

# Public Intervention in Operation Phase of Geographical Indication in Japan

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## Introduction

Public involvement in Geographical Indication (GI) has been considered as one of fundamental considerations in the development of GI. The involvement is needed to preserve cultural aspects in GI products which according to (18) and (16) made up the products' reputation. This is equivalent to the idea that GI is not only a business asset but also a cultural asset, a kind of public good (4). Accordingly, the business that produces and trades GI product must meet requirements of preserving and promoting the cultural attachment in the product (5). To satisfy that, an institutionalization of GI product's reputation is needed to properly enlist the involvement of all related local stakeholders to work collectively in the business of the GI product (2). The involvement of public entities in the institutionalization is, therefore, to "ensure that the public good is not violated and the key stakeholders and the public interest are not excluded in decisions that affect them" (4). Also, the intervention is essential both for strengthening and overcoming disadvantages of collective actions in the institutionalization process of GI. On the one hand, the intervention is needed to harness the efficient involvement of the producers and stakeholders in collective actions (9) in defining and complying with GI code of practice (CoP) in production, processing, and marketing of the GI product (12). On the other hand, it should be available to address potential problems of the actions, such as free-riding strategies, selection of members in GI group (ex ante) and malingering behavior once selected (ex post), hampering the advantages of command in the group, incentive to collude and develop side payments, and high costs of processing information and communicating in a team oriented organization (10).

However, as legal framework and therefore public intervention in GI system was left open internationally, countries around the worlds have different approaches to the topics and growing debates surrounding the approaches are still discussing (8). The two largest markets, the EU and the United State use different approaches to protect GIs although they both appreciate this tool. While the former utilizes well developed stand-alone legislation system specifically for GIs, the sui generis system, the later uses trademark law. Either approaches are therefore adapted by developing countries around the globe (4). Besides legislation, other aspects of related to approaches to GIs have been shown. (8) suggested that GIs in Europe are producer-driven, or bottom-up process whereas those in India are state-driven, or top-down process. The top-down pattern was seen also in many other developing countries such as China (19), Indonesia and Vietnam (3).

Although Japan signed most international agreements on GIs, such as the Paris Convention of 1883, the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods of 1891 and, most importantly, the TRIPS of 1994, the country has been slow to develop its own system. Until early 2006 the Regionally Based Collective Trademark System was established and became into effect, signaling that GIs are protected under the Trademark Law (1). However, because the trademark system can make it difficult for foreign clients to attain the registration, new law for GIs was issued in 2014 and became into effect in 2015 (14) which applies public law system to GI that follow sui generis system (13, 18). The Ministry of Agriculture, Fishing, and Forestry (MAFF) has a central role in the operation of the GI Act, being the public entity who receive GI application, consults with experts, grants or refuse

the application, changes GI procedure, and cancel a registration (16). Also, local public entities in the country actively involve in the promotion and registration of GI (13).

Although much research work on public involvement in GI system around the globe, very little attention has been paid to the public involvement in GI after registration or the operational phase of GI. Also, different cultural settings, within which GI is collectively shared and developed, would have different institutionalization structures (1) which in turns would need different ways of public intervention. As the result, amongst different types of farmer groups, the need for the involvement of public entities should diverse. However, there has been a lack of comparative studies to reflect this tentative idea among various farmer group settings. The objective of this study is to examine the rationale and activities of public intervention in the operational phase of GI. Two research questions to be answered in the research include what are the rationale for the public intervention in the GI operational phase in Japan? What are specific activities of the intervention given the rationale?

## Research Methodology

### Conceptual Framework

As mentioned in the background information part of this study, public intervention is needed in GI system to assure the preservation of cultural aspects in business of GI product, and to overcome problems occurring in the collective actions within the system. In other words, the involvement should be seen in the process of institutionalization of product reputation. Specifically, in this study, the intervention will be examined in five areas, including GI group structure, production stage, marketing of GI product, value chain management and control of free-riding of GI, and in collective actions. The general look of the framework can be seen in figure 1.

When the intervention is seen in *the GI group structure*<sup>1</sup>, it will answer the question of why public entities position themselves in the GI groups, and what activities are performed by the entities when they play the roles in the groups. In other words, this part will help to figure out the rationale and the extent, or activities of public intervention in operational phase of GI in Japan. The next examination will be the involvement in the production stage of GI product which will help to answer the questions of what actions taken by public entities in enforcing and/ or encouraging GI farmers to follow the CoP, and why the involvement is needed. This includes the investigation of why and how public involvement in production practice of GI product, and in the use of local natural resources.

Public intervention in marketing activities of GI product is also a part of research examination. Similarly, this will help to figure out why and how public entities participate in the marketing actions of GI product. The same questions are raised and answered in value chain management and control of free-riding of GI product name and reputation in the market. The last will cover the intervention in collective actions that available in all parts of business of GI product, including production, processing, and marketing of the product. This will uncover how and why public entities participate in forming and implementing collective actions in the operational phase of GI.

The examination of the research topic will be conducted in using comparative research methodology which will be explained in the next section.

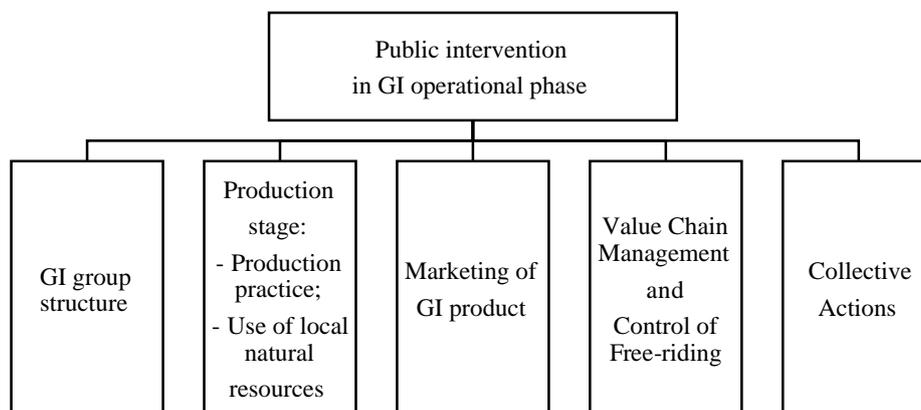


Figure 1 Framework for examination of public involvement in GI operational phase  
Source: Authors' work

### Research Design and Data Collection

The design of comparative study among different types of farmer groups was used in this research because of two main reasons. Firstly, it is expected that such a design will help to identify aspect of social life that are general across units, such as cultures, as opposed to being limited to one unit alone. Secondly, it is expected to improve conceptualization of the research as concepts developed by the research that is conducted across several social unites or settings are less likely to apply only to a specific culture or setting (11). In other words, it is hoped that general lessons can be learned about public intervention in operational phase of GI in Japan through the research conducted across different farmer group structures.

Accordingly, three different farmer groups were chosen based on the different organizational structures. This is for the assumption that the public intervention will probably be different in some aspect and the same in the others among the different groups. In the study, the three groups are as following:

Aomori Cassis: the group was organized by Aomori city

Tsuruta Steuben: there are three different collective marketing groups in the association with different marketing standards. Now it is united by Tsuruta town.

Sakura Jima Komikan: A Japanese agricultural cooperative (JA) which was well organized with professional departments and expertise. It had trademark 12 years before getting GI registration.

In depth interviews and group discussions using semi structured questionnaire was conducted with public personnel and farmer groups' representatives of the three groups to collect the data and information for the study. The guided questions cover aspects of production, processing, marketing, value chain management for GI product, control of free-ridings of GI product name and reputation, and the organizational structure of the farmer groups. Additionally, the questions put strong focus on investigating the rationale and extent of public intervention in the operational phase of GI system in the three groups.

## Results

### Overview of researched products

#### *Aomori Cassis*

##### *Brief history*

Aomori Cassis is a variety introduced from Germany in 1965. Cultivation of Aomori Cassis was triggered in 1965 when Professor Takeo Mochizuki of Hirosaki University was on vacation overseas and met Mr. Kemler, a German researcher, who offered some seedlings of a cassis variety that he thought would be suitable to the Aomori climate. Prof. Mochizuki started cassis cultivation at home in Aomori City with the seedlings, and it remained a personal effort for some time until he donated a portion of the tree to the Agricultural Guidance Center in Aomori City after realizing that it was not only nutritious and tasty, but also ideal for the climate of Aomori City. In 1977, seedlings grown at the center were offered to agricultural cooperatives in the city, and as a result, cassis cultivation took root in Aomori city. Originally, the scale of cultivation was limited, but the establishment of the (present) "Aomori Cassis Association" in 1985 spearheaded subsequent development, and now Aomori, as the first place of production in Japan, began to attract attention from all over the country (6).

##### *Main characteristics of product*

Aomori Cassis is a variety introduced before these improvements were made overseas, so it is thought to be close to the appearance and taste of the original cassis that is small in size, has thick skin, and has both sweetness and bitterness with some sourness. It can be said that this kind is suitable for processing, such as sweetening or combining with dairy products, making full use of its refreshing acidity and unique fragrance. In addition, although cassis contains abundant amounts of anthocyanins which are a type of polyphenol, it is known that Aomori Cassis has a particularly high concentration. It is believed that the thick skin and small fruit, which are characteristic of Aomori Cassis, result from the violet pigments of anthocyanin in the pericarp (6).

According to a farmer in the interview, the tree branches and leaves can be processed into type of liquid used in food in some restaurants in Tokyo. The liquid has good aroma and taste and the demand for the branches and leaves is big. The producers cut the branches and leaves and sell them for money and they contended that this is a good way

to help the trees to grow new branches and leaves. The farmer said that even unripen cassis can be used as delicious food ingredient and therefore the business of the product should be widened so as to take advantage of the fruit.

#### *Members, organizational structure*

Aomori Cassis association was established in 1985, the association applied for and was granted GI registration in 2015. Now, it has 101 farmers in total of 151 producers of Aomori Cassis. The biggest farmer produces about 400kg cassis per year, the smallest makes about 50kg per year. Cassis production is only a part of livelihood of producers who are mainly old women. The member producers must receive cassis tree seed from the association to use in their production. It is compulsory to harvest the fruit by hand in order to assure the best quality of the harvested fruit. The producers are required to make record of production practice applied in production of the cassis.

#### *Marketing channels*

Marketing channels of Aomori Cassis is depicted in figure 2, showing three product channels and about two-third (101 farmers) the number of the producers in Aomori Cassis Association (151) sell the product through the association with GI marks. Buyers are mainly processing companies such as convenient stores and food processing companies. According to the Aomori city personnel who works as the secretary in the association, the 101 farmers are responsible for producing the product only and the association performs the marketing and selling task, using GI marks. Two conditions to be eligible for selling product through the association are the producers are members in the association, and they must agree to follow the GI standards which is strictly managed by the association. The association negotiates with business customers to come up with trade deal and proceed the sales.

The other 50 farmers sell the product by themselves without GI marks even their produce is still considered the products of Aomori prefecture.

There is a positive expectation about the use of GI for Aomori Cassis in the near future shown in the interview with the city personnel. Because the product was chosen as the first GI in Japan, it can achieve good reputation in the market. The evidence is that there have been more customers urging to buy the product since the GI registration. The registration of Aomori Cassis probably aligned with trend that big customer companies are changing from outsource input materials from imports to domestic suppliers. Moreover, the application of GI is expected to gain credence to better quality control in the production and pre-processing of the product which can lead to its higher demand in the market.

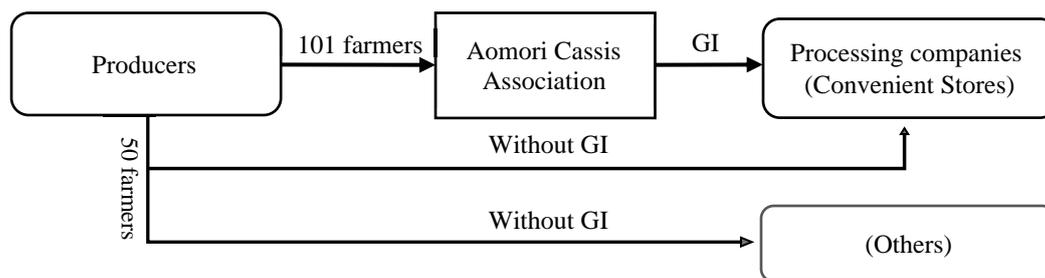


Figure 2 Marketing channels of Aomori Cassis  
Source: Field survey 2019

#### ***Tsuruta Steuben***

##### *Brief history*

Tsuruta Steuben is a grape variety originated from a cross made between Wayne and Sheridan grapes by New York State Agricultural Experiment Station (1925), introduced to Aomori prefecture, Japan in 1952. During 1970s, the cultivation of the grape in the prefecture was promoted and in 1979 Tsugaru Grape Association was founded. In 1984 the standardized cultivation and storing methods were established and recognized. In 2014 the association was recognized as Japan No.1 Steuben Promotion Association. In March 2018 Tsuruta Steuben was registered as GI with the applicant's name of Tsuruta Steuben Japan No.1 Promotion Association.

### *Main characteristics*

Steuben is very sweet because of high sugar content and last for two months under normal refrigeration. With a special cultivation method, Tsuruta Steuben maximizes the good features of the variety. Clusters are large having large numbers of berries, but each berry is juicy and firm. Historical apple cultivation technique was applied in the storage of the grape so as to maintain its good flavor and freshness. The grape is considered one of the rare domestic grapes that has few variabilities, good flavor, and nice appearance (USDA, 2018).

### *Members and organizational structure*

Tsuruta Steuben Japan No.1 Promotion Association has 11 components, including three different collective marketing groups, a Japanese Agricultural Cooperative (JA), a farmer group, a wholesale market, a farmer market, an association of industry in Tsuruta, and Tsuruta city hall. The representative of Tsuruta city hall is the secretary of the association. In total there are 140 farmers producing Tsuruta Steuben with production area of 100 ha, making about 1,100 tons of the grape per year (data for 2017). The biggest scale is 2 ha and the smallest is 0.2 ha.

### *Marketing channels*

141 farmers in the Tsuruta Steuben Association can choose three different marketing channels to sell their products, either through JA, or the farmer group, or through the limited liability company (figure 3). Each of this marketing group has their own marketing standards for products acquired for trading. JA sells their products via their own system and network which include processing operation and retail stores. The farmer group and the limited liability company, on the other hand, sell the products in the local wholesale market and online, respectively. For the first two groups, the prices are determined by the market, but it is decided before selling by the seller in case of the limited liability company before the product is sold.

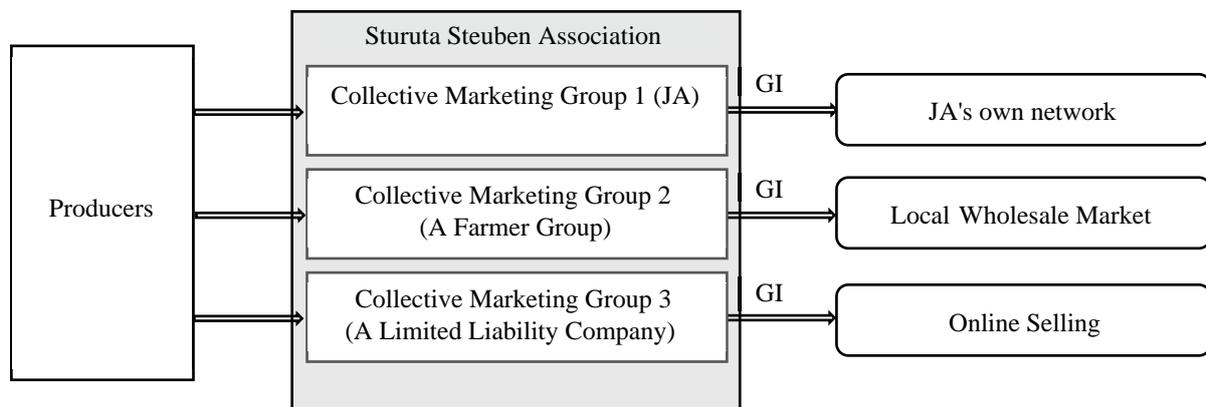


Figure 3 Marketing channels of Tsuruta Steuben

Source: Field survey 2019

### **Sakurajima Komikan**

#### *Brief history*

Sakurajima Komikan has a long history of around 400 years and is considered as a kind of culinary heritage. It is said that the Komikan has been cultivated since the Edo period (1603–1867). In 1889 the production area was 153 ha and the production had been almost destroyed during 1914–1965 by volcanic straw. Although “komikan” have been produced since long ago, the contemporary method of cultivation was established in 1979, when “installed roofs” were introduced. In 1983, the “Sakurajima Town Agricultural Cooperative” organized a new cargo-pickup and sales system, leading to the full-fledged development of structures to promote the production and sales. These structures continue to this day. In 2009 the product got collective marks under the name of Sajurajuma Komikan and registered as GI in 2017 by Kagoshima Mirai Agricultural Cooperative (6).

Today, trees over a century old can be found scattered around the production area. Some trees are around over hundreds years old and sometimes a few hundred kilograms of mikan are produced from a single tree.

### *Main characteristics*

Although the fruit is small with average weight of 50 gram per fruit and diameter of about 5 centimeters, its flesh is tender and succulent. It is characterized by good flavor with nice balance of sweetness and acidity. The rind has fresh fragrance characteristic of citrus fruits, and is also used as a condiment (7).

Sakurakima Komikan is the product deeply embedded in local culture. The availability of the fruit reflects the long history of livelihood of local people and is considered as one of 100 typical food ingredients in local culinary culture. The fruit is consumed in Kagoshima prefecture as high-end goods, being used as end year gifts that people prepare for their respectful people and as decoration stuff for end year celebration.

### *Members and organizational structure*

The fruit got the GI registered in November 2017 with the name of Sakurajima Komikan and the applicant was Kagoshima Mirai Agricultural Cooperative (Kagoshima JA) as a producer association. The association has 141 members of which only 107 members produce Sakurajima Komikan. Producing GI fruit is a part of farmers' livelihood. The total production area of the fruit is about 20 ha and the average production area is from 17a to 20 a. The total production recorded in 2018 is 143 tons.

### *Marketing channel*

Figure 4 shows four marketing channels from which Sakura Jima Komikan is sold to different markets. Selling to local wholesale market is the biggest channel which accounts for about 55% of total sales. The next channel is direct selling which contributes about 28% of total sales. The last two are selling via JA's own network and selling as juice after the product was processed, each of which is two-third as much as the amount sold to the local wholesale market. All most all the product is sold as gifts that the local people living Kagoshima city buy to send to their friends, relatives, or business partners living outside of the city. The product is packaged in cardboard boxes which weigh from 2 to 3 kilogram each in total. All products sold satisfy GI standards and the goods which remains unsold after one month of being supplied to the market will be used for processing into juice.

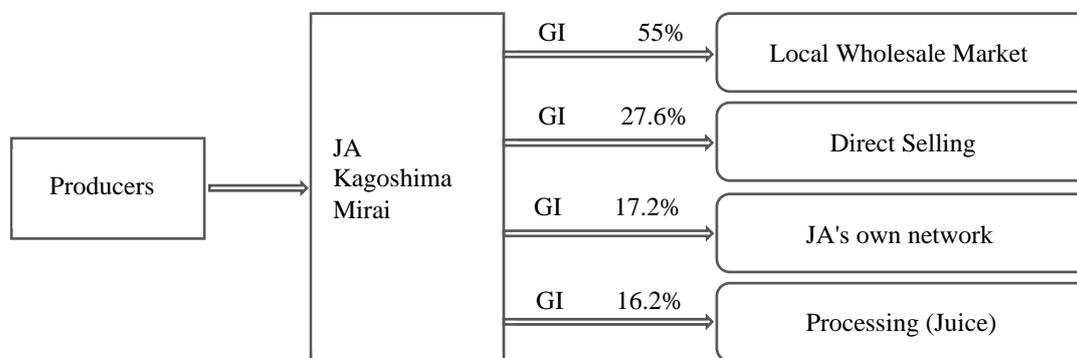


Figure 4 Marketing channels of Sakurajima Komikan  
Source: Field survey 2019

## **Public Involvement in Operational Phase of GI in Japan**

### ***Public Involvement in Organizational Structures of Farmer Groups***

Various patterns of involvement of public in the organizational structures of the groups were shown, depending on the social status of the groups. In general, it can be perceived that the stronger involvement was found in weaker farmer organizations. The weakness should be understood as the extent to which a farmer group can be self-structured and self-governed by farmers in its every activity. Given that notion, the research clearly shown the deepest involvement of public entities in Amori Cassis, the less strong intervention in Tsuruta Steuben, and almost no involvement in the Sakurajima Komikan. The summary of the involvement is shown in the table 1.

The variety of the intervention of public entities in the GI groups' structures can be seen in the similarities of the rationale behind the intervention. The first reason for the intervention is for raising the awareness of GI among producers and stakeholders because the fact is that almost all farmers and traders in the three case studies could

not see any benefit of having GI registration for the products being produced and traded. They clearly express their indifferent attitudes towards the potential effects of GI registration on the production and business of the agricultural products. Some of farmer informants said that GI has no meaning for their business. The intervention of public entities in the groups is to urge the producers to use GI and persuade them that there will be benefits of applying GI in the production, at least it is the fact that the products will be verified by the city or the MAFF.

The second rationale for the intervention could be to facilitate producers and stakeholders coming together in terms of generally unify the production standards, product standardization, and the use of packages in marketing of the GI product. In other words, the involvement is needed for facilitating collective actions in production, product standardization, and marketing of the GI produce. However, as mentioned above, the intervention varies among different types of farmer groups. Aomori Cassis Association was formed long time ago, but the association lack legal status to become an eligible applicant for GI registration which might partly led to deep involvement of Aomori city in the departmental components of the association. In fact, Aomori city personnel was assigned to work as a full-time staff in the association, functioning as an assigned seller, an accountant, subsidy managers, and an administrative staff of the organization. Therefore, the Aomori Cassis case can be seen as an example where the public entity involves deeply in the organizational structure of GI group, providing huge support in terms of human expertise and financial resources. Working as an assigned seller, the public personnel is in charge of looking for lucrative market for GI product, negotiating and facilitating the negotiation of selling price and conditions. Functioning as an administrative staff, the personnel does the huge paper works in keeping every activity of the association aligned with what was promised in GI application and making all the activities up-to-date with the trending of the GI in Japan. As a subsidy manager, the personnel must make plan for activities that uses the financial support from the city and organize actions following the plan. As an accountant, he or she must take care of the financial position of the association, its profit and loss, and manage the distribution of cash benefits acquired from the selling of the GI product.

The intervention of the public entities in the organizational structure of Tsuruta Steuben is slightly different from those of Aomori Cassis case. The need to have the Tsuruta town personnel in the farmer group seems to be because of the need to generally unify the marketing standardization of the three different collective marketing groups in the town. To do that, the town becomes the administrative office in the association, being one in 11 components of the association, to continuously facilitate the unity of product standardization and the use of marketing packages for the GI product in all marketing groups and among producers. The workload of the public personnel, therefore, much less than those performed by the person assigned in the Aomori Cassis association by Aomori city.

Table 1 Public Involvement in organizational structures of farmer groups

Organizations	Involvement of public entities in the organizations	The rationale for the involvement
Aomori Cassis	Work as a staff in the organization: Administrative staff, assigned seller, secretary, accountant, subsidy manager	Aomori Cassis was selected as the first case to develop GI; Low interest in and awareness of GI; Aomori Cassis is image of the City
Tsuruta Steuben	Work as administrative office, secretary, facilitator, subsidy managers, product promotional organizer	Urge to unify general product quality standards so as to strengthen the meaning of <i>"Japan No. #1 grape promotion association"</i>
Sukurajima Komikan	No intervention, but provide subsidy, trade festival and promotion	JA has their own expertise

Source: Field survey 2019

On the other hand, the evidence shown no reason for any role to play by the public entity in the organizational structure of the Sakurajima Komikan case. This is because the JA has its own well-functioning specialty departments and expertise who can professionally and effectively perform all its activities.

The third rationale for the public intervention in the farmer group organizational structure is to support the entity with huge paper and discussing workloads since the group have become the applicant for and been granted GI registration. Almost all the things farmers contribute to the farmer groups are producing the GI products following the GI code of practice, other works related to GI, such as discussing with Ministry of Agriculture, Forestry and

Fisheries (MAFF), telling GI stories to farmers and stakeholders, etc. are conducted by the administrative function. The administrative function is normally played by the public entity if the farmer group lacks expertise and is weakly self-governed which is fairly common in Japan. Among the three case studies, it was clearly shown that public entities deeply involve in supporting administrative work of Aomori Cassis association and Tsuruta Steuben association by providing human resources to work as clerical worker or become an administrative office in the organizations respectively.

The last but not least rationale for the public intervention is the assurance of the commitment of being registered as GI. In other words, assuring the success of GI at the operational phase seems to be the important task of public entities who involve in the farmer group organizational structures. This fact was clearly seen in the case studies of Aomori Cassis and Tsuruta Steuben where the commitment of being the first GI and the Number 1 Steuben Promotion Association, respectively, are considered as prestigious for the public entities involved in the GI system. Public personnel from Aomori city said that even the producers of Aomori Cassis can do whatever they want for their production and business with the product, the city has to be responsible for the prestige of the GI product. This responsibility, according to the personnel, is because of the promise the city and the Aomori Cassis association had made in the application for the GI. This notion could be understood in fairly same way while consulting with the staffs from the administrative office of Tsuruta Steuben association who are actually personnel from the public Tsuruta town. Precisely, the public entities involved in the farmer groups see strong reputational meaning from being registered as GI of the agricultural products.

#### ***Public Involvement in Production System***

Although the public intervention in the production process of GI products is for assuring that the producers are following the codes of practice promised in the GI registration, the intervention is minor. This is because the agreed production practices are fairly traditional and common to almost all producers in the GI delimitation areas. The farmers see the practices as simple and normal task in their production work. The informants from Aomori Cassis case revealed that all producers are routinely familiar with the code of practices and the interviewees from the Tsuruta Steuben demonstrated that about 90% of all harvested products meet the standardized requirement, suggesting that producers in the association almost always effectively follow the compromised production practice. The involvement of public personnel in the production of GI system in the case studies is shown in the table 2.

**Table 2 Public Involvement in Production of GI Groups**

<b>Cases</b>	<b>Activities of Involvement</b>	<b>Rationale for the involvement status</b>
<b>Aomori Cassis</b>	Observing and facilitating the practice of codes of practice in production; Checking the product standards	Low awareness of GI; there is a variety in product quality; conservative farmers. City wants to be successful while being the first GI in Japan
<b>Tsuruta Steuben</b>	Works as an administrative officer; checking production practice.	Low awareness of GI; Differences in product qualities required by different marketing groups. City want the unity in the No.1 grape promotional association
<b>Sakurajima Komikan</b>	Standing outside of the organization, providing normal extension services and subsidy	JA has its own strong expertise

Source: Field survey 2019

Although the involvement can be considered as insignificant and looks the same in types of actions taken, such as facilitating the compliance of the CoP of GI, the depth of the involvement varies between GI groups. Public personnel seem to have much more to do in terms of involving in the production activities of the Aomori Cassis compared to that in the Tsuruta Steuben.

Two main activities that Aomori city staff often perform to support the compliance of the CoP of GI of Aomori Cassis farmers is to check if the farmers use the tree seed provided by the association, ask and checking production record of the producers. However, according to the interviewee, the support is fairly easy because the CoP is general to the producers and it is natural that there are about almost always 80% producers who will follow any rules and

regulations in any related aspects of their business. The other 20% misconducting which is sometimes shown in the Aomori Cassis case, according to the informants, is because of misperception of the compromised rules of the group. According to the interviewed farmers, any misconduct recognized will be immediately punished by the association by the rejection of collecting the produce from the producers committed to fraud. If the committed producers realize their mistakes and stay complied with the CoP, their product will be sold via the association with GI marks. To help producers in knowing more clearly about the CoP, the public entities prepare the production manuals and send them to the producers. Also, they often provide technical consultancy and extension to the farmers whenever they need and check the chemical residuals in the product twice or three times per year.

In Tsuruta Steuben case, the intervention is simply asking producers to make the production record and checking the record, and periodically checking the production practice on the field at least once a year. There is almost no evidence of public intervention in the production activities of Sakurajima Komikan shown in the field research. All the activities have been performed by the expertise and producers in the JA.

### ***Public Involvement in the marketing activities of GI group***

Supporting marketing activities in GI products can be seen as an important task of the public intervention in the GI groups although the actions differ between the cases observed. The involvement of Aomori city is to promote Aomori Cassis GI within Japan. The personnel from Aomori city deeply takes commitment to almost all marketing aspects of selling GI certified Aomori Cassis products. As an assigned seller of the association, the personnel firstly help the group with assuring the collected products from farmers meet the compromised standards for collection. The product is sent to the association within the August every year for standard requirement check. The failure of the check results in the rejection of the product to be sold with attached GI mark. In addition, the personnel help the association to prepare training for producers to raise their awareness of the product standards required by the GI.

**Table 3 Public Involvement in Marketing Activities of GI groups**

<b>Cases</b>	<b>Roles of public personnel</b>	<b>Rationale of the involvement</b>
<b>Aomori Cassis</b>	Work as assigned seller; Organizer of trade promotion activities; Administrative work in selling products; Managing financial subsidy in promoting products	A need to unify the product quality from small producers; A need to promote the first GI product in Japan
<b>Tsuruta Steuben</b>	Facilitating the unity of the used of package in marketing of the GI product; Organizing trade promotional activities; Managing financial subsidy	A need to unify the product standards among different marketing groups; The importance of being No.1 Grape Promotional Association; Raising Awareness of GI in marketing of Steuben product
<b>Sakurajima Komikan</b>	Standing outside the group; Providing normal extension services and subsidy	JA has its own expertise

Source: Field survey 2019

Because the GI standard is fairly new to producers whose produce varies, some farmers sometimes find difficult to satisfy the norm. The interview with informant farmers revealed that in 2017 about 15 farmers gave up selling their products via the association, ignoring any potential benefits from GI. The second responsibility that the personnel is responsible for is organizing trade festivals, accompanying with leaders of the association in looking for and negotiating with buyers in the market. The next activity of the involvement is to work with the transaction with the selling of the GI product and to allocate the cash revenue gained from the sales to the association and the producers. Also, the city provides financial support for organizing some promotional campaigns for the products.

Differently, the intervention of public entity in marketing activities of Tsuruta Steuben is much less compared to the Aomori Cassis case. Tsuruta town facilitates the unity of the use of GI mark between the three existing collective marketing groups in Tsuruta Steuben association. The town also helps the association in managing and allocating financial support from Aomori city to promotional activities of the GI product.

### ***Public Involvement in Collective Actions and Control of Free-riding and Misuse of GI***

Although public entities almost have no roles in facilitating collective actions in Sakura Jima Komikan group, they seem to contribute significantly in getting individual farmers and marketing groups come together in cases of Aomori Cassis and Tsuruta Steuben groups, respectively. Two main tasks performed by the public personnel in helping the farmer groups to strengthen collective work include convincing farmers following the compromised production and marketing standards and raising their awareness of GI. On the other hand, there seems to be no need of the intervention in controlling of free-riding on and misuse of GI in the market. The information is summarized in table 4.

One of the tasks that public personnel performs in Aomori Cassis association is to help urging farmers using the tree seed provided by the association if the farmers would like to sell their product through this entity. In both cases studies, the personnel organize the checking of compliance of the farmers with the CoP of GI by asking producers keep production record and periodically visiting production fields. Additionally, the public participates in assisting the unity of product standards in maintaining the checking of quality of Aomori Cassis products from farmers before selling them to the customers. They organize the meetings between producers and customers to come up with fair price for the GI products (in Aomori Cassis case), facilitate discussions between collective marketing groups to collectively agree upon the general marketing packages and marks of GI product (Tsuruta Steuben case).

**Table 4 Public Involvement in Collective Actions and Control of Free-riding and Misuse of GI among Different GI Groups**

Cases	Involvement in Collective Actions	Involvement in control of free-riding and misuse of GI	Rationale
Aomori Cassis	Urge producers come together under GI; Raising awareness of GI	Almost nothing	Producers are independent and confident about their own product quality; Low awareness of GI
Tsuruta Steuben	Facilitating the unity of common standards while respecting group specific ones; Urge farmers come together under GI; Raising awareness of GI	Almost nothing	Different groups are independent and confident about their own product standards; Low awareness of GI
Sakurajima Komikan	Nothing	Nothing	JA has its own standards

Source: Field survey 2019

Keep raising collective awareness of GI among local stakeholders, especially local producers can be seen as a big task for public intervention in the operational phase of GI in the cases study. The producers seem to be independent and confident about their traditional ways of doing business. They probably came together in producing and selling the products with the same local name, but they seem to collectively consider GI as irrelevant to their businesses. This might be because they do not see and expect any benefit from GI or might be because they are conservative to change. So far, the producers have been likely showing the aversive or at least neutral attitudes towards GI even it has been applied in the production and marketing system. Such attitudes of the farmers seem to be a big reason for the public involvement in the farmer groups.

### **Discussion**

The involvement of public entities in the operational phase of GI in Japan seen in the case studies might properly reveal the idea that GI is a kind of public good as the intervention is to “ensure that the public good is not violated and the key stakeholders and the public interest are not excluded in decisions that affect them” (4). Specifically, the fact might be reflected in the study is that the public caring is to make sure that GIs are always run in accordance with registered scheme. In other words, the compliance with GI registered specification seems to be the business of not only the GI groups but also of the local public entities. However, it is still unclear about the difference between the intervention into a normal farmer groups and GI groups.

## Conclusion

The main rationale for public involvement in the operational phase of GI in Japan is to continuously raise the awareness and the use of GI among agricultural producers. Facilitating collective actions and helping the small holders' groups is also the important reasons for the involvement of local public entity in the GI system. Depending on capacities of farmer groups in terms of handling the functional activities as a GI business entity and vehicle to preserve and promote cultural aspects of GI, the extent and the activities of the involvement vary. For example, the public personnel directly involve in operations of the GI groups, being assigned as a staff performing very important tasks in the farmer group, such as working as an accountant of the farmers group and administrative person. As its roles, the public personnel significantly affect and contribute to the success of the GI organization, through the tasks such as looking for the lucrative markets, negotiating the selling conditions, organizing promotional activities, managing and reporting the organization's financial position, profit and loss, and allocating the economic benefits gained from the business of GI product. In different context, the public entity functions as a component of the association, functioning as an administrative office, the involvement is mainly in the roles of a facilitators, keeping the negotiation among the groups in unifying the standardization and using product packages smooth. Also, when the GI group has its own well-functioning specialty departments and expertise, the public entity involvement might not be needed. Instead, all the public should do is to provide public services, such as agricultural extension and subsidies to the GI group.

### Notes:

- 1) *The GI group structure* means all components making up the entity that owns and runs the GI except public personnel.

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## 日本の地理的表示保護制度運用段階における政府の関与に関する研究

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### 要 約

地理的表示保護（GI）製品は、市場で取引される商品としてだけでなく、文化的側面、すなわち公共財としての側面を併せ持つため、地理的表示保護製品として登録された後の運用段階においても政府の関与（政策的介入）が求められる。生産者団体の形態は多岐にわたり、それに応じた関与が求められると考えられるが、これまでのところ運用段階で政府がどのように関与しているかに関する研究は行われていない。そこで本研究では、日本を事例に、3つの異なる組織形態（行政主導で立ち上げた組織、複数の販売グループを行政が主導的に統合した組織、JA）が運用しているGIについて、運用段階における行政の関与の相違を明らかにした。

それにより、まず、日本におけるGIシステムへの行政の主体的関与は、生産者と流通業者など関連主体のGIに関わる認識向上、協同組織間の調整、機能面での組織支援などに主眼が置かれていることが明らかになった。行政のスタッフが会計などの役を得て組織の運営に深く関わっている事例もあり、その関与の程度はGIを運用している組織の形態に応じて大きく異なることが明らかになった。

キーワード：地理的表示保護，政府の関与，日本