

The impact of GI products on the local economy, society, culture and environment varies widely depending on the characteristics of the production system and the modalities of the GI process. The intensity (how much?) and direction (positive vs. negative) of the impact strongly depend on the rules and actions that local and non-local stakeholders undertake on behalf of the GI product.

## Objectives

In order to ensure the reproduction of local resources for a sustainable GI system, it is important to assess the impact of the rules (code of practice) and collective action.

It is therefore crucial that local stakeholders set up a monitoring and control system in order to evaluate the impact of their strategies and actions on local resources and sustainability, comparing individual and collective aims with outcomes over time.

## Key Concepts

Reproduction encompasses social, economic and environmental sustainability:

- **Economic sustainability:** the value created by means of remuneration activities should be fairly distributed among stakeholders along the value chain according to their contribution to the value creation process.
- **Environmental sustainability:** reproduction means ensuring the preservation or even the improvement of natural resources.
- **Social and cultural sustainability:** this entails the promotion of traditions and the cultural heritage, reinforcing the sense of local identity.

Local stakeholders are the key element in determining whether the system is sustainable because of their role and level of empowerment, their motivations, their social capital and their awareness of issues such as social equity and environmental preservation.

There are many types of potential negative impact of a GI if the tool is used improperly. For example, the code of practice may exclude certain local producers because they cannot meet its requirements, external actors may undermine GI development, loosely formulated rules may lead to the replacement of specific local resources with non-specific ones, leading to a loss of biodiversity, or the intensification of production methods and product specialization may lead to the overexploitation of some specific resources.

Local stakeholders can consider this evaluation as a learning process conducted over time throughout the quality virtuous circle. Indeed, the results of the evaluation process permit an adjustment of the rules and the implementation of new initiatives that can guarantee long-term sustainability.

## Process

Evaluation and debate must be a collective activity. This is anything but simple, considering the many stakeholders involved and interested in the GI product, each with different aims and expectations. When evaluating the effects, at least two different levels must be considered:

- The local production system viewpoint, which should be counted not simply as a sum of individual positions, but also in terms of collective issues.
- A wider “public good” viewpoint, inasmuch as the positive impact on the economic and social standing of local producers may hide some negative effects “outside” the local production system. Producers who have been excluded from the benefits of the GI reputation (being located outside the delimited production area or perhaps lacking sufficient technological, financial or information resources to use the GI) may threaten social cohesion at the local level. It is therefore important to analyse impacts beyond the group of GI producers.

Accountability for positive effects from the GI system is a very important issue. Local stakeholders should measure and trace the performance of the GI system with regard to collective values (social issues, environment, biodiversity preservation etc.) and be able to communicate these effects outside the local production system, both to consumers and to other relevant actors (public authorities, environmental associations etc.).

When assessing the various types of impact, a conceptual schema may be useful in order to undertake a global evaluation, taking into consideration both individual and collective actions, as well as the equilibrium of the three pillars of sustainability, i.e. economic, social and environmental issues.

## Summary

The collective construction and management of the GI are the basis for positive effects. Networking activities between private and public actors, together with the strength and nature of the “common vision”, will certainly influence strategies regarding the GI product. These strategies can focus either on the efficiency of the supply chain or on broader territorial considerations (see sheet C5.3).

Collective and participatory action can support the fair distribution of the benefits by setting inclusive rules of representation and decision-making, as well as by assisting producers with conflict resolution (see sheet C4.1).

These rules can evolve in order to ensure better preservation of the local environment, cultural heritage and traditions (see sheet C5.2).