige of the product, to have better prices and to explore new markets.

In 1999, the cooperative of producers was nominated for a national Contest of the Foundation for Agrarian Innovation of the Ministry of Agriculture, for an initiative with the objective of establishing a differentiation strategy and system for Limón de Pica. Three projects followed, from 1999 to 2007, to provide investments, studies, capacity building and organizational support. The project received support from the Government for building the packing house. Other ad hoc types of support were provided, allowing for an increase of capacity building (from the National Institute of Agricultural Development) and organization of producers to visit and see examples of marketing channels for fruit export (PROCHILE).

With regard to the legal framework, the recognition and protection of geographical indications, appellations of origin for food and agricultural products two laws have been enacted:

- the law 18.455 for wine and spirits (alcohols/vinegars),
- the law 19.039 on Intellectual property and the related Decree No. 236 of 25.08.05 of Ministry of Economy Promotion and Reconstruction, for forestry and agrifood products other than wines and spirits.

The law allows any person to request a GI or AO registration as soon as they represent a group of producers, processors or handicraft producers. This request can be done by a national, departmental or local authority on the GI territory. The Ministry of Agriculture, in charge of assessing the request with the code of practice for all forestry and agrifood products, prepares a report and recommendations for the Ministry of Economy, which is in charge of the registration of the GI/AO. It may reject the registration if it does not conform.

(adapted from Vandecandelaere, 2008)

Institutional actors are responsible for the evaluation of the producers' requests for recognition, registration and protection of the GIs. On top of the role of assessing and registering GIs under the intellectual property rights at the institutional level, public policies on agricultural and rural development also play an important role in supporting the local process and optimizing the GI system as a tool for sustainable development. Public policies at various levels (local, national and international) can create good conditions and clear rules of the game, for the exploitation of all the potential benefits of the GI product with regard to rural development, by implementing a comprehensive and proactive quality labels policy.

Within this approach, provision of information to the public about the meaning

of such labels is important in order to raise consumer awareness and so create favorable market conditions.

## 9.5 Conclusions

Geographical indication labelling is a way to inform consumers about the specific qualities of a product differentiated by its geographical origin, but it is also a way to address an increasing desire for more information on the production place and to meet social expectations for more sustainable means of production.

Setting up a GI for a food and agricultural product can be a tool for sustainable rural development. For fragile or remote areas, highlighting the specific characteristics due to the origin can be a means to turn production constraints into advantages, because they are the source of the uniqueness and quality of the product.

GI labels benefit both producers and consumers but also, in a much larger sense, the whole community of the territory where the GI is located. Indeed, it is a tool for empowering farmers and producers thanks to collective organization, for improving their livelihoods by allowing them to maintain or access niche markets with added value, for protecting natural resources and promoting local know-how and traditions, and for offering more choices to the consumers, who will also be better informed on the guarantees of the GI products.

## 9.6 Acknowledgements

The author would like to thank Amélie Le Coent for her help in finalizing the editorial improvements for this chapter.

## 9.7 References

- ANDERS, S. AND CASWELL, A. (2009). 'The benefits and costs of proliferation of Geographical labelling for developing countries', *The Estey Center Journal of International Law and Trade Policy*, Volume 10 Number 1, pp.77–93.
- BLANCO, M., IN COLLABORATION WITH GRANADOS, L. (2008). 'Queso Turrialba, Costa Rica'. PRODAR IICA, Organización de la Naciones Unidas para la Agricultura (FAO) y Instituto Interamericano de Cooperación para la Agricultura (IICA). In Riveros, H., Vandecandelaere, E., Tartanac, F., Ruiz, C. and Pancorbo, G. (eds), *Calidad de los alimentos vinculada al origen y las tradiciones en América Latina: estudios de casos*. Lima: FAO–IICA. Available at: [http://www.fao.org/ag/agn/agns/Projects\\_SQP\\_Santiago/Documentos/Estudios%20de%20caso/Turrialba/Queso\\_CostaRica.pdf](http://www.fao.org/ag/agn/agns/Projects_SQP_Santiago/Documentos/Estudios%20de%20caso/Turrialba/Queso_CostaRica.pdf) [accessed July 2009].
- CONSUMERS INTERNATIONAL (2004). *Green Food claims, An international survey of self-declared green claims on selected food products*, London.
- FAO (2004). 24th Regional Conference for Europe. Item Six – Food safety and quality in Europe: Aspects concerning in particular quality, nutritional balance, the importance of agricultural land and cultural heritage ('Terroirs'). Montpellier, France, 5–7 May 2004 (ERC/04/4).
- FAO (2008). 26th Regional Conference for Europe. Item Eleven – Promotion of traditional regional agricultural and food products: a further step towards sustainable rural development. Innsbruck, Austria, 26–27 June 2008 (ERC/08/6).

- FAO-SINERGI (2009). 'Linking people, places and products. A guide for promoting quality linked to Geographical Origin and sustainable Geographical Indications'. Rome: Food and Agriculture Organization of the United Nations (FAO) and Strengthening International Research on Geographical Indications (SINER-GI). [www.foodquality-origin.org](http://www.foodquality-origin.org).
- GIOVANNUCCI, D., BARHAM, E. AND PIROG, R. (2009). 'Defining and Marketing "Local" Foods: Geographical Indications for US Products', *Journal of World Intellectual Property* special issue on GIs.
- LARSON, J. (2007). Relevance of geographical indications and designations of origin for the sustainable use of genetic resources. Study commissioned by Global Facilitation Unit for Underutilized Species, Rome.
- LIU, P. AND VANDECANDELAERE, E. (2008). Diversité des désignations et labels dans le contexte international. FAO. In *Désignation de denrées alimentaires et bioénergies durables*, Proceedings of the seminar organized by the Swiss Federal Office for Agriculture (FOAG), 11 March 2008, Berne, Switzerland.
- Pérez Centeno, M. (2008). 'Chivito criollo del Norte Neuquino' Chos Malal, Neuquén – Patagonia, Argentina. Instituto Nacional de Tecnología Agropecuaria (INTA). Organización de la Naciones Unidas para la Agricultura (FAO) y Instituto Interamericano de Cooperación para la Agricultura (IICA). In Riveros, H., Vandecandelaere, E., Tartanac, F., Ruiz, C. and Pancorbo, G. (eds), *Calidad de los alimentos vinculada al origen y las tradiciones en América Latina: estudios de casos*. Lima: FAO-IICA. Available at: [http://www.fao.org/ag/agn/agns/Projects\\_SQP\\_Santiago/Documentos/Estudios%20de%20caso/Chivito/Chivito\\_Argentina.pdf](http://www.fao.org/ag/agn/agns/Projects_SQP_Santiago/Documentos/Estudios%20de%20caso/Chivito/Chivito_Argentina.pdf) [accessed July 2009].
- POMÉON, T. (2008). 'El Queso Cotija, Mexico'. CIESTAAM, Universidad Autónoma Chapingo – Mexico. Organización de la Naciones Unidas para la Agricultura (FAO) y Instituto Interamericano de Cooperación para la Agricultura (IICA). In Riveros, H., Vandecandelaere, E., Tartanac, F., Ruiz, C. and Pancorbo, G. (eds), *Calidad de los alimentos vinculada al origen y las tradiciones en América Latina: estudios de casos*. Lima: FAO-IICA. Available at: [http://www.fao.org/ag/agn/agns/Projects\\_SQP\\_Santiago/Documentos/Estudios%20de%20caso/Cotija/Queso\\_COTIJA\\_Mexico.pdf](http://www.fao.org/ag/agn/agns/Projects_SQP_Santiago/Documentos/Estudios%20de%20caso/Cotija/Queso_COTIJA_Mexico.pdf) [accessed July 2009].
- VANDECANDELAERE, E. IN COLLABORATION WITH MERY, J.E. (2008). 'Limon de Pica, Chile'. Organización de la Naciones Unidas para la Agricultura (FAO) y Instituto Interamericano de Cooperación para la Agricultura (IICA). In Riveros, H., Vandecandelaere, E., Tartanac, F., Ruiz, C. and Pancorbo, G. (eds), *Calidad de los alimentos vinculada al origen y las tradiciones en América Latina: estudios de casos*. Lima: FAO-IICA. Available at: [http://www.fao.org/ag/agn/agns/Projects\\_SQP\\_Santiago/Documentos/Estudios%20de%20caso/Limon\\_Chile.pdf](http://www.fao.org/ag/agn/agns/Projects_SQP_Santiago/Documentos/Estudios%20de%20caso/Limon_Chile.pdf) [accessed July 2009].
- WILSON, N. AND FEARNE, A. (2000). 'A link between modernity and tradition: the case of several regional food products'. In *The socio-economics of Origin Labelled Products in Agri-food Supply Chains: Spatial, Institutional and Coordination Aspects*, Économie et sociologie rurales, Actes et communications No. 17–2, pp. 277–294, INRA – France. Proceedings of the 67th European Association of Agricultural Economics Seminar, Le Mans, France, 28–30 October 1999.
- WIPO (1958). Lisbon Agreement for the Protection of Appellations of Origin and their International Registration. Geneva: World Intellectual Property Organization (WIPO). Available at: [http://www.wipo.int/lisbon/en/legal\\_texts/lisbon\\_agreement.htm](http://www.wipo.int/lisbon/en/legal_texts/lisbon_agreement.htm) [accessed July 2009].
- WIPO (1891). Madrid Agreement Concerning the International Registration of Marks. World Intellectual Property Organization (WIPO). Available at: [http://www.wipo.int/madrid/en/legal\\_texts/trtdocs\\_wo015.html](http://www.wipo.int/madrid/en/legal_texts/trtdocs_wo015.html) [accessed July 2009].
- WTO (1994). Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement). Geneva: World Trade Organization. Available at: [http://www.wipo.int/lea/en/text\\_html.jsp?lang=en&id=4064](http://www.wipo.int/lea/en/text_html.jsp?lang=en&id=4064) [accessed July 2009].