



**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: Some Trade policy considerations

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# LDCs and Trade

- UNCTAD experience on trade and development shows that many LDCs rely on export led economic growth
- However persistent limited export diversification and low value-addition are frustrating such objective
- 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 need for a complementary paradigm

# The potential for GIs in LDCs

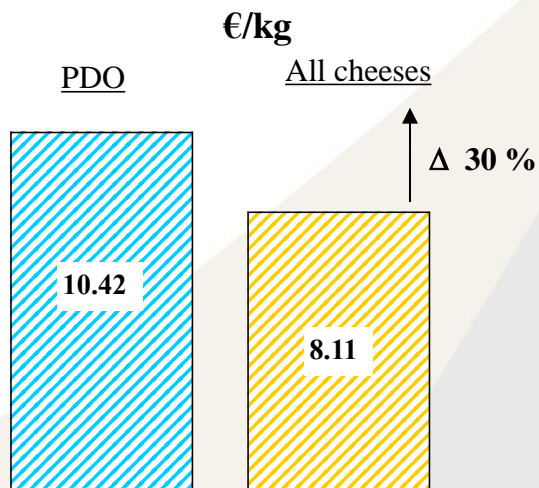
- Many LDCs given their geographical, cultural and natural endowments have a wide variety of traditional products with potential to become high value for GI
- GI's meet the ambitions of :
  - 1) high value added exports
  - 2) preserving traditional products and methods of production
  - 3) reduce poverty 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

# Geographic Indications : A tool to create value

- Geographic indications has 3 microeconomic effects:
  - **higher retail price** for GI products
  - **sustainable production growth**
  - **better value distribution**
- GIs are an efficient rural **development tool** : the creation of value of a GI product is higher and is better distributed at the local level.

- **GI product retail price is higher**  
(ex: +30% on cheese)

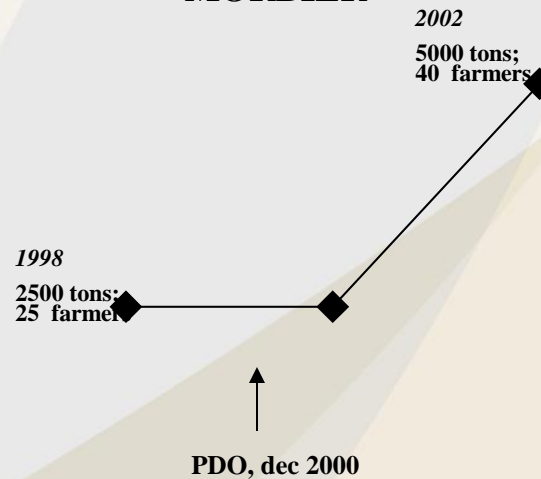
Price gap between PDO cheese and others



23/12/2014

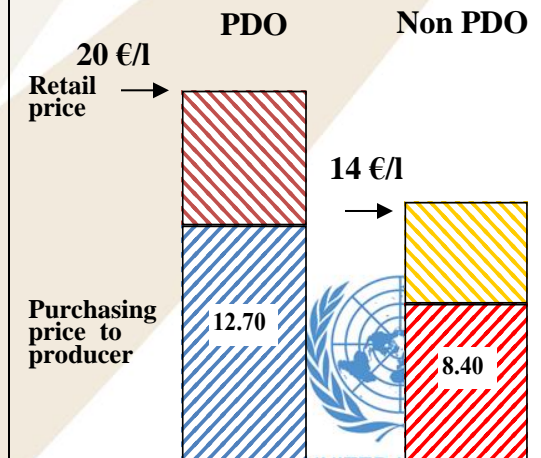
- **GI qualification is a vehicle for growth, through the setting-up of a joint distinctive signal**

Evolution of production MORBIER



- **The distribution of value is more favorable to GI producers**

Distribution of value  
ex: Olive oil



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# A combined approach: Policy (1)

- UNCTAD assists at two levels:
- The Policy level : advocating to the Government the importance of GIs 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 where 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 and developed countries have been successful
- Great potential but still few success stories in LDCs
- GI's demands a series of conditions and "*per se*" are not a guarantee: SPS and marketing
- Governments tend to focus on mega projects
- Rural communities are not aware of the potential

# Thank you for your attention

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