

United Nations Conference on Trade and Development Division for Africa, Least Developed Countries and Special Programmes (ALDC)



The experience of UNCTAD in assisting rural communities in LDCs on geographical indications

#### **Stefano Inama**

Division for Africa, Least Developed Countries and Special Programmes, UNCTAD

11 December 2014 Phnom Penh, Cambodia

## LDC and Trade

- UNCTAD experience on trade and development issues shows that many LDCs rely on export led economic growth
- However limited export diversification and low value-addition are long-standing features of LDCs trade flows
- The Donor community provides market access for LDCs , Aid for trade and the EIF
- Combination of these opportunities is not an automatic recipe for success



## The market access components

- Preferential tariff are subject to compliance with rules of origin requirements.
- Other components of market access are SPS and TBT.
- Market access presuppose the existing of a supply capacity that in many LDCs does not exist
- Market access by itself may not generate increased exports or supply capacity



### The Aid for Trade and EIF component

- Both components are designed to assist the LDCs in mainstreaming trade in their development plans
- However this process is complex : depends on the capacity of LDCs government to design a sequenced roadmap of coordinated policy action policy actions to generate supply capacity
- The Diagnostic integration study could be a valid tool in this process
- LDCs tends to privilege mega projects or commercial cash crops



## The potential for GIs in LDCs

- Many LDCs given their geographical and cultural endowments have a wide variety of traditional products with potential high value for GI
- GI's meet the legitimate concerns of preserving traditional products and methods of production and reduce poverty for isolated rural communities
- A series of actions are required: Identification, establishing GI specifications, production methods and cooperatives
- Necessary conditions : both the community and and the Government understand and promote GIs



# A combined approach: Policy (1)

- UNCTAD assists at two levels:
- The Policy level : advocating to the Government the importance of GI as complementary tool for developing export oriented products
- Often LDC Government are attracted by Mega projects both in commercial farming and in investment and may not pay sufficient attention to potentialities already existing of products of rural communities
- UNCTAD carried out a number of DTIS were GI's potential and products were brought to the attention of Government: Senegal, Mozambique



# A combined approach: Field level(2)

- UNCTAD assists selected rural communities in LDC in developing the GI specifications of their products:
- Assign local and international experts to work with the community to draft the specifications for their products
- Workshops to 1) Rise awareness 1) exchange experiences 2) validate the content GI specifications
- Assistance for GIs registration
- Strengthening GI's offices and advice on GI's laws



#### Lessons learned

- LDCs are struggling in making use of Gis to promote their products while many developing countries have been successful
- Great potential but still few success stories in LDCs
- Gl's demands a series of conditions and "per se" are not a guarantee: SPS and marketing
- Government tend to focus on mega projects
- Rural communities are not aware of the potential



#### Thank you for your attention

#### **Stefano Inama**

E-mail: <u>stefano.inama@unctad.org</u> United Nations Conference on Trade and Development Division for Africa, Least Developed Countries and Special Programmes (ALDC)

