

Do Geographical Indications Promote Sustainable Rural Development?

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Abstract - Geographical indications (GIs) are one form of protective labelling used to indicate the origin of food and alcohol products. The role of protected geographical indications as a promising sustainable rural development tool is the basis for this paper. The research method employed for this study is qualitative critical social science. Two case studies are used to investigate the benefits brought to rural areas through the protection of GIs. The case studies include the GIs Jersey Royal and Welsh Lamb both from the United Kingdom a member of the European Union (the EU is in favour of extended protection of GIs for all agro-food products under the 1994 WTO/TRIPS agreement on geographical indications). Twenty-five indepth interviews were conducted for this study. The study identifies predominantly indirect links between GIs and sustainable rural development, through economic and social benefits brought to rural areas by the GIs investigated - less of a connection was found to ecological elements. No considerable disadvantage for GI protection was discovered. These findings suggest that GIs are worthwhile for implementation as a rural development tool.¹

INTRODUCTION

Geographical Indications are one type of label of origin, others include Swiss Labeled Products, Appellation d'origine contrôlée, Mountain Quality Products etc. The World Trade Organization's (WTO) 1994 Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) defines geographic indications (GIs) 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 geographic origin." (1994 TRIPS Agreement, article 22.1)

The subject of GIs is rather contentious, involving a significant split in views on the WTO/TRIPS agreement protecting GIs; protection is currently limited to GIs for wine and spirits. The European Union, India, Thailand, Kenya, Switzerland and Turkey wish to extend Article 23 WTO/TRIPS to protect all GI products. These nations also wish this extension to involve the establishment of a legally binding multilateral register for GI products (Josephberg et al., 2003). Australia, Canada, Guatemala, New Zealand, Paraguay, Philippines and United States do not support this extension (Josephberg et al., 2003). Coming from New Zealand - a country that has a remarkably diverse geography yet doesn't support the protection of non wine and spirit GIs - prompted the authors motivation for this study.

There is much reference in economic and agro-food literature to the contribution of origin labelled

products (OLPs) to rural development (Babcock, 2003, Barham, 2003; Treagear, 2003). This reference is predominantly theoretical, signifying that there is a need for more empirical evidence demonstrating that OLPs promote rural development. Furthermore, there are many forms of OLPs each possibly impacting rural development differently (Barham, 2003). Geographical indications are one type of OLP and therefore require independent research. There is far less literature *specifically* concentrating on the influence of GIs on sustainable rural development than there is on OLPs in general. However from existing research it is generally believed (Barham, 2002; Babcock & Clemens, 2004; Rangnekar, 2004) that GIs do promote sustainable rural development.

The study investigates two GIs - Welsh Lamb and Jersey Royal Potato - to bring new information to the table in order to scrutinize the hypothesis that GIs do promote sustainable rural development.

METHODS

The case study method was employed to allow the gathering of detailed and context specific information on two selected GI protected agrofood products The PGI Welsh Lamb and PDO Jersey Royal Potato. A qualitative critical social science research method was employed to investigate these case studies.

Twenty five interviews were conducted, ten stakeholders for each case study and a further five large retailers who were questioned about both products. The interviewees for both case studies were randomly chosen from a list of stakeholders directly involved in producing and/or marketing the products.

Stakeholders were first contacted by phone and a meeting time arranged. Interviews were conducted face to face during the month of October 2006. The interviews took approximately 1 hour each. The stakeholders were interviewed in their professional capacity only, to avoid ethical concerns. This method of indepth interviews opposed to questionnaires was designed to be more explorative and to establish a stronger rapport with the stakeholders in order to gain more detailed and valid information.

The responses obtained in the in-depth interviews were transcribed and when agreed by interviewee, recorded. The meaning of the information gathered from stakeholder in-depth interviews was determined by searching for sub-themes, commonalities and patterns. This information was then verified for credibility and validity where possible through a method of triangulation. The various information sources for triangulation came from consistency of answers between intra and inter stakeholder groups, and data from relevant organizational bodies and literature.

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RESULTS

GI Links to Economic Benefits:

The Jersey Royal was consistently linked to adding economic value to the product in the form of a premium. PDO and PGI status could not be linked directly to innovation and entrepreneurship, although some indirect links to innovation were found.

GI links to Social Benefits:

Neither product could be directly linked with the encouragement of social networks and collaboration amongst stakeholders, except for in the application stage for GI status.

Both GI products investigated could be linked to maintaining some degree of traditional knowledge.

Welsh Lamb could not be linked to ensuring sustainable employment or slowing rural exodus. The Jersey Royal was linked to sustainable employment however rural exodus was not viewed as an issue in Jersey when considering the whole of Jersey as a rural area.

GI links to Environmental Benefits:

The Welsh Lamb could not be linked to biodiversity, as the genetic makeup of the Lamb can be a mix of a number of species. On the other hand the Jersey Royal Benne was discovered on Jersey and cannot be grown anywhere else therefore it maintains biodiversity by avoiding the replacement of a potato outside of Jersey with the Jersey Benne, and vice versa i.e. on a global scale. However on the island of Jersey the Jersey Benne doesn't encourage biodiversity as it is grown as a monocrop. The local biodiversity therefore depends on the production techniques. This will vary from GI product.

The GIs investigated were not linked to environmental standards.

Direct links with ecologically sustainable agricultural practices were not made with the GIs investigated. However, indirectly sustainable farming practices were encouraged for Welsh Lamb through the Farm Assured Welsh Lamb scheme. Both products have links to ecologically sustainable practices; however these cannot be directly linked to GI status and may also have occurred in the absence of GI status.

No one interviewed stated that there were significant disadvantages involved with GIs.

DISCUSSION AND CONCLUSION

There are many factors required to ensure sustainable rural development, very simply these can be reduced to ecological, economic and social elements. The two products investigated do not have profound direct links to all of these elements, however many indirect links were found. The Geographical Indications evaluated were least strongly tied to ecological benefits, with stronger ties to economic and social values. No significant social, economic or ecological costs were uncovered by the study.

This study only evaluates two case studies out of a total of 36 in the UK so the findings are not representative of all GI products in the UK. Furthermore it can be assumed that the effects of UK-GIs are different from those in Italy or France, with their long tradition and culture of regional food products (There are approximately 500 GIs in Europe).

Predominantly stakeholder responses were backed up with supporting data, which indicates that the perceived effects of GIs are inline with the actual effects of GIs. However what was anticipated to be valuable attributes of GIs such as encouraging social cohesion due to being a "collective" label and adding to biodiversity because they are "differentiated" wasn't clearly the case with the two GI products evaluated. Also of surprise was that the GIs evalu-

ated didn't link to innovation and entrepreneurship, which contradicted findings in the literature review. The anticipated values of offering transparency and fairness were found to occur with GI protection, because they could be directly linked to the regulations governing GIs.

There is enough evidence to show that the GIs investigated in this study are linked to more than just economic benefits and are therefore trending toward SRD; however these links alone are not strong enough to say that GIs *promote* sustainable rural development. A promising finding of the study is that although many of the links between the GIs investigated and SRD were indirect all stakeholders agreed that GIs promote SRD.

Considering the findings of this study together with findings from relevant literature the protection of GIs remains a promising policy tool for sustainable rural development. In today's society where customers are placing increasing value on the integrity of food, such as the social and environmental standards involved in the production and processing of agrofood products (Murdoch et al., 2000; Renting et al., 2003), Countries such as New Zealand could potentially benefit from adopting GI regulations. GI protection could encourage such Countries to diversify and balance their markets away from predominantly bulk commodity production, taking pressure off the necessity to intensify future production and reducing strain on natural resources such as soil and water.

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