

# Report of the workshop on geographical indications and origin marketing

Humura Hotel, Kampala, Uganda

10-11 October 2013

Hosted by URSB, ARIPO and the EU

## 1. AGENDA

See website for final agenda. [http://ec.europa.eu/agriculture/events/gi-workshops-2013\\_en.htm](http://ec.europa.eu/agriculture/events/gi-workshops-2013_en.htm)

## 2. OPENING

The Chairman of the Board of the Uganda Registration Services Bureau (URSB) and Mr Twebaze BEMANYA, Registrar General of URSB welcomed participants and underlined the importance of geographical indications to add value and realise market potential for Ugandan products. The workshop was held at an opportune moment as the *Geographical Indications Act of 2013* had just been signed into law by the President. Ms Diana Akullo of the AU Commission, Department of Rural Economy and Agriculture, underlined the political context within which the promotion of value adding for African farmers within the CAADP process is a priority. Mr Kujo McDave, Chief Legal Officer of ARIPO said an experts' group had begun to examine a draft framework law for GIs, as mandated by the Accra Council meeting in 2011. Cooperation with the EU was undertaken within a framework of an MoU signed in 2012. Mr Grashirabake, Director of Legal Advisory Services in the Ministry of Justice, opened the workshop on behalf of the Minister for Justice and underlined the importance of protecting and promoting the origin of products for the agricultural development of the country.

A press conference followed the opening ceremony (coverage in the evening's business TV and in papers).

## 3. PARTICIPATION AND PRESENTATIONS

Participants were selected from administration (URSB, agriculture, justice, commerce...), from agriculture, and from commerce and trade. All participants contributed to the workshop and its outcomes. In addition specific presentations made – these are available on the website:

[http://ec.europa.eu/agriculture/events/gi-workshops-2013\\_en.htm](http://ec.europa.eu/agriculture/events/gi-workshops-2013_en.htm)

Speakers:

- **Moderator for the workshop: Prof. Dr Ruben Richards**
- Arthur Mpeirwe, Advocate
- Diana Akullo of the AU Commission, Department of Rural Economy and Agriculture
- Dominique Barjolle, Consultant with REDD of Switzerland
- Kujo McDave, Legal Counsel, ARIPO
- Charles Mukama, Ministry of Agriculture, Animal Industry and Fisheries
- Musa K. Muwanga, CEO National Organic Agricultural Movement of Uganda
- Juliet Nassuna, Director Intellectual Property, Uganda Registration Services
- Paul Gitta, Uganda Export Promotion Board
- Francis Fay, DG Agriculture and Rural Development, EU

#### 4. SUPPORTING MATERIAL

See “Training Brochure” on Website [http://ec.europa.eu/agriculture/events/gi-workshops-2013\\_en.htm](http://ec.europa.eu/agriculture/events/gi-workshops-2013_en.htm) and especially the *Further Reading* on page 31 for material from CTA, FAO, WIPO and UNIDO.

#### 5. MAIN CONCLUSIONS FROM THE SESSIONS (SEE ALSO “10. NEXT STEPS” BELOW)

- a) The *Geographical Indications Act 2013* entered into force on 2 October 2013, just prior to the workshop. The implementing rules will now be prepared by URSB. Producers of quality agricultural products in different regions need to be sensitised to the potential of registration and begin the process of preparing product applications.
- b) Uganda has significant natural agricultural resources – with abundant fertile land and water in many parts of the country. Some regional products are known to have particular characteristics and be sought by buyers. These are potential candidates for GI registration.
- c) Much Ugandan agricultural output enters commodity chains and loses any particular quality characteristics or value linked to origin. Origin labelling, and geographical indications in particular, has the potential to help producers increase value and differentiate goods in the market.
- d) Entering the international market requires effort, attention to quality, and good analysis of markets as well as analysis of product characteristics. Unsubstantiated claims will be quickly exposed in international markets if they not backed up by verifiable data.
- e) Uganda should develop a national branding strategy built around key products and Ugandan identity.
- f) GIs are a concept all Ugandans can readily understand. They should also be used to help convey the value of intellectual property to the public at large.

#### 6. GEOGRAPHICAL INDICATIONS AS A TOOL TO PROTECT AND PROMOTE VALUE

Definition: a name or sign corresponding to a product made in a specific geographical location that possesses certain qualities – such as traditional production methods, specific characteristics, or it has certain reputation due to its geographical origin. They are often agricultural product or craft product, like *Kasese passion fruit*, *Mpambire drums* and *Pakwach stools*.

GIs have a long history: from the 19th century: they are protected in the *Paris Convention on Protection of Industrial Property 1883*, and the *Madrid Agreement for Repression of False or Deceptive Indications of Source of Goods 1891*.

GIs are a relatively new concept in Africa and especially in Uganda. Uganda has an opportunity to establish a good protection system that will work. Cooperation needed with the agricultural sector – to educate the small holder farmers, producers, exporters about origin branding as a collective effort. Capacity to adhere to product standards and ensure sustainability are important.

GIs are a type of intellectual property right (IPR) and are protectable under a wide range of legal tools, including sui generis laws, trade mark laws (individual or collective marks or certification marks), by general laws against unfair competition and for consumer protection, or even by specific decrees that recognize individual GIs. GIs are a type of intellectual property right that everyone can identify with: they can be used to promote the importance of the concept of IPR in Uganda.

The Geographical Indication Act 2013, creates a sui generis system for the protection and registration of GIs. The new law creates a legal framework for management of GIs, the *Office of the Registrar of GIs*, and a process for registration and protection. GIs protected as certification marks can be converted to GIs. Remedies include civil action and administrative action.

Next step in administration: quickly pass the implementing regulations and set up the administrative structure for the GI registration system.

## 7. AGRICULTURAL POTENTIAL

Wealth creation policy goal: *Vision 2040* is the national policy to eradicate poverty in which agriculture plays a major role: Uganda has very substantial resources in its agricultural output that are not tapped. GIs, under the new law of 2013, have the power to transform the way product is marketed, increase returns for farmers, and develop better awareness for Ugandan product – and so contribute directly to *Vision 2040*.

Supporting strategy for value addition: Promoting added value is one of the central objectives of the AU's CAADP policy framework for agriculture to improve smallholder income. Uganda's partners and donors should support these national priorities in the future. The EU is planning to do this under the 11<sup>th</sup> European Development Fund (EDF) from 2014, as the sector has been identified as a national priority.

Marketing to advantage: Today more and more products are sold by origin – consumers want choice. It is important to give the story behind the product. GIs are the most appropriate tool. Having the GI is not enough: stakeholders must also ensure production standards and be able to deliver the product with its identity and qualities in tact to the buyer.

GIs success depends on: producers; processes (administration); place; profit. The reputation of Uganda as the “Garden of Africa” – must be used to brand and see Ugandan products.

Examples of potential GIs – having characteristics are “essentially attributable” to production in the area:

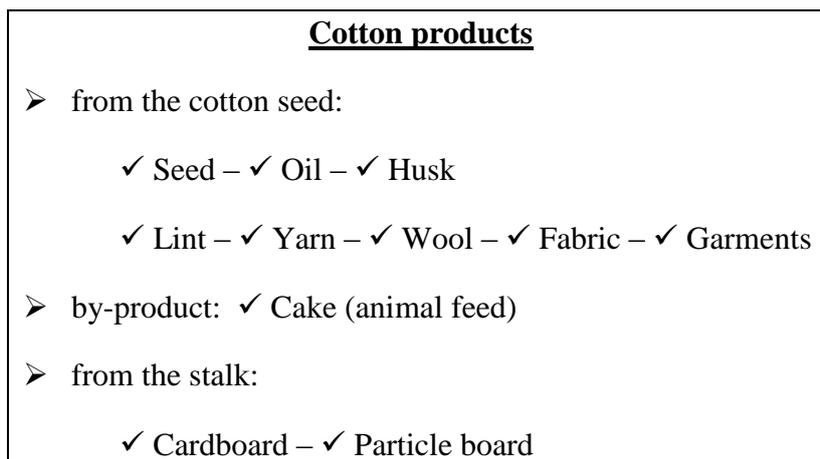
- Kasese Passion Fruit
- Kavare Potato
- Mukono Vanilla
- West Nile Cotton – high quality but sold at commodity prices.
- Bark Cloth of Buganda
- Bugisu coffee
- Katuulo pineapples
- Jali (Bussi Island) fruit (pineapples)
- Kawanda passion fruit

Agriculture and trade in agricultural products hold the key to prosperity: 73% population depend on agriculture; 23% GDP; 48% of total exports. 4.2 million small farmers: sector is achieving 5.9% growth per year. National policy is to promote value addition and trade. Ugandan agricultural exports: COMESA 30%; EU 24% and under AGOA 2%. EAC market is 130

million consumers and the Tripartite zone has 400 million consumers. Main exports: Coffee USD 467 million; Cotton USD 86 million; Tea USD 72 million; Tobacco USD 53 million; Cocoa USD 45 million.

Agricultural development: Challenges include quality of seed; storage / cold stores; infrastructure; post-harvest bulking-up and processing stations; access to inputs... The strategic planning in agriculture focuses on Value chains; Contract farming (including outgrower schemes); Entrepreneurship development; Agro processing: the GI instrument is very well suited to identify value-added product and protect the value in this context.

Example of value-adding potential in one commodity is cotton: the single crop produces about 10 different products:

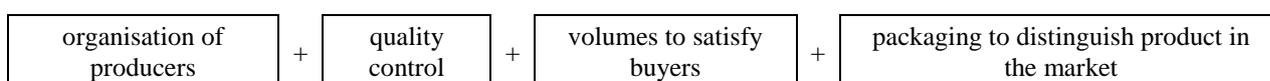


The Ministry of Agriculture is focussing policy on value adding initiatives: public private partnerships are being promoted. Government can offer research and certification services and extension and improve the investment climate – Uganda is already a liberalised country and trade-oriented. 10 prioritized food crops are: maize, beans, bananas, cassava, rice (aiming for self-sufficiency), dairy milk and mixed dairy-beef, aquaculture, coffee, tea, and horticulture. Promoting origin and certifying quality is aim of strategy to increase incomes and boost food security and sustainability not only for Uganda but to contribute to the whole of the GHA.

## 8. PRODUCTION STRUCTURES

Producer groups must be promoted: 90% farmers are smallholders. They have difficulties to produce enough consistent volumes to meet buyer demands. Small holders need extension assistance and education to supply consistent product that buyers need. The solution is to organise in groups and associations or cooperatives, invest in marketing, meeting export standards, appealing packaging and promotion. Examples of product already sought out by international buyers (meaning the market already believes these products have reputation and quality characteristics due to their origin) are *Bugisu coffee*, *Katuulo pineapples*, *Jali* (Bussi Island) *fruit* (pineapples), and *Kawanda passion fruit*.

The four factors for marketing success:



Value adding means getting the product closer to the consumer form (“beneficiation”), e.g, by improving its presentation, transportation, storage, packaging, labelling, processing, marketing...

Use existing structures: Many farmers are already organised in existing schemes – Globalgap, Fairtrade, Organic – they have experience of working in group, being subject to inspections and controls, and they are used to producing to a specification. They also already have established access to the crucial bulking-up point: the processing plant / washing and grading station / packing facility, etc. The GI initiatives should start by fitting into these existing networks and infrastructure.

## 9. MARKETING

Opportunities: There are undoubtedly very good opportunities for Ugandan producers and traders of agricultural products and handicrafts. The outlets are tourism and export. Exports are increasing but mostly marketed as commodity product that has lost its origin identity.

International buyers need to be able to trust product qualities: marketing claims have to be backed up by analysis and data. Export success cannot be built on unsubstantiated claims of the “sweetest”, “strongest taste”, “unique properties” etc. The product must have analysis of the *Brix level* (sweetness measure), or the concentration of the key flavourant (like *Vanillin* in vanilla, or *Capsaicin* in peppers), moisture content, and so on. International buyers need this data and must be able to trust it.

A potential strategy:

1. Build a brand based on the Country and geographical regions. Communicate with consumers; “Uganda Brand”: build on what people know or can identify about the country: for example, Zambia markets *Coffee from the Zambezi*, and Ethiopia, *Coffee from the place coffee originated*.
2. Organise producers into groups to manage their product;
3. Control the use of inputs – e.g. seed quality – and actively use the extension services and feedback to producers about what they need to deliver (cannot provide 5 types of bean in one bag; or impurities; or traces of prohibited pesticides; etc.);
4. Build trust. If the middlemen and transporters do not appreciate the qualities and value added of the origin product, it is likely to get lost in the chain. Failure to deliver consistent quality expected by buyers will lead to the international trader being unable to meet consumer demands in the foreign markets.
5. Develop “farmer ownership models” to extend farmers’ interests to cover the middlemen and/or the bulking-up activity (packing, washing, grading station etc.)
6. Ensure benefit flows to the farmer. Question the efficiency of certification schemes managed by outside organisations as the benefits of the scheme may still accrue primarily to the downstream operators.
7. Analysis: must have scientific analysis to back up claims and ensure the agreed standards/specification are kept.
8. Lock in the social benefits: adding value in agriculture sector is best way to create jobs and meet expectations of young people: 50% of the population is under 15 and they need prospects in the rural economy!
9. Changes in farming mean that more on-farm activities are getting mechanised and in future young people are looking for work further up the value chain – value adding activities.

10. Analyse correctly market opportunities – not always a question of processing: a *Class A mango* correctly handled will get a much higher return sold in Sweden than a processed product like mango juice. Quality attribute that the producer can benefit from.

11. Need to have enough bulk to be able to sell and meet buyer demands.

Getting traction: prioritize 2 to 3 products as low hanging fruit that can become success stories: build on success.

## 10. NEXT STEPS

The new *GI Act* gives a good basis to help move farmers out of commodity marketing in to differentiated product.

Resources are in place: have enough land and water, and enough people working the land. Land tenure needs to be carefully managed to avoid land grabbing and ensure the people retain rights over the land.

In a rich discussion the following were suggested as actions needed or that could be taken to develop GIs in Uganda:

1. Develop the implementing regulations of the new GI Act 2013
2. Increase knowledge of the new GI law and its potential: identify GI products – in liaison with government departments.
3. Form producer groups around regional product, starting with existing groups.
4. Register GIs – persuade producer groups to make applications
5. Identify farm leaders who can take forward 2 or 3 key products – the low hanging fruit.
6. Maintain and develop a network of key stakeholders and experts, starting with the workshop participants
7. Focus on the “home base” by concentrating on communication with the local markets and local demand
8. URSB should form a “national working group”.
9. Use existing structures (farmer cooperatives and commodity boards, e.g. cotton board)
10. Promote GIs and promote IP: every person can relate to GIs and so understand how significant IP is to protect Ugandan interests.

GIs, and the new Act, have the potential to make a major contribution to *Vision 2040*.

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