

#### UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION





#### **Governance and Quality in Geographical Indications** Worldwide Symposium on Geographical Indications Tbilisi, 15<sup>th</sup> of June Nuria Ackermann, UNIDO





## UNIDO's experience in local development

UNIDO started working on GIs over a decade ago.

Before UNIDO had established a long-lasting experience in economic cluster development.

Clusters = regions with a high **concentration of companies or producers** that produce **similar products** (i.e., shoes cluster, honey cluster, auto parts cluster, etc) or offer similar services (tourism cluster, IT cluster).

Cluster members face similar threats and opportunities because of their shared geographic location.

Joint management of these threats and opportunities and joint collaboration of local stakeholders can lead to economies of scale, collective efficiency, increased local competitiveness and ultimately to inclusive local development.





### **Governance schemes**

Establishing governance schemes is key to successful cluster development.

Good cluster governance involves:

- structured collaboration among economic actors
- structured relationships with support institutions (municipalities, universities, training institutions) and civil society (NGOs).

Good governance consists of several intertwined layers of **collective collaboration schemes**:

- set-up of an economic association that implements a regional joint vision (governance body)
- set-up of other **regional networks** (producers cooperatives, SME consortia, supplier networks, joint research projects etc) to ensure good collective management.

Good governance schemes are also necessary in regions, where **all producers produce the same ancestral agrifood or handicrafts flagship product**.





## Governance schemes and GIs

Regions with a **registered GI** need a specific type of local governance around the GI product (traceability, collective quality assurance, controls)

UNIDO has a long-lasting experience in certification schemes, standards, quality infrastructure, etc.

Some important lessons learned from **GI governance** in **developing countries**:

- <u>Governance and entrepreneurship spirit</u>: GI governance body must have an economic orientation. Need to promote a region-wide **entrepreneurship spirit**, a continuous quality improvement mindset and a market-oriented quality approach
- 2. <u>Governance and market controls:</u> Good governance ensures the quality and authenticity of the Glcertified product. The **protection of the intellectual property right** cannot be solved by good governance. Effective market controls are generally too expensive.
- 3. <u>Governance and consumer education</u>: Good governance is **not** linked to **consumer education**. Consumers may not understand the difference between the certified GI flagship product and the non-certified flagship product.





# Governance schemes and GIs (2)

- 4. <u>Governance and local development</u>: Good governance should be about implementing a joint vision of how the **whole region can develop** around the GI flagship product. Good governance is about bringing entrepreneurship initiatives and continuous quality improvement to the next level (gastronomic tourism, flagship product processing, product diversification, farm shops etc.)
- 5. <u>Governance and territorial marketing</u>: Good governance is needed to ensure that all local actors get involved in storytelling, **communication and branding** around the GI flagship product: tourism sector, restaurants, gastronomic associations, local shops, distribution chains, public entities, training institutions etc.
- 6. <u>Governance and quality control</u>: Within the governance scheme, efforts to ensure and certify quality need to be **proportional** to the expected capacity of local producers to negotiate improved **market access** for the GI product.



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# Thank you!

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