

*Local Products and Geographical Indications Research Network in Turkey (YÜciTA)
METRO Gross Market, Gaziantep Metropolitan Municipality, Gaziantep University, Akdeniz
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SEMINAR : « GEOGRAPHICAL INDICATIONS, RECENT INTERNATIONAL DEVELOPMENTS,
GOVERNANCE AND GAZIANTEP EXPERIENCE »
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Economic and Strategic Dimensions of Geographical Indications: The Cases of European Union and France

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Organisation
des Nations Unies
pour l'éducation,
la science et la culture



Chaire UNESCO
en alimentations du monde
France



Centre international
d'études supérieures
en sciences agronomiques

Problematic :

Does GI may constitute a relevant
Strategic lever for Agri-Food Firms
Performances ?

Outline

- 1 – Food Systems
- 2 – Agro-Food Firms Strategies
- 3 – GI in Europe
- Conclusion = Key Success Factors

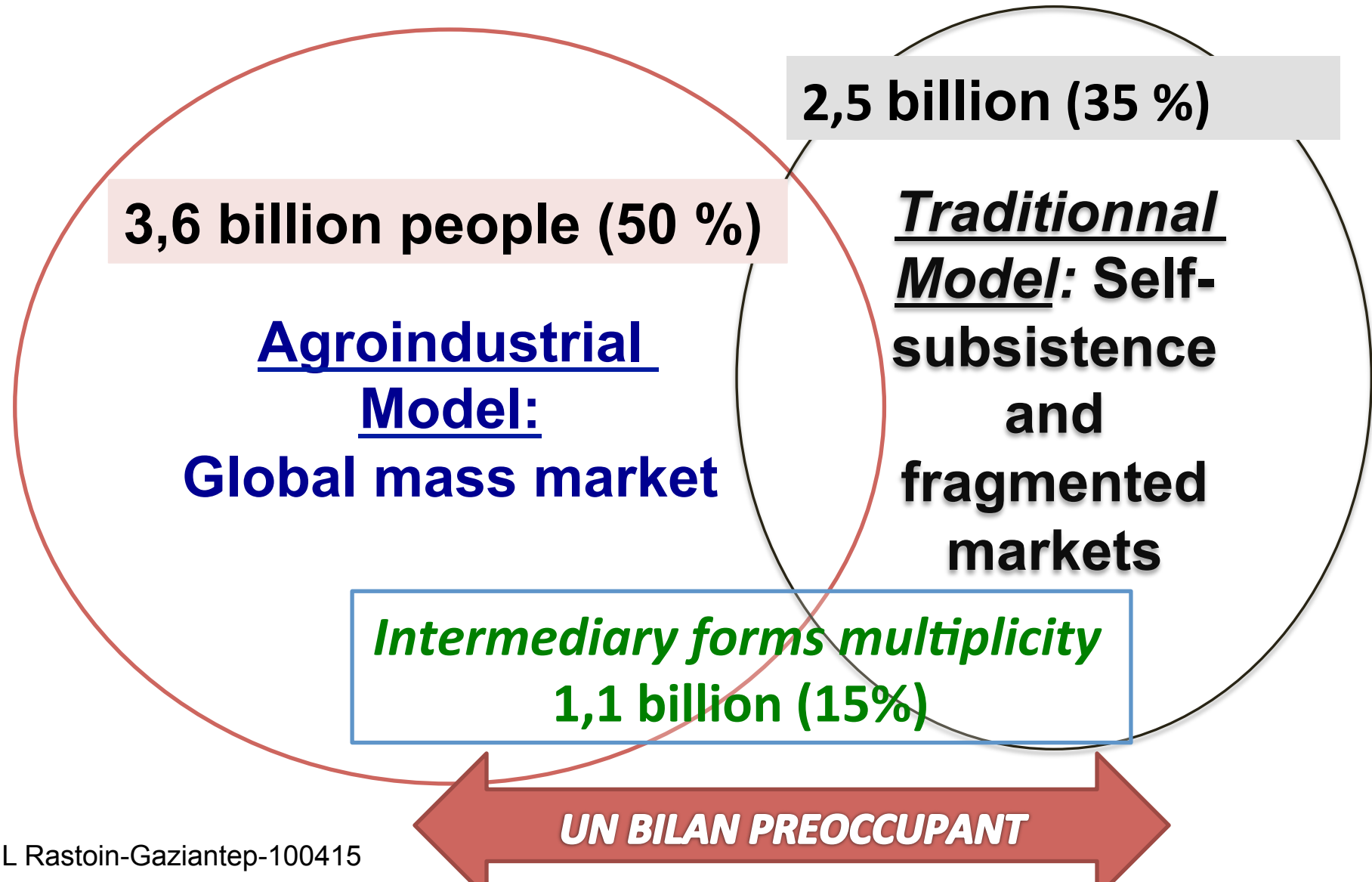
1/ Food Systems

« The food system is the way that Human being organize themselves in space and in time to produce, distribute and eat their food »

Pr Louis Malassis,
1994

Nourrir les hommes, Flammarion

2014 World Food System (7,2 billion consumers)





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Food Insecurity Assessment

- **Public Wealth:**
 - Malnutrition for 3,5 billion people (50% world pop.)
- **Social:**
 - Inequitable sharing of resources, opaqueness
- **Economic:**
 - Price volatility, relocations, waste
- **Ecological:**
 - Damages : land, water, biodiversity
- **Technical:**
 - Weak resilience to crisis

Sustainable Food Systems (FAO, 2010)

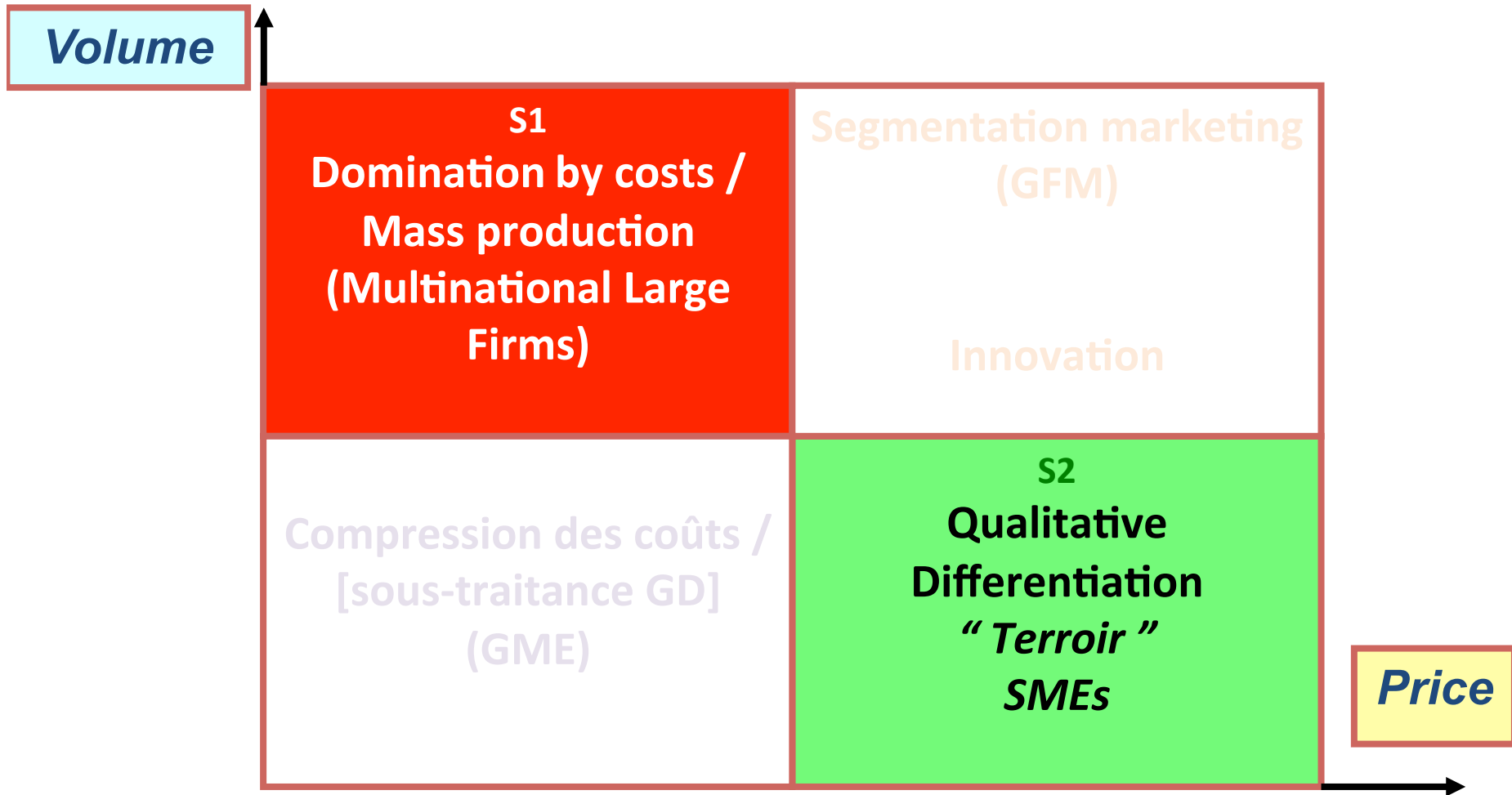
«Systems with low environmental impacts which contribute to food and nutrition security and to healthy life for present and *future generations*. Sustainable food systems are protective and respectful of biodiversity and ecosystems, culturally acceptable, accessible, economically fair and affordable; while optimizing natural and human resources.»

Source : FAO, 2010, rapport final Biodiversité et régimes alimentaires durables.

<http://www.fao.org/ag/humannutrition/biodiversity/fr/> (Protocole de Nagaya)

2/ Agro-Food Firms Strategies

Agri-Food Generic Strategies



Source : Rastoin et Gherzi, 2010, adapté de Porter, 1985
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Differentiation basis

- Culture (Food Heritage)
- Product Sensorial Characteristics
- Production model (original knowledge, organization design)
- Production area(origin)
- Way of consumption
- => The GI European system adopts all these differentiation components

PDO Label:



Tire une authenticité et une typicité de son lieu d'élaboration (origine géographique)

Possède une notoriété dûment établie (Histoire)

... est issu d'une démarche collective et fait l'objet d'un contrôle indépendant (C)



PGI =
Partiellement élaboré ou transformé dans le territoire

Bénéficie de caractéristiques et d'un savoir-faire spécifique décrits avec précision (Technologies)

Est totalement élaboré (matières premières agricoles et transformation) dans un territoire délimité (micro-région, région, pays) (L)

Exemples : Fromages Roquefort, Brocciu

WTO's GI Definition - TRIPS, 1995

Article 22

Protection of Geographical Indications

1. Geographical indications are, for the purposes of this Agreement, 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.

EU/UE : DPO/AOP, GPI/IGP, GTS/STG

3/ GI in European Union

EU' GI Statistics

Registered GI (PDO, PGI, GTS)	Situation by 18 march 2015
EU countries registered GI (wine excluded)	1 261
Growth rate since 2009	56%
Mediterranean countries in EU members GI total	72%
Foreign countries with EU registered GI	Andorre, Colombie, Chine, Thaïlande, Turquie, Viêt Nam
Foreign countries with EU GI application demand	Brésil, Cambodge, Inde, Maroc, Rep. Dominicaine, Thaïlande, Turquie

Source : nos calculs sur BdD DOOR, UE, 18/03/2015

**PGO, PGI et GTS (Regulation (EU) 1151/2012) :
Registration number by March 2015 (without wine)**

Product	Total GI number	2009-2015 Change
Fruits, vegetables, cereals	342	75%
Cheese	228	36%
Processed meat	157	80%
Fresh meat	147	32%
Oils and fats	126	19%
Bakery, pastry, sweets	66	136%
Other products (spices, etc.)	55	129%
Other animal products (eggs, honey, dairy products except butter, etc.)	41	64%
Seafood products	40	167%
Beer	26	44%
Total	1 261	28%
<i>Source : Base de données DOOR, Commission européenne, 18/03/2015</i>		

PGO, PGI and GTS (Regulation (EC) n° 510/2006) :
GI Products Applied by 08 April 2015

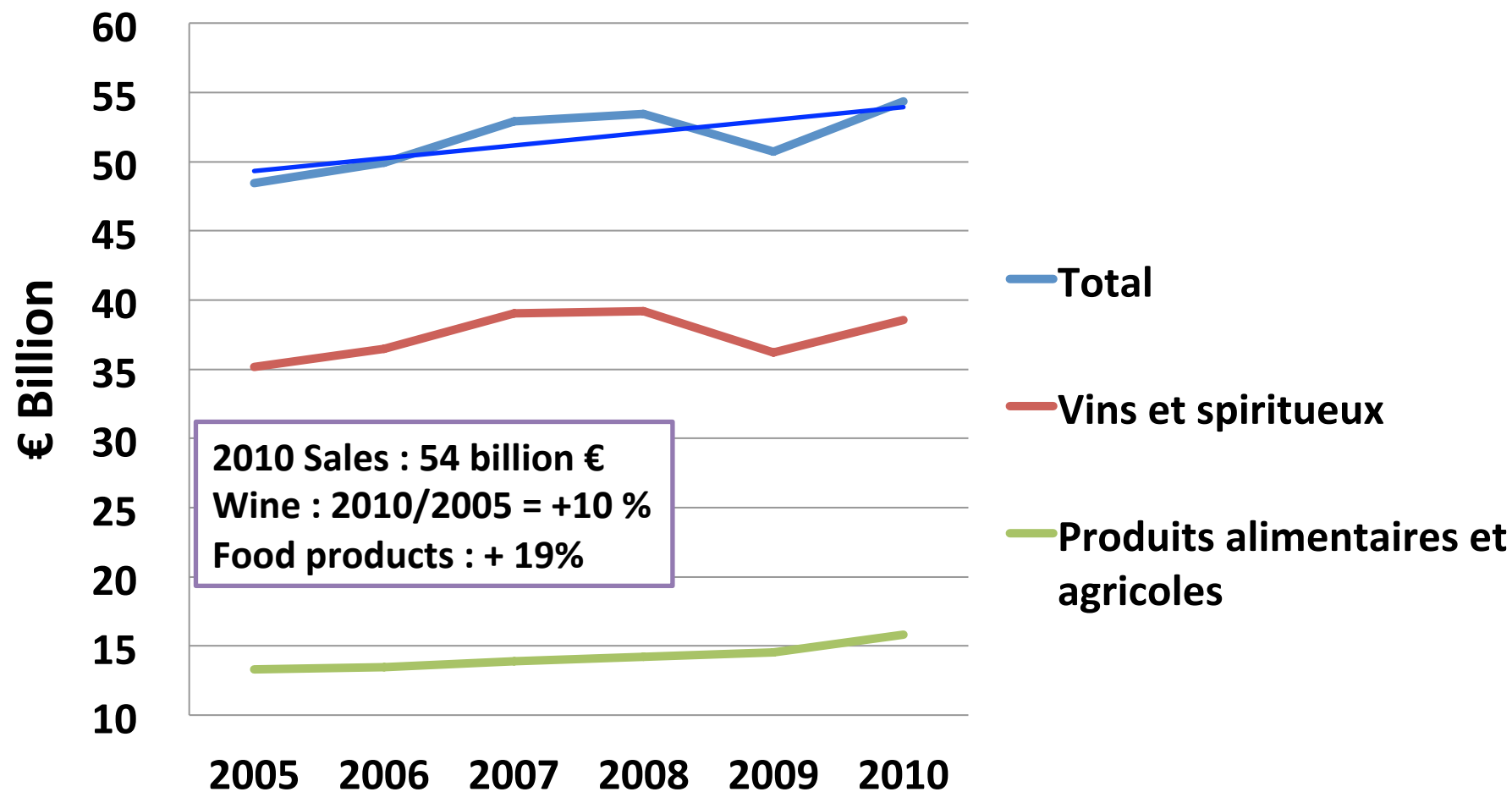
Designation	Country	Type	Date
<i>Afyon Sucuğu</i>	Turkey	PGI	13/08/2012
<i>Afyon Pastirmasi</i>	Turkey	PGI	13/08/2012
<i>Aydin İnciri</i>	Turkey	PGO	11/06/2013
<i>Malatya Kayisisi</i>	Turkey	PGI	13/05/2014

EU' GI Economic Size

- 2015 Sales : € 75 mds
- 2005-2010 Market Growth: + 12% (x 2 / all food products average)
- Gap in Price for Producers with GI / no Label Products: + 50%

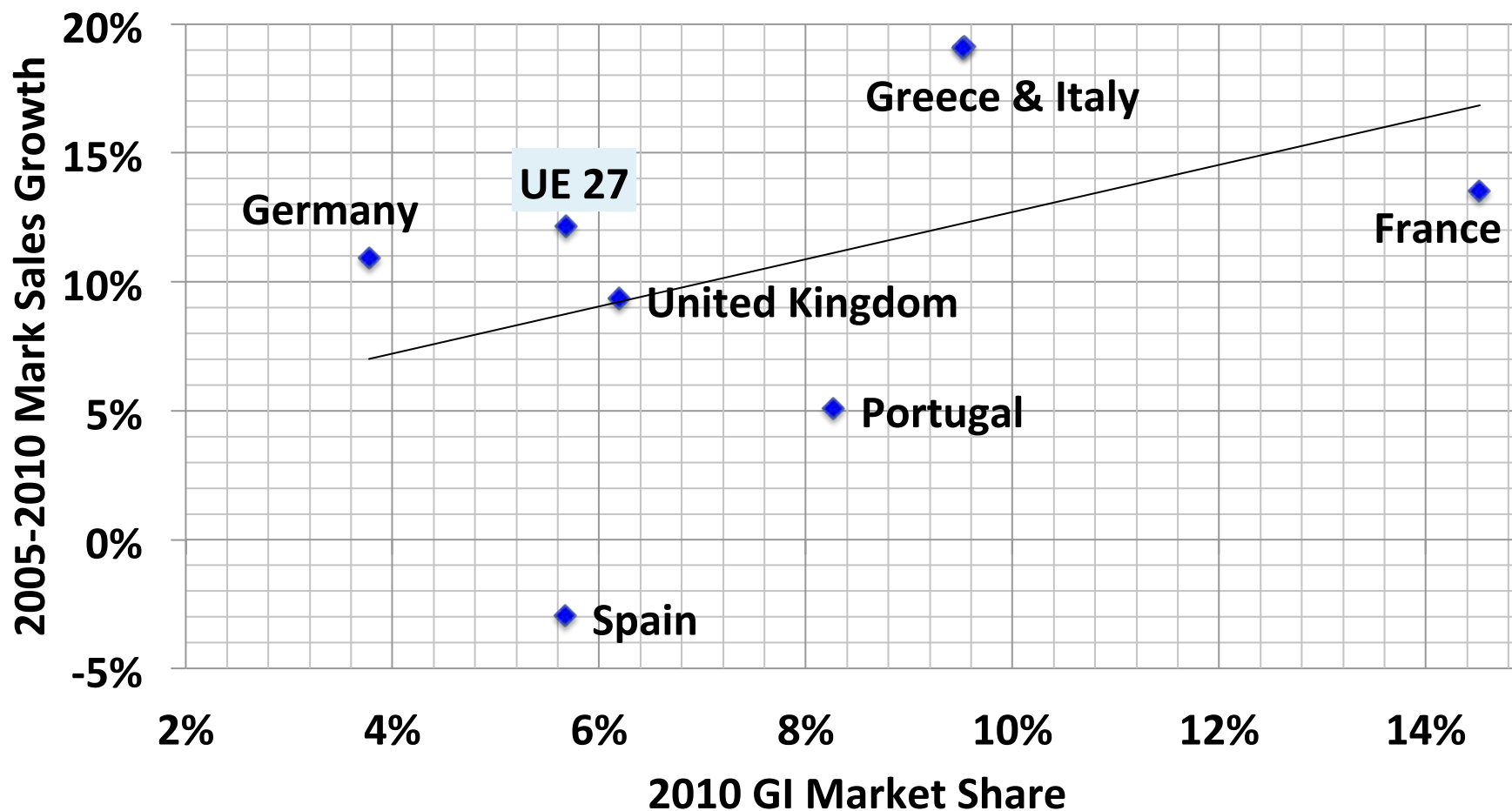
Source : Cherver T. et al., 2013, *Value of production of agricultural products and foodstuffs, wines, products and foodstuffs, wines, aromatised wines and spirits protected by a geographical indication (GI)*, TENDER N° AGRI-2011-EVAL-04, Final report, European commission, Brussels: 87

EU GI agrofood products market trends



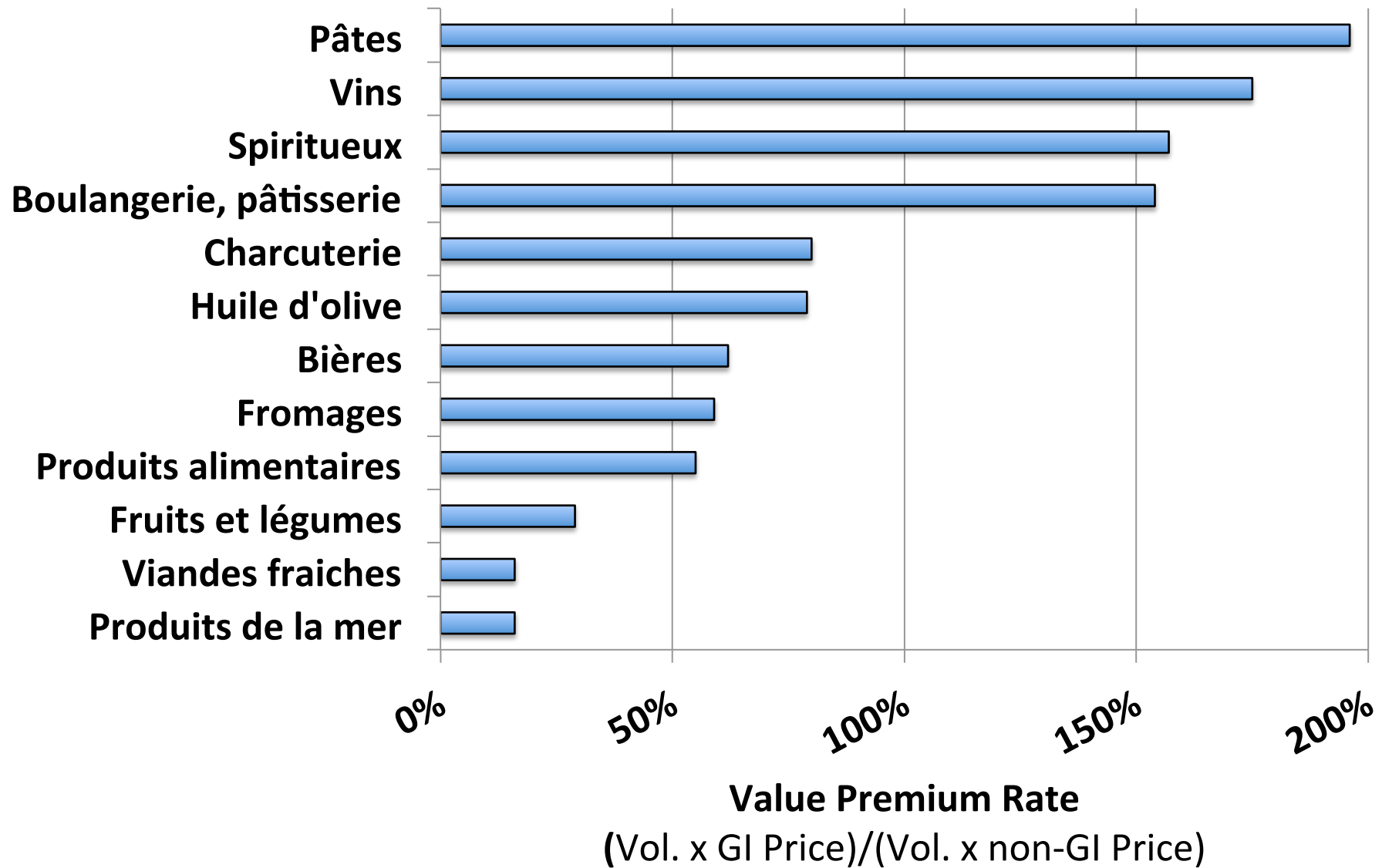
Source : nos calculs d'après Cherver et al., 2013, CE DG Agri et AND

GI Agrofood products cross analysis Market share / Growth



Source: nos calculs d'après AND-international survey for DG AGRI and FoodDrinkEurope, 2013

GI Products Value Premium Rate, EU, 2010



Source : nos calculs d'après Cherver et al., 2013, CE DG Agri et AND

GI Employment aspects: PDO & no Label Cheeses in France

PDO Value Chain « Cow Milk Cheese »*:
2,8 jobs / 100 000 l. processed milk
French Milk Value Chain, Average:
1,0 job / 100 000 l.

* autres que frais et fondus, des entreprises laitières

Source : ODG / CNIEL / INAO

Land Prices Premium

PDO "Nyons Olive Oil" (Drôme, France) - Orchard Value, 2002

Market land value	Price (€/ha)	Average Annual Growth Rate 1999- 2002
PDO Olive trees	30 000	9,5%
Non PDO Olive trees	17 000	7,4%
Other orchards	8 000	1,8%

Source : INAO, 2004, AOC "Olive et huile d'olive de Nyons", Paris

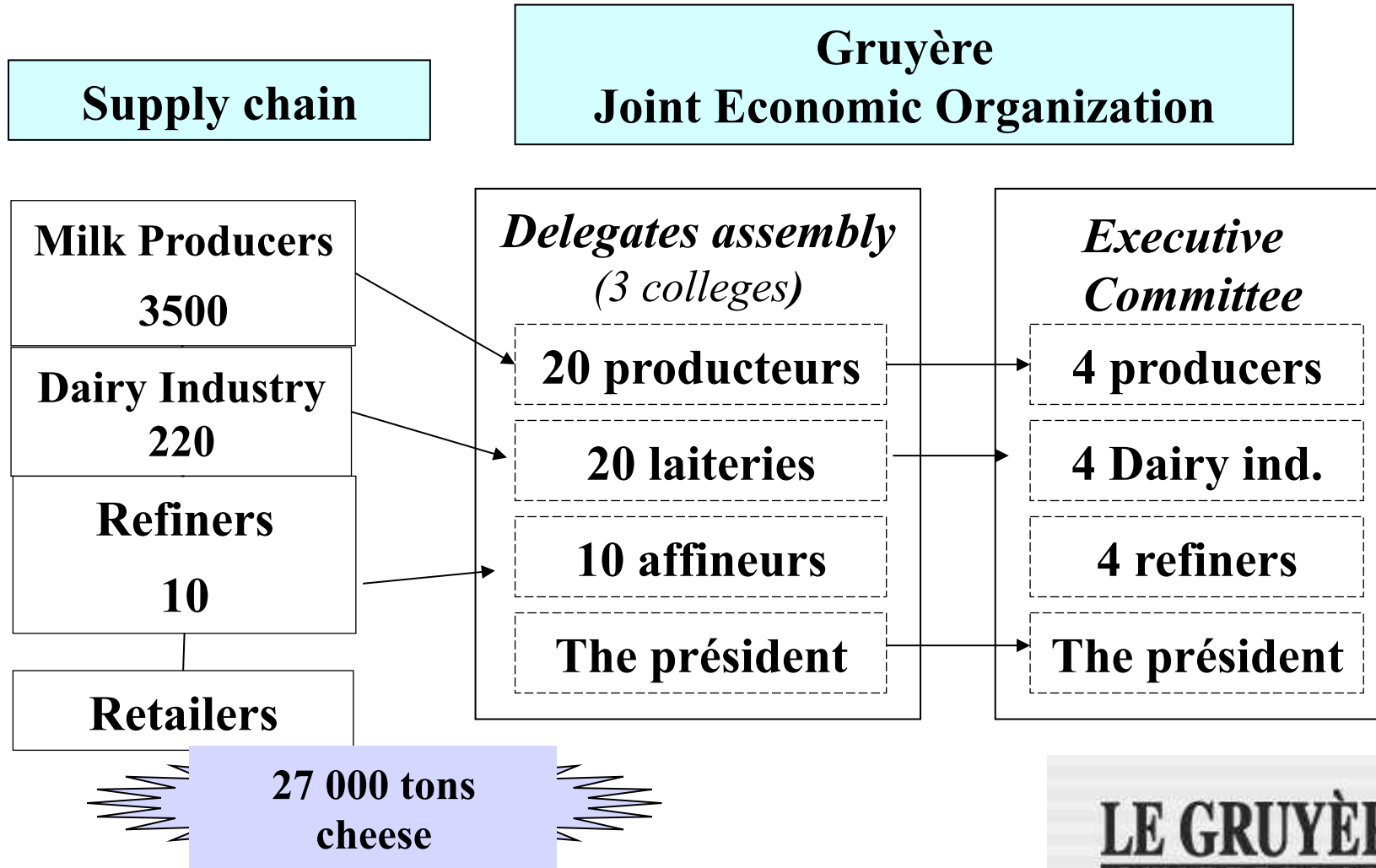
An example:

PDO Comté French cheese, 2013

- 1217 municipalities in 4 departments (mainly Doubs et Jura)
- 3100 milk producers, 156 picking, processing and maturing firms (of which 117 co-operatives), 56 « peripheral » enterprises (goods and services suppliers)
- Cheese production: 53 000 t
- Sales: M. € 620
- Jobs: 14 000

Source : datas from CIGC, 2015

Governance Structure Example



Strategic decisions

Source : Bridier, 2013

Conclusion

What Values Creation?

- **Social Value**: consumer's rights, local solidarity, good relationship between generations
- **Local Value**: product traceability, territorial identity building, employment
- **Economic Value**: upper price and margin, more services (food, tourism, logistic) = successful enterprises

GI Key Success Factors

- **Strategy** : Product Specificity + Market relevance
- **Governance structure** (interprofessional trade-union), missions :
 - *Product specification*
 - *Quality payment*
 - *Label and promotion*
 - *Research, training*
- **Starting Public Support**

(Adapté de Bridier, 2013, d'après Barjolle D., Sylvander B., 2002)

***“Nations Destiny depends on
their nourishing ways”***

**Jean-Anthelme Brillat-Savarin
(1755-1826)**

*Pour aller
Plus loin :*

Le système alimentaire mondial / The World Food System

Concepts et méthodes, analyses et dynamiques

Jean-Louis Rastoin, Gérard Gherzi

Préface d' Olivier De Schutter



Synthèses
Editions Quae, 2010

<http://www.quae.com/fr/>



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