

GI over Blockchain

Anuhya Gandavaram

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1 Introduction

Geographical Indication (GI) tag is given to the products to indicate that they are produced from a particular geographic area. GIs have been defined under Article 22 (1) of the World Trade Organization (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement as: "Indications which identify a good as originating in the territory of a member, or a region or a locality in that territory, where a given quality, reputation or characteristic of the good is essentially attributable to its geographic origin." [11] For example, a betel leaf can be grown anywhere, but the ones from Mysore are famous. It is something with the growth conditions in the area that gives those characteristics to the leaf. Similar to Mysore betel leaf we have various other products like Assam tea, Guntur chilli, Nagpur orange that are recognised by their geographical location [2]. In order to preserve the speciality of these products, they are given a GI tag by their respective government.

2 Product Recognition Laws Across Countries

GI is one of the ways for recognising the products, others include Appellation of Origin (AO), Protected Designation of Origin (PDO), Indication of Source, Protected Geographical Indication (PGI), Traditional Specialities Guaranteed (TSG) and Trademarks [10]. Under AO, the geographical name of the country, region or locality serves to designate a product. i.e., the geographic location the product comes from is part of the name of the product [3]. All AO are GI but not all GI are AO [11]. PDO is a type of GI in European union (EU) that is aimed at preserving the designations of origin of food-related products [1]. PGI is another name of GI in EU. Indication of source is only about where the product is made. It does not mean that the raw materials are from a given geo location [1]. A product is not a TSG because of its origin but due to its quality and traditional recipe or production method. The origins of AO dates back to 1411 when parliamentary decree regulated the production of Blue Roquefort Cheese. later on may 6th 1919, law for the protection of place of origin was enacted which is considered as the first modern law [8]. Indian government being a member of WTO introduced GI in the year 2003 under Geographical Identification of

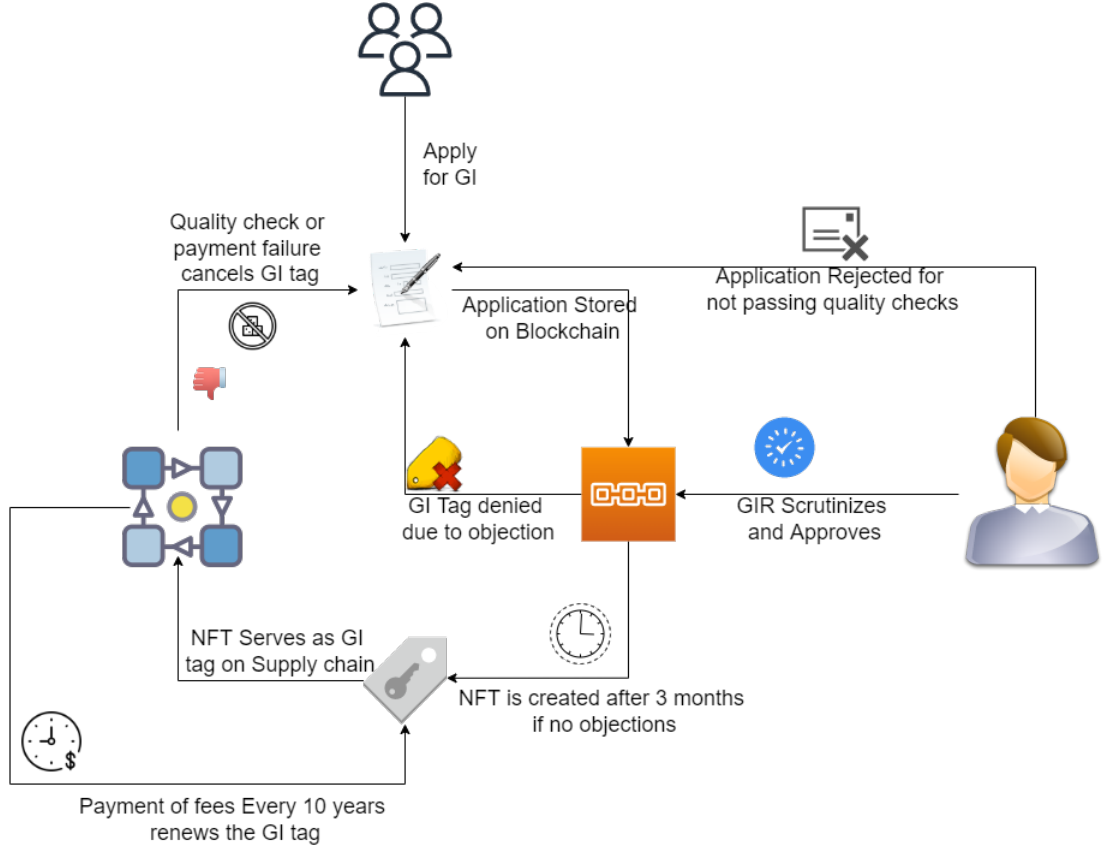


Figure 1: Lifecycle of GI

Goods(Registration and protection) Act 1999[4]. In Japan, the GI protection system has been implemented based on the Act on Protection of the Names of Specific Agricultural, Forestry and Fishery Products and Foodstuffs Act (the GI Act) which was passed on June 18, 2014 and entered into force on June 1, 2015[6]. The section 4 of the Trademark Act of 1946 (as amended) provides protection for GIs as certification and collective marks indicating regional origin in The USA [9]. Conclusively, a total of 167 countries protect GI of which 56 use trademarking and GI while the rest use purely GI

3 Aim of GI

GI Tag is an indication to recognize the origin of a product. The aim of the GI tagging was to **prevent counterfeit products**[5]. For instance a hand woven saree takes a specified amount of time and skilled workmanship. when similar sarees are produced with machinery, the cost goes down and more numbers

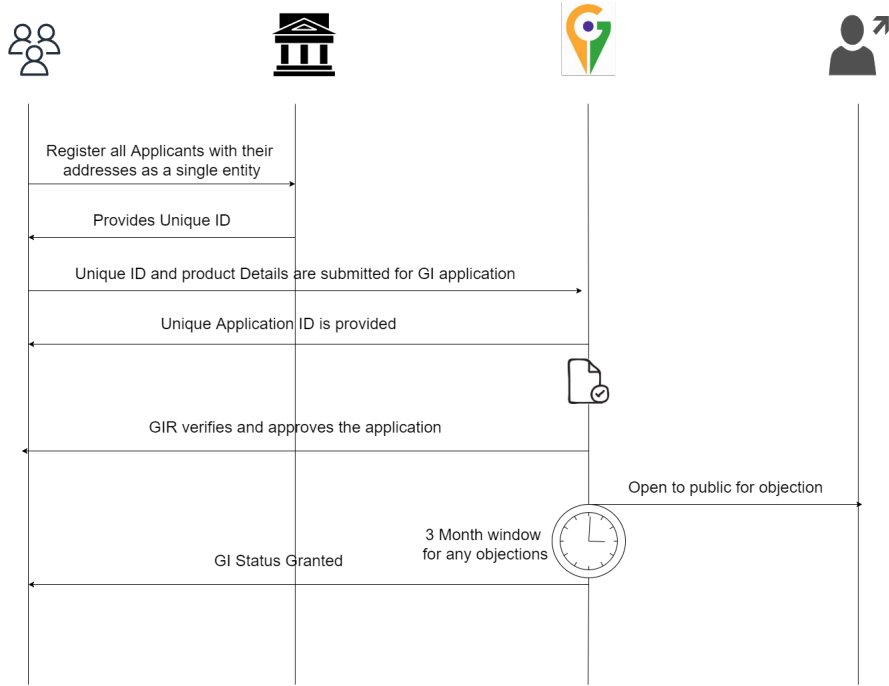


Figure 2: Apply for GI

can be produced in lesser amount of time. However, the same quality can not be maintained. GI aims at tagging these handmade sarees to sustain the artmanship as well as ensure the quality of products. When the products are of **good quality** they **increase the customer satisfaction** and also open doors for **international market** which in turn **increases the revenue**. Apart from increased and stabilized prices, GI tag also **boosts the tourism** to the places of produce. The rich **heritage and culture of the country will be preserved** and the **traditional values** would be increased[5]. When a product is GI tagged, it requires the resources from the corresponding geographic location which would force the state as well as the localities to **preserve the natural resources** that are necessary for the product[7].

4 Challenges with Existing GI and how Blockchain Addresses them

Though GI is all about geographic products, it should not be limited to just protecting the geographic names. While it restricts the usage of geographic names on other products, it should also work towards preserving the quality of products in due association to its place of origin. For the GI to be much more

effective, the evidence of products must be preserved throughout the supply chain. This can be better implemented using blockchain. The governments role with preventing counterfeit products can also be eased with the use of blockchain. It is recorded that 125 percent more coffee bags are labeled as GI and exported than those that are produced. Though GI aimed at preventing counterfeit products by checking the quality of the produce and tagging them, the efforts turned out unsuccessful. However, by adding in the details of every produce and every bag that is packed and labeled into the blockchain can make it track-able. Every bag can be given a unique ID, which is framed using the GI ID of the product, the geo location where it was produced and packed, the batch number of the product as well and it's own number in the produce. All these details will be converted into a scan-able code and added on each bag. As all these details are stored over blockchain, any individual or authorities can scan it to know the authenticity of the product.

There are various scenarios where the existing system is at shortfall. When an Indian GI product is exported by India, we do not have any problem. However, when a counterfeit product is getting exported as Indian GI from India, it needs a detection before it is exported. This problem can be address by adding all the products and their corresponding tags on to blockchain and printing scan-able codes on each packet. By doing so, any counterfeit product will get detected in the scanner. Another scenario is when a country x is exporting counterfeit Indian GI products to another country Y. In this case we need to apply an AO for Indian recognized GI in country Y before we can take legal action again country X. This is a long procedure as we do not have any world wide/international GI. To avoid these time taking procedures, we suggest to move the granting GI process on to blockchain so that it can be recognized globally and any extra steps can be avoided. Figure 1 gives the overall idea of the suggested solution over blockchain while figure 2 zooms-in onto the application of GI process.

5 Conclusion

Moving the GI granting and maintenance on to block-chain has advantages like easy detection of counterfeits, reduced number of steps in protection, simpler global record maintenance. Apart from these, we have another advantage of preserving traditional knowledge. GI products are special due to the traditional processes and knowledge carried forward by a community in particular regions over generations. These procedures can be safeguarded by including them as production standards of GI and storing them on the blockchain.

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