

Towards a Geographical Indication Sustainability Manifest Objectives, approach and key issues – Geneva, May - 2017



Gls and Sustainability

The Economic Pillar

- Maintain and/or increase local revenues and local employment
- Income for local producers

The Social Pillar

- Keep local traditions and cultures alive.
- Preservation of the natural and cultural heritage, traditions, know-how and lifestyle in marginal areas.
- Strengthens social linkages between local actors and increases self-esteem among local actors as their identity and related way of life
- Development for fragile or remote areas

The Environmental Pillar

- Preserve the environment and biodiversity
- Use of local resources locally-adapted species, varieties, breeds and micro-organisms
- Traditional production systems with lower environmental impacts
- Protection of habitats, typical landscapes and genetic resources.

Source: FAO, A guide for promoting quality linked to geographical origin and sustainable Geographical Indications - Second edition

Project Objective

Elaboration of a global sustainability manifest of Geographical Indications (GIs) to promote sustainable development through GI processes.

Phase 1

- Benchmark of Available Reporting Systems (GRI, SAFA, SASB, SDGs, VSS)
- Review of Possible Tools
- Consult Experts
- Suggest methodology that can be adapted to different GI contexts
- Phase 2 Develop a GI Sustainability Manifest, supporting guidelines and adapt/develop tools as required
- Phase 3 Pilots for specific GIs.
- **Phase 4** Communication platform under the oriGIn website to share the GI Sustainability Manifest and the tools for measuring progress among participating GIs.

Agenda

- 1. The Case for Sustainability and GIs
- 2. Phase 1 Results of Desk Research
- 3. Topics for Discussion

1. The Case for Sustainability and GIs

Gls have a worldwide impact – Recognized Gls



Gls are present in different stages of the Value Chain

A territorial approach that can extend across several stages of the value chain.



Wine and Spirits

Produce

What oriGIn members have to say about Sustainability

- During the 7th General Assembly held in Fortaleza, Brazil in November 2015, oriGIn members decided to work on Sustainability and its relationship with GIs.
- As part of the project, in February 2017 a survey among origin members showed the following results:

Want to Know more	93%
Believe that Sustainability is an area of interest for GI	89%
Total GIs with formal sustainability policy	15%
Total Gis Reporting Regularly on Sustainability or CSR	41%
Reporting GI or a member *	63%
Members using 3rd party Certificators	41%
GIs that have been approached to build or help devise Sustainability programs by governments clients or other stakeholders	48%

^{*} Either a GI or one of its members reporting

Source: oriGIn member survey. n=27

Why a GI Sustainability Manifest?

Consumer and Market demand

- Sustainability Reports
- Ethical Sourcing Policies
- Certifications and Labels

Gls have Sustainability credentials

- Sustainability is embedded in the GI concept e.g. quality, culture, identity, governance, tradition.
- GIs have Sustainability credentials

Gls should have a say on their own priorities

- Brands and Retailers are making of Sustainability a point of market
 Access and differentiation
- Sustainability: "more of a pathway tan a state to reach"

GIs - Commitment, Measurement, Communication

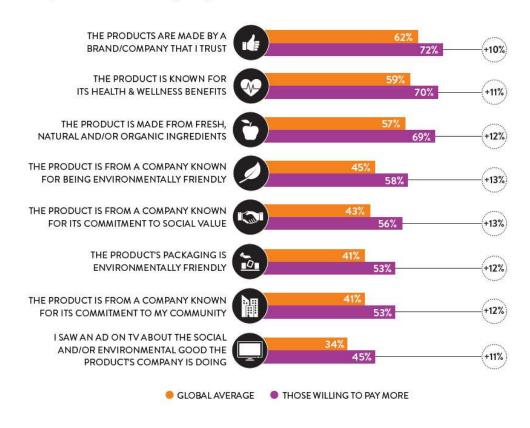
The Opportunity: Consumers are increasingly demanding Sustainability benefits

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TOP SUSTAINABILITY PURCHASING DRIVERS

Global Respondents vs. Those Willing To Pay More*

Top 3 purchasing drivers align with characteristics of GIs



^{*}Note: Key sustainability purchasing drivers were categorized as either "very heavy influence" or "heavy influence" by the indicated percentage of respondents

Source: Nielsen Global Survey of Corporate Social Responsibility, Q1 2015

Large Brands and Companies are Aware















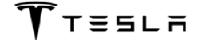






















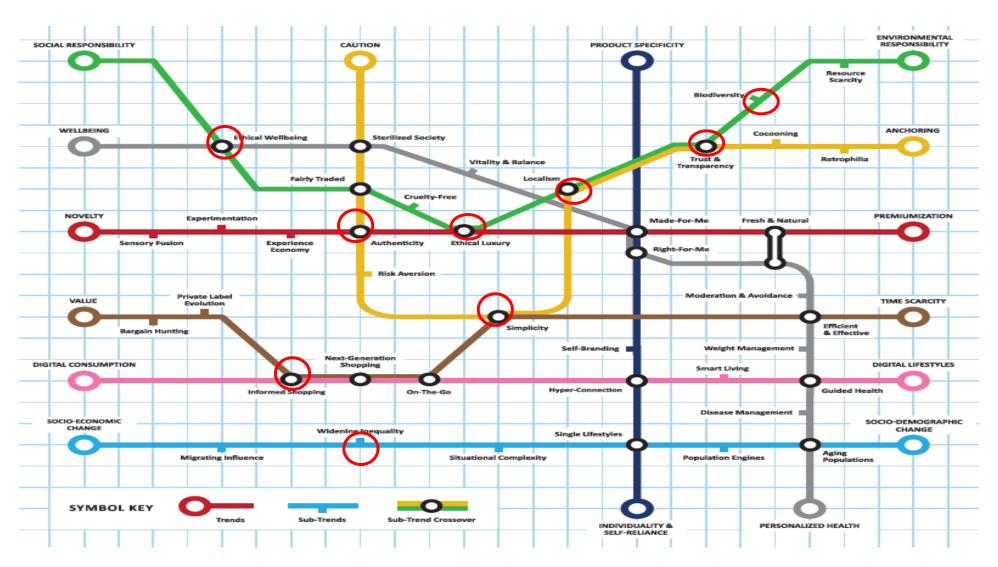
E. FREYA WILLIAMS

CONTROL OF THE SUSTAINABILITY INTO BILLION-DOLLAR BUSINESSES

Sustainable brands and product lines exhibit high growth

All Trains lead to Rome...

...and many GIs are late to catch it







Sustainability and GIs - Leverage Strengths

- Trusted relationships with local stakeholders in the value chain
- Ability to understand and implement change in a defined territory
- Know the particularities of communities and territories
- Contribute to the conservation of local natural resources and biodiversity
- Contribute to preservation of traditional food products and local races and varieties, diversified and nutritious diets.
- Strong links to culture and identity

An Opportunity for GIs

Challenges in Engaging New Consumers

- Lack of Understanding how do practices align with impacts Lack of a strong narrative
- Negative Perceptions about Quality a perception that green products do not perform as well. Gls have an advantage here.
- **Distrust of Sustainability Claims -** Confusing/misleading information has led consumers to be wary of purchasing these products.
- Higher Prices willingness to pay a premium for products that have both quality and Sustainability attributes
- Low Availability lack of availability/choice of sustainable products

Key takeaway: be credible, use trusted methods for measurement and communicate clearly

GI Sustainability Manifest

On a Global Level

We define a GI Sustainability Manifest as a <u>formal declaration that can be endorsed by GIs around the world</u> that will <u>highlight the Sustainability benefits embedded in the GI concept</u> and <u>the commitment to continuously improve their production systems</u> to be more sustainable for the benefit of producers and their territories, and consumers.

On a Local – Practical Level

GIs that adhere to the Manifest would find both a guidance document and a practical tool that will become an instrument to:

- Develop a sustainability strategy for individual GIs that is relevant to their local context
- Raise global awareness on the sustainability benefits of GIs to consumers, retailers, local authorities and other stakeholders
- Engage local stakeholders around common objectives that help their regions of origin and their possibilities for differentiation beyond quality attributes
- **Help GI producer organisations** to identify their own priorities as it relates to sustainability, providing the basis for cooperation with certification agencies, sustainability practitioners, donors, governments and other institutions
- Develop or improve monitoring and implementation of governance, economic, social and environmental policies that are relevant to the local context with adaptable sustainability indicators
- Allow GIs to provide information and indicators required for enhanced market access