

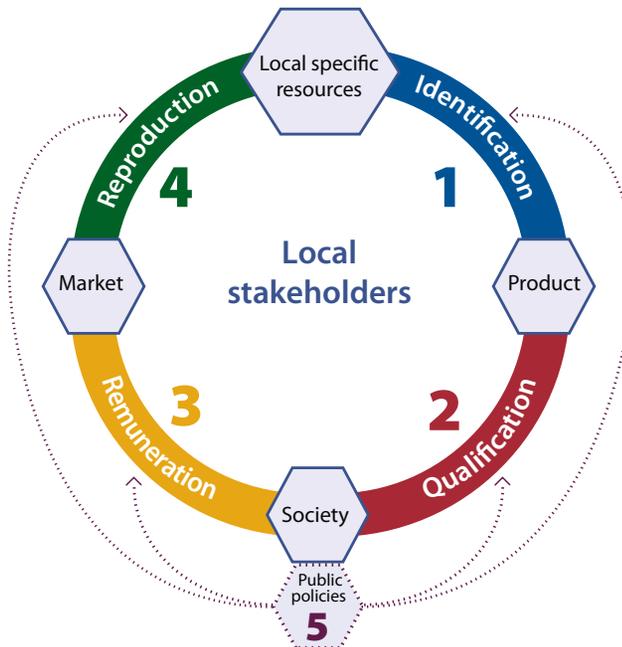
The different steps of the origin-based quality virtuous circle

Some food and agricultural products present specific quality characteristics, which can make them famous as a result of the particularity of the production place and the local natural and human environment. This production specificity provides a product with a potential of being part of a sustainable development process. In this context, local stakeholders should turn latent local resources into active assets, preserving and improving them, generating society's recognition as well as increasing remuneration in markets.

This part presents the different interlinked stages of a methodological quality virtuous circle for sustainable development based on the promotion of an origin-based product.

Origin-based products correspond to differentiated or differentiable products as a result of their local identity or typicity: their identification as a GI is justified by the particular environment they originate from and that gives them specific characteristics, quality or reputation from the consumer's point of view. Their anchorage in the area they are produced is at the base of a virtuous quality circle: this means that the promotion of their quality linked to geographical origin can create positive effects on economic, social and environmental aspects, which are reinforcing over time thanks to the preservation of local resources involved. Such virtuous quality corresponds to a value creation and preservation process with four main stages (See figure 1). Through awareness on the product potential, local stakeholders can agree on starting a collective process for adding value while preserving local resources. Adding value comes from consumers and related market recognition of the product and maybe reinforced by official recognition and legal protection of the product name that are required to define the specific quality. Sustainability of the origin-based production and promotion system will depend on the remuneration from the market and the reproduction of the local resources.

Figure 1: The origin-based quality virtuous circle



The main stages of the origin-based quality virtuous circle are:

1. Identification: local awareness and assessment of potentials of the product
2. Product qualification: setting up the rules for the value creation and preservation of local resources
3. Product remuneration linked to the marketing aspects
4. Reproduction of local resources reinforcing the sustainability of the system
5. Public policies provide the institutional framework and possible support for all the stages of the circle.

Along the circle, the role of local and external stakeholders (production and marketing, public actors, NGOs, research and development centers...) is essential in all the phases. The institutional framework (public policies and regulations) also plays an important role in promoting and regulating the quality linked to geographical schemes.

1. Identification (Part 1)

The first step of the activation process is the clear identification of the product and the local resources needed for production. This relies greatly on local producers' awareness of the "potentialities" linked to specific local resources, which is at the basis of the collective action to value their product. The identification of a reputation and the specific resources involved, as well as their link to the specific quality of the product, may also require scientific studies and analysis, either on resources (e.g. soil analysis, history of the product) or on the product and its reputation (tasting, consumer research, etc.). At this stage, support is as important as specific technical and scientific competencies are.



Limon of Pica (Chile): identifying the specific characteristics of the product directly in the field.

2. Qualification (Part 2)

The qualification phase is the process, by which society (consumers, citizens, public institutions, other value chain actors, etc.) will be able to recognize the values attached to the origin-based product. The qualification asks for a clear and shared description of the characteristics of the production area, production process and product quality attributes, as well as the use of appropriate tools for identifying, protecting, and making all these characteristics recognizable. In this sense, labelling with a geographical indication (GI) plays an important role to signal the link between the product, the geographical area and the specific quality, making the origin-based product a GI one.



Cacao Chuao (Venezuela): women drying cacao beans in the traditional way in front of the church of the village; the special characteristics of the basement gives particular conditions for drying.

Qualification requires local producers to draw up the code of practice (CoP) containing clear criteria and requirements for reaching that specific quality (setting up the rules). Producers of the concerned area should therefore build the rules collectively and implement them in a way that guarantees the expected specific quality.

This process is critical both for providing consumers with a defined product quality linked to its geographical origin and ensuring that reproduction (preservation and improvement) of local resources is adequately managed.

3. Remuneration (Part 3)

The remuneration phase corresponds to the mechanisms by which society will pay the producers for the services included in the origin-based product: the specific attributes related to intrinsic quality, preservation and promotion of natural or cultural resources etc. Remuneration of the GI product has to cover the cost of production, often higher than industrially processed and imported products ones, to ensure a certain level of profitability, thus sustainability.

One major remuneration mechanism is through the market (i.e. through price and market access). Marketing of the GI product requires a collective strategy to manage the collective asset for adding value, i.e. the reputation. Therefore, a collective structure to manage the GI production and marketing system is of importance.

Remuneration of the local specific resources may also be obtained through non-market mechanisms. Indeed, market mechanisms cannot fully reward certain values of a product, as for example, the total value of a specific local genetic resource (i.e. a local breed, a special land management system, preservation of a specific landscape, etc.). If this is the case, it may be necessary to reward these values through direct public support (for example public financial support or technical assistance) (See part 5).



Remuneration: a local markets in Asia.

4. Reproduction of local resources (Part 4)

Reproduction of the system means that resources are preserved, renewed, and improved along the circle in order to allow sustainability of the origin-based product system on a long-term basis, thus guaranteeing the very existence of the origin-based product. Therefore, the reproduction phase relates to the assessment of the implementation of the previous stages (identification, qualification and remuneration) and their impact on the three dimensions of the territory: economic, social and environmental.

Further, the reproduction of local resources including the increased reputation of the origin-based product and its territory may exert positive effects on other local economic and social activities. At this stage, it is therefore interesting to reinforce an extended territorial strategy.

However the reproduction of specific local resources is not automatic even when the product becomes more lucrative, because it depends on the attitudes of local actors regarding economic relations and local resource management. Reproduction requires fair distribution rules along the supply chain: between the local production system and market stages, as well as fair distribution within the local production system.



Chivito Criollo del Norte Neuquino (Argentina): preservation of the product and the resources allow young people to stay in the mountains.

The reproduction of specific local resources should also make sure that environment, landscape, culture, traditions and social relationships are not negatively affected by the economic activity.

Role of public policies along the virtuous circle (Part 5)

Public actors (such as State, regional, local governments, other authorities and institutions representing public interest) can play in particular an important role in the local development of origin-based products in order to enhance their positive contribution to rural and sustainable development. First, they can provide an adequate legal and institutional framework enabling the recognition, regulation and the protection of collective property rights on GIs.

Moreover, supportive public policies can provide conditions for enhancing the development of origin-based products to favour their positive impact on economic, social and environmental aspects during the different phases of the quality virtuous circle.

Case Study

Case study 1: The value creation process SAFFRON OF TALIOUINE (Morocco)

Saffron of Taliouine is produced in the Anti Atlas mountain in Morocco. Promotion and preservation of this origin-based product has been identified as a tool for rural development by local actors and facilitators and where the origin based circle was used as a methodology:

1. Identification

Saffron of Taliouine enjoys a specific quality and a good reputation. Local awareness was promoted by the Morocco-French NGO Migrations & Development, which developed collaborations to support the identification, qualification and remuneration phases (FAO, Regional Council of Souss Massa Dra, the National Research Center for Agronomy, the Slow Food Organization, etc.). The Identification phase highlighted the specific quality linked to geographical origin of the Saffron of Taliouine:

- it presents high quality and specific flavour confirmed by lab tests, and its link to the geographical location is reported as far back as the ninth century;
- local natural resources play an important role in the specific quality: for example volcanic soils filter the rain and water coming from the Siroua massif;
- traditional practices are important both for cultivation (alternating crops, natural fertilizers, etc.) and preparation, with an important role played by women and youth;
- know-how is intimately tied to the Berbère culture and the localization: traditional villages (douars) maintain a strong community tradition.



Soil analysis by INRA research center.



2. Qualification

Identification of the product potential (soil analysis, composition analysis, market studies, tasting, etc.) contributed to the definition of the implementation of a project to up-grade and market the product. Up-grading the product addressed all production stages: cultivation, harvesting, storage and packaging. In order to qualify the saffron producers used organic and fair-trade certification, and now they are in the process of registering the product name as a geographical indication, in order to signal its uniqueness as a result of its link with the territory. The elaboration of the geographical indication code of practice is part of the project.



Type of packaging is part of the product definition.

3. Remuneration

An assessment of the collective action is based on the well functioning village associations which favours the creation of producer associations and cooperatives and provides also the potential of better marketing. The market study contributed to identify and establish commercial linkages with European fair trade companies, while local marketing is being improved (traditional fairs, tourism etc.). Collective promotion (communication) is enhanced locally, in particular thanks to the annual Saffron festival of Taliouine and internationally thanks to famous Chefs.



The French Chef Gérard Vives participating in field visits in November 2007, recognized and promoted this quality in his restaurant.

4. Reproduction

The project takes into consideration economic, social and environmental sustainability, especially in the definition of the product and of the production process. The first impacts have been assessments to consider the way forward for the code of practice and marketing (for example what markets should be privileged, what sustainable agricultural practices are to become a criteria etc.).



The first Saffron festival in Taliouine, November 2007



Source: Garcin, D.G. Carral, S. 2007; Technical cooperation Programme of FAO.

