

Introduction

Sustainability of GI production systems in the framework of the TTIP negotiations

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A vast body of literature has appeared (Barham and Sylvander, 2011) and a number of Seminars of the European Association of Agricultural Economists (EAAE) have focussed on the “issue of GIs” by highlighting the fundamental characteristics of GI products (Arfini and Mora, 1998; Sylvander *et al.*, 2000; Arfini *et al.*, 2012). Two elements identify and characterise GI products: the complexity and multifaceted nature of the concept of quality and the multifunctional role of GI systems. The quality of GI products derives from the close dependence on natural and anthropic local resources, the history of the territory of production, the cultural heritage and their own reputation. The reputation of a GI product has developed over time and consumers identify it with the concept of typicality (Casabianca and Touzard, 2009). The latter is an intrinsic part of the GI quality concept and is perceived by consumers as not reproducible. The multifunctional role of GI systems highlights the necessity of considering different “dimensions” of GI products at the same time. It also helps us to recognize that the GI system is not niche (Sylvander and Baraham, 2011) but a wider system which is part of an overall economy (Allaire *et al.*, 2011).

Describing the numerous dimensions of GI products entails adopting a multiplicity of approaches to overcome the limits of methodologies used in traditional marketing analysis of value chains. This multiplicity is required to evaluate aspects impacting on quality such as the natural, productive, recreational and cultural aspects of the territory and the multifunctional role of GI systems which shape the rural and local development path, system coordination, agricultural and commercial policy dimensions and the protection of intellectual property rights related to the use of the geographical name.

In international trade, these aspects become even more problematic because of the difficulty of safeguarding and protecting GI systems, which synthesise them into the geographical name. Furthermore, the two international organisations, the World Trade Organisation (WTO), with its Trade-Related aspects of Intellectual Property Rights (TRIPS) agreement, and the World Intellectual Property Right Organization (WIPO), with its Lisbon agreement, that regulate the international trade of food products, have adopted different definitions and protection regimes in relation to GI products (Addor and Grazioli, 2002):

- The TRIPS agreement (Articles 22.1 and 22.4) reflects a compromise between countries that have different levels of “sensitivity” to GI products. The compromise gives

“weak” protection for food items and “strong” protection for wines and spirits. In fact, Art. 22 gives the burden of proof of usurpation to the party reporting usurpation. On the other hand, Art. 23 concerning wines and spirits establishes protection *ex-officio* without placing any burden of proof on the party who reports it;

- The Lisbon agreement regulates the international register of the Designations of Origin and offers strong protection for all GI products in countries signing the Agreement. These, however, are fewer than the WTO TRIPS signatory countries.

The distinctions brought about by the TRIPS agreements have generated a trade war (Josling, 2006) among WTO countries. The trade disputes concerning GIs exported from the *sui generis* to the trademark area are not yet resolved in spite of the multi-lateral negotiations of the WTO agreements. Nowadays, bilateral negotiations on trade rules between the EU and the USA have been taking place. The TTIP – “Transatlantic Trade and Investment Partnership” have the objective of laying down rules and solving outstanding trade conflicts, including the one on GIs between the USA and the EU in order to allow stable trade relations. All these GI related issues have been discussion topics in the 145th EAAE Seminar (Parma, Italy, April 2015) “Intellectual Property Rights for Geographical Indications: What is at stake in the TTIP?”. This section includes a selection of three papers presented at the 145th EAAE Seminar. The first one, presented by Wirth, examines the legal and policy relationships amongst international standards for GIs, food safety requirements and voluntary claims related to a food’s attributes within the context of international trade agreements protecting GIs, such as the 1994 TRIPS Agreement, the EU-Canada Comprehensive Economic and Trade Agreement (CETA) and the chapter on intellectual property and geographical indications in the TTIP currently under negotiation. The second contribution analyses the role of innovation applied to GI products. Mancini and Consiglieri state that innovation can make GI products competitive in the logic of the global market provided that information asymmetry between producers and consumers is filled. The third contribution by Schmitt *et al.* measures the sustainability of value chains and it is aimed to provide a scientific methodology to objectively assess the real benefits and drawbacks of local versus global value chains.

Contributions presented at the 145th EAAE agree on the fact that the “GI issue” is not limited to the protection of the geographical name but it also has qualitative and socio-economic implications. Therefore, discussions about TTIP also need to examine the use of GIs as a rural development tool and their production model as an example of sustainability. Certainly, it is time to cease the “war of *terroir*” in the interest of the environment and society worldwide, as well as consumers and producers. In this spirit, the debate on GIs in the TTIP negotiations could be an arena for fruitful discussion, and an opportunity to recognise what is really at stake with the GI issue.

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