

RURAL DEVELOPMENT THROUGH GEOGRAPHICAL INDICATION

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1. INTRODUCTION

Thomas [2013] stated that India is a member of world trade organization (WTO), established the geographical indication of goods (registration and protection) Act, 1999 has come in to drive with impact from 15th September 2003. Geographical indications are not completely commercial or lawful instruments. GIs exist as a vital type of rural development that offers profitable system of geographical; indications.

This paper is an attempt to find out the scope and importance of protecting Geographical Indication. It also helps to deeper understanding of geographical indications are improved by rural development, increased Social Benefits, Economic Benefits, Environmental Benefits, Consumers benefits and Producers benefits etc.

Research efforts shows that Geographical indications creates more benefits for the rural development. While many interventions have been short-term and some have methodological short comings. The conclusions of previous work is helpful to guide upcoming research and practices.

Thomas (2013) conducted a study on economic competitiveness through Geographic Indications. The results of the study shows that, marketing, distribution, branding and promotion are essential tools of the Indian Geographical Indication products to recognize profitable prospective in the international market. This will help to increase the socio-economic development of the community by Geographical Indication registration.

Ojha (2017) conducted a study on Geographical Indications and rural development; opportunities and economic impact of protection of fruit crops in India. The results of the study indicate that protected Geographical Indication products are said to contribute more for development of designated area or region or locality. Compare to reference marketing producers GI product producers contribute standard quality products and can get more profit. The advantage of GI recognition of Indian traditional fruit varieties could improve their demand and qualities.

Bardhi et al (2017) conducted a study on contribution of geographical indications in sustainable rural development, evidence from Northern Albania. The after effect of the study demonstrate that protection of geographical indications could help to support economic activities and settlement in rural regions and increase the life models of the occupants. Geographical indications provide important alternative advantages for the rural development by sending direct signal to the consumer that the product is originated from a specific region with a certain quality not requiring big investments on technology and advertisement.

2. GEOGRAPHICAL INDICATION

Geographical indications opens door for consideration of many more different items identified with the geography, climatic conditions etc. The concept of Geographical Indication began in nineteenth century Europe.

World Trade Organization (WTO) defines GIs as: “indications that identify a good as originating in the territory of a particular country, or a region or a locality in that country, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin”

Geographical Indication is an aggregate licensed innovation right, which identify an item as beginning from particular area, and characteristics or a reputation of item or great coming from that place of origin. GI is filling as a marketing tool by passing information about product. GI protection is more inclined to agricultural products; it includes not only qualities of agricultural product but also all factors that involved from production process to make them available in market for customers. Calboli (2015) stated that geographical Indication is a name or a sign used on products which relate to a specific geographical location or origin. Geographical

indication are considered to identify product quality, highlight brand identify and reputation. It plays an important role in the preservation of cultural traditions. A geographical indication cannot be allocated or licensed to someone outside that place of not belonging to the group authorized producers.

GI protection are found in Europe, other creating nations have as of late started actualizing GI enactment locally and looking for protection in international exchange agreements, with the objectives of advancing rural development and securing local heritage and natural condition.

3. ROLE OF GI IN RURAL DEVELOPMENT

Geographical Indications, furthermore, may provide a strong rural advancement tool which has been perceived by the EU, as reflected in different policies and regulations. This rural development potential could require constitute exceptionally powerful basis for developing countries to grasp and support origin-labeled products within inside their domain. Protection of GI products supports to tolerate commercial events in rural regions. Generally GIs are traditional products, produced by rural communities. The role of geographical indication in rural development related to the following aspect.

3.1 Social Benefits

The production of separated agricultural goods demanded by minority of consumers because of the product quality, safety environment and prospective unity. The production area and the products are related, the speak to a stable comparative preferred stand point, which can be used as a force for encouraging economic activity in remote and or under privileged region. Because of GI, these protected items may bring an incentive for region or area; it can make employment opportunities that can personally elevate financial state of occupants which additionally to prevent rural exodus to urban area. With help of GI local producer can upgrade reputation of their product and can offer specifically, in this manner it can be additionally going up against huge organizations and the reputation of GI can enhance distinguish of region or area. Therefore GIs are viewed as a factor for rural financial advancement and for strengthening economy (Carina, 2005).

3.2 Economic Benefits

Geographical Indication keeping up a specific least level of quality, and asserting this to the consumer, producers of legitimate products can charge a price premium and consumers can retaliate by diminishing future purchases if quality does not meet desire. To catch the esteem related with the products bearing their GI, producers depends on the way that consumers relate the GI-designated products with the separate GI-denominated area. GI producers require legal assurance protection against confusing employments of terms identical or similar to their GIs. They contend that they need protection against free riders who might utilize the GIs outside their precise geographical context, not withstanding when consumers are not confused, as these “not-geographically-accurate” uses could prompt to the loss of peculiarity of the GIs (Agdomar, 2014).

3.3 Consumer’s benefits

Geographical indication is regularly aim to furnish consumers with information about the quality and features of the items. At last this may engage consumers to make better educated buying choices. In fact now and then this very superficial, however the same can be said of advertising for the most part and trademark in particular. All things considered, geographical indication are a little different. By informing the consumer about the origin of the natural substance and the training that go into making the items, geographical indication can offer important information about origin, safety and “quality” of geographical indication products. (Calboli, 2015).

3.4 Producer’s benefits

Geographical indications increase incomes for local producers and fulfill the necessities of more conscious and demanding entrepreneurs. Amit et al (2015) stated that the producers suffer losses and damages as their significant business is reduced from them and their built up reputation for the items is damaged. So protection of Geographical Indications is very important to producers. Geographical indications demonstrate the greatest potential to profit local producers where traditional little-scale production is still present on the supply side, and where end utilize products are advertised straight forward to consumers. In other words, they are less likely to be fitting when the product is a ware exchanged fundamentally in bulk (Downes and Laird (1999)). This confirms the potential of employing the economic benefits of geographical indications to enhance development for local communities throughout the developing world.

4. CONCLUSION

Geographical Indication helps in creating a relationship between the specific product and to the area to which the item belongs or is originated from. Through well-developed promotion and marketing techniques, results in improved economic activities among the rural areas, which in turn results in improved GI production. Most of the Geographical regions are surrounded in rural areas. This creates more chances for rural development. The advantages of Geographical Indications are to sustain monetary activities of the people as well as to develop their standard of living. The residents in rural areas forms the major recipients of GI products which generates more income and employment opportunities.

One of the major advantages of GI is that it sends direct signals to the ultimate consumers conveying the origin as well as the quality possessed by it. Hence huge investments on marketing can be avoided. From consumers' part, GI diminishes the search cost, and hence they are willing to pay an extra premium for each product.

5. REFERENCES

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