

Doctoral Thesis

GEOGRAPHICAL INDICATION AS A DIFFERENTIATION TOOL FOR AGRICULTURAL PRODUCTS IN VIETNAM

(ベトナムにおける農産物差別化手段としての地理的表示保護)

Specialty: Agricultural Resource Economics

Name: HOANG SI THINH

The United Graduate School of Agricultural Sciences, Iwate University

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Abstract

Geographical Indications as A Differentiation Tool for Agricultural Products in Vietnam

Purpose and objectives

Geographical Indication (GI) is a sign used on products that have a specific geographical origin and possess qualities or a reputation that are due to that origin. One of the main applications of GI for agricultural business (agribusiness) and rural development is its use as a tool for product differentiation. However, the obstacles to the differentiation strategy are to operate GI system in the way of fully understanding that the GI products are not only business assets but also cultural assets, a type of public goods. The public good characteristic of GI requires the differentiation strategy to be conducted through the process of institutionalization of the collective reputation to solve the problems of asymmetric information and free riding of the reputation in the market. Also, due to the nature of public goods, legal framework and public involvement are one of the crucial parts of the institutionalization process. Nonetheless, the fact is the conventional approach to the legal framework was left open to nations around the world, and GI has been mostly new to almost all developing countries in terms of developing a sound legal structure for this system, especially how public entities involved in the operation of GI after its registration or the operational phase of GI. The evaluation of the differentiation within the context of Vietnam still is on discussion. This dissertation focused on identifying the current situation and future prospects of the development of GI as a differentiation strategy for agricultural products in Vietnam.

This dissertation has three main objectives; 1) To examine the challenges to the development of GI as a differentiation tool for agricultural products in Vietnam; 2) To leverage some future prospects for GI differentiation strategy in Vietnam; and 3) To define the current situation and future perspectives of GI as a differentiation tool for agricultural products in Vietnam.

Methodology

Case study approach

To reveal the challenges of GI in Vietnam, Luc Ngan Thieu lychee was chosen as a case study because it has been considered as a popular case for development of GI for fruit product.

To leverage the future prospects of public involvement in GI system at the operational phase in Vietnam, 3 GI cases in the fruit sector were examined in Japan: Aomori Cassis, Tsuruta Steuben (grape) and Sakurajima Komikan (mandarin orange). The comparative study is used to verify the difference in public intervention among different types of GI group structures.

In depth interviews and group discussion using semi-structured questionnaire with open and closed questions were conducted with farmers, representatives of GI groups and public personnel directly involves in the GI system.

The main data analysis technique used in this dissertation is “coding qualitative data”. Accordingly, the information gathered through the surveys is organized into conceptual categories or groups.

Challenges for GI to function as a differentiation tool for agricultural products in Vietnam

This study evaluated the challenges of the differentiation with the focus on examining the whole institutionalization process in Vietnam using Luc Ngan Thieu lychee case study. In depth interviews and group discussion were employed to achieve the objective. The challenges were empirically defined as the low awareness of GI among local stakeholders; weak CoP and poorly designed and implemented enforcement system; lack of a sound designation and implementation of a value chain for GI that can effectively control, verify and govern the right use of GI reputation and marks in the market, and to effectively distribute economic benefits from GI business among value chain stakeholders. Also, very few measures have been conducted to evaluate the social and environmental effects of and revise GI system. Additionally, unclear

roles and responsibilities of public entities in the GI system after registration or operational phase of GI. As a result, GI reputation and marks have been hardly played a role as the tool for differentiating GI products from counterfeits in the markets.

Public Intervention in Operational Phase of GI in Japan: A lesson for Vietnam

The case study for Luc Ngan Thieu lychee in Vietnam clearly showed the limitation of public intervention in the operational phase of GI in Vietnam. To address this issue, this Chapter aimed to leverage some lessons from Japan in terms of the rationale and activities of public involvement in the after-registration phase of GI for Vietnam. Case study and comparative research using in depth interview and group discussions were used to accomplish the research objectives. The result showed that the main rationale for public involvement in GI system in Japan is to continuously raise awareness and the use of GI among agricultural producers. In operational phase (after registration), facilitating collective actions and helping the small holders' groups are the important reasons for the involvement of local public entities 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 cultural aspect of GI, the extent and the activities of the involvement vary. The public personnel might directly involve in operations of the GI groups, being assigned as a staff performing very important tasks in the farmer's group, such as working as an accountant of the farmers group and administrative person. On the other hand, when the GI group is embedded in a JA, public entities provide only technical assistance as a part of extension service.

Discussion

The dissertation supports the idea that economic rationale of GI is tentative and country specific context. Particularly, it might be concerned from the case study in Vietnam that the inconsistency of GI has likely exacerbated the problem of information asymmetry in the markets and undermined reputation of the GI product in the perception of consumers. It also empirically bolsters the argument that

countries should make the tradeoff between the gains from GI differentiation and exclusionary effects on benefits of stakeholders in the surrounding areas of GI delimitation. The dissertation suggests that any benefits gained from free-riding of GI name and reputation must be eliminated by strict (implementation of) laws and regulations applied to the GI system.

In terms of future prospects for public intervention in the operational phase of GI, the dissertation is the first study to leverage current status of GI from one country (reference country) for future status of another country (targeted country). The leveraged lessons from Japan can be considered valuable for Vietnam because of several same conditions between the two nations in the approach to GI and the long-term engagement of the former country in supporting development policies for the later.

However, the dissertation shows the limitation in conceptual framework generalization because the research was conducted only with one case study in Vietnam and several case studies in Japan. More empirical work should be conducted to bolster or challenge the affirmation of this study.

Conclusion

In general, case study in Luc Ngan Thieu lychee can help to define the current situation of GI as a differentiation tool for agricultural products in Vietnam that GI system in Vietnam might not have been well functioning as a differentiation tool for agricultural products in the country. The failure should have resulted from both challenges from inside GI system and its enabling environment. While the former factor refers to the components of GI development process which include identification, qualification, remuneration, and reproduction of the system, the later emphasizes supporting elements such as legal framework and public intervention in the system. Specifically, the GI system showed loose CoP and weak enforcement scheme; lack of sound designation and implementation of a value chain for GI products to control, verify and

govern the appropriate use of GI marks in the market and distribution of economic benefits from business of GI. The enabling environment presented itself in the lack of clearly defined practical roles and responsibilities of public entities in supporting the operation of GI after registration. No actual detailed measures have been conducted to enforce the right use of GI reputation and marks in the market. As a result, the reputation of GI has been likely undermined and far little to play as a differentiation signal for the GI products in the market.

For the future prospects of public intervention in the GI differentiation in Vietnam, the public entities will probably intervene in the GI system with clearer plans and more effective actions. In general, the intervention will likely to continuously overcome market failures in the operation of GI. In other words, the involvement is to preserve the public goods aspects of GI that cannot be implemented by market mechanisms in the operation of the GI differentiation strategy. Specifically, public entities will likely designate and implement agenda to continue raising the awareness of GI among local stakeholders, implement, provide consultancy on, enforce, control and govern the operational activities of the groups to comply with CoP. Depending on the actual capacities of GI groups in handling its functions as a business entity and vehicles to preserve and promote cultural aspects attached to the GI products, the public personnel can be as a functional component of the GI groups or as a consultant of the groups.

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Abbreviations

Bac Giang DIT	Bac Giang Provincial Department of Industry and Trade
Bac Giang DOST	Bac Giang Provincial Department of Science and Technology
CoP	Code of Practices
FAO	Food and Agriculture Organization of the United Nations
GI	Geographical Indication
GIs	Geographical Indications
IP	Intellectual Property
JA	Japanese Agricultural Cooperative
JICA	Japan International Cooperation Agency
Luc Ngan DARD	Luc Ngan District Department of Agricultural and Rural Development
MAFF	Ministry of Agriculture, Forestry and Fisheries of Japan
NOIP	National Office of Intellectual Property
OECD	Organization for Economic Co-operation and Development
SMQ	Department of Standards Metrology, and Quality
USDA	U.S. Department of Agriculture
VietGAP	Vietnamese Good Agricultural Practice
WIPO	World Intellectual Property Organization

Chapter 1 Introduction

1.1 Background Information

Growing attention has been paid in literature to the roles played by geographical indications (GI) in agricultural and rural development around the globe. The brief definition of GI was given as “a sign used on products that have specific geographical origin and possess qualities or a reputation that are due to that origin” (WIPO, 2017). It has been used for a variety of products, including wine and liqueurs, fruits and handicrafts. The products such as Napa Valley wine, Scotch Whiskey, Basmati rice, Chios mandarin, Darijeeling tea, Roquefort cheese, Colombia coffee, Pashmina shawls, and Murano glass are some familiar names for GI certified products in the world.

Product differentiation can be considered as the main points in the application of GI in agricultural business (agribusiness) and rural development. This is because of the economic rationale that GI can be used to reflect a quality cue for agricultural goods that determine consumer behavior and cultural values attached to a particular region of origin (Bramley, BiÉNabe, & Kirsten, 2009). Specifically, the rationale puts its emphasis on theories of information asymmetry and reputation (RANGNEKAR, 2004). The former concept stems from the fact that information regarding the prices and quality of goods cannot be perfectly transmitted to customers in the market (Nelson, 1970). As a result, it is mostly impossible for customers to know and determine the goods through search or experience or have no trust in any credence of them (OECD, 2000). The later, the reputation of products, can be understood as expected quality of the product for the next purchasing that was learned or experienced from the past consumption of the same products from the same sellers (Shapiro, 1983). For the GI products, the reputation is the collective reputation that has been historically established, reflecting quality attributes that combine natural, cultural and human factors of the local geographical origin of the products (WIPO, 2017). As a credence signal of goods, GI marks are hoped to work as a tool to eliminate the issues of

information asymmetry in the market and to take advantage of origin-linked attributes of typical products in the market (OECD, 2000).

The significance of differentiation function of GI, therefore, lies in its potential to resolve the problems of asymmetric information and to take advantage of product reputation in the market. The idea of GI can be used as a tool to reduce the issue of information asymmetry was explained by Giovannucci, Josling, Kerr, O'Connor, and Yeung (2009) in the argument that the application can help to improve market transparency. Aligning with this argument is the statement that GI marks and its verification system can function as protection devices for both local producers and consumers in the GI product market (Bramley et al., 2009). Additionally, Pick, Marie-Vivien, and Bui Kim (2017) suggested that the GI can be seen as competitive positioning tool and as a signal of the origin-based reputation product. In terms of taking advantage of product reputation, the differentiation by GI can help to foster rural development, especially in remote areas in developing countries. Vandecandelaere, Arfini, Belletti, and Marescotti (2010) pointed out that the application can improve the reputation of a region and therefore can positively influence other socioeconomic aspects of the local area, such as fostering tourism and enhancing production of other products in the region. Besides, rising income of local producers, protecting biodiversity, preserving cultural and traditional livelihood and cultural heritage are the main promising effects that the differentiation can bring to the local region (Giovannucci et al., 2009).

The success of such a function of GI has been so far demonstrated all over the globe. For example, it was proven that regardless of unawareness of the specificity linked to the indicated geographical origin, GI labeled products receive strong attention from consumers (Teuber, 2007; Verbeke & Roosen, 2009). In the same direction, in China, GIs are recognized to be another type of differentiation in which they are considered as indicating sign of food safety (Zhao, Finlay, & Kneafsey, 2014). What is more, the protected GIs can result in is collective monopolies which enable a premium to be captured by local producers (B. Sylvander, 2004). Also, some case studies showed that

GIs can result in the increase in market share and/or selling price (Durand & Fournier, 2017).

On the other hand, GIs has not been always seen as an appropriate approach to agricultural and rural development in general and as a tool for differentiation in particular. Giovannucci et al. (2009) reviewed a number of recent research and concluded that in some circumstances, several negative effects can be expected from the development of GIs, such as dismissal of the poorest farmers, traditional practices dissolution, and biodiversity destruction. Bowen (2010) examined the case of tequila in Mexico and contended that lower competition power and decreased quality of GI products can result from poor embedment of the product supply chain. Indirectly implying the potential drawback of the tool, Dogan and Gokovali (2012) argued that the differentiation function of GIs is capable only if the system has an active marketing process and effective registration arrangement in place. Moreover, Conneely and Mahon (2015) claimed that bottom-up approach, in which the GIs should center on the opportunities of quality food branding based on original place, is a crucial requirement for well-functioning schemes. In addition, as stated by Gangjee (2015), the precondition of successful GIs system is the articulated and viable design of product specification which is interchangeable with code of practices (CoP) (WIPO, 2017).

1.2 Statement of research problems

The problem with agricultural product differentiation by using GI lies in the fact that the GI products are not only business assets but also cultural assets, a type of public goods (Vandecandelaere et al., 2010). The public good aspect in this sense means that GI products should reflect some aspects of local culture which are shared amongst not only GI product makers and traders but also people in the local areas indirectly beneficial from GI reputation (Uytsel, 2017; Belletti, Marescotti, & Touzard, 2017). Such a public good relates to the GI differentiation strategy in the sense that GI helps products to be recognized in the markets in the way that GI assures the protection of

the local cultural aspects in the GI product value chain. In other words, the GI differentiation will be successful only if the cultural attachment in GI products is preserved in the product value chain. The public characteristic of GI requires the differentiation strategy to be conducted through the process of institutionalization of the collective reputation so as to solve the problems of asymmetric information and free riding of the reputation in the market (Giovannucci et al., 2009). In other words, to succeed with the GI differentiation strategy, it is crucial to establish a sound institutionalization that can effectively engage collective actions among local producers and other related stakeholders to appropriate and sustainable production, processing, and marketing of the GI certified products. According to Giovannucci et al. (2009), it is essential for the process to include all collective dimensions that reflect traditional skills and techniques of local producers in producing and processing products. As suggested by Barjolle and Sylvander (1999), a collective network should be built along the value chain of the GI products in which all actors jointly govern the chain as such a way a firm could do. This might require huge changes in terms of knowledge, skills and the way that local producers should involve in the value chain so as to take the most advantage of the reputation. Significant challenges might arise and should be addressed to have the changes accomplished.

Due to the characteristics of cultural assets, or public good of the GI products, legal framework and therefore public involvement is one of crucial parts of the institutionalization process. The involvement is not only for fulfilling the requirements of the World Trade Organization (WTO) regarding GI, but also for effectively protecting the cultural assets reflected in the GI products. However, the fact is the conventional approach to the legal framework was left open to nations around the world (Bramley et al., 2009), and GI has been mostly new to almost all developing countries in terms of developing a sound legal structure for this system (FAO, 2018). Searching for a potentially feasible public involvement in the GI in a developing country, therefore, should be in need.

There are both the similarities and differences in terms of legal framework and public intervention in the development of GI in Vietnam and Japan. Top-down approach in the endeavor is conspicuous phenomenon in both countries where public entities actively involve in process of GI systems. Specifically, public institutions such as MAFF in Japan, the ministry of science and technology and MARD in Vietnam extensively participate in initiating and supporting GI registration. This seems to be because the awareness of the GI is still low in both nations (Durand and Fournier, 2017 and Tashiro, Uchiyama, and Kohsaka, 2018).

However, the difference seems to be huge among the countries regarding the law systems applied to GI, the ownership and management of GI. While Japan applies public law system to GI that follows European Union (EU) system, or *sui generis* system (Tashiro et al., 2018), Vietnam utilizes private and other types of intellectual property right regulative models to the development, such as collective marks and certification marks (MARIE-VIVIEN, 2014). Particularly, all GIs in Japan are required to use the same only public officially recognized seal of quality through a common official logo (figure 1-1). In contrast, there is no conventional requirement for logos that can be attached to the certified products to indicate GIs in Vietnam, making it free for GI owners to design and register the graphic marks for the GI products. These marks are not easy to be found in officially recognized information channels of their owners at different levels, from the NOIP to the provincial authorities which might neglect the recognition of the GI products in Vietnam.

Regarding ownership, the possession of all GIs belongs to state governments whose representative is people committees at the provincial level (NOIP, 2019). The provincial people committees often delegate the ownership and management of GIs to provincial DOST, or MARD. The management and control of the implementation and the use of GI are often jointly performed by both public entities whose powers and responsibilities often confuse GI farmers and local stakeholders (Durand & Fournier, 2017). Differently, in Japan, the farmer groups are the owners of GIs (MAFF, 2018c), and the management of the systems is performed by the groups, even

sometimes they are hugely supported by public intervention in terms of guiding and paper works (Tashiro et al., 2018).

Challenges for development of GI system in developing countries were evaluated in the literature. MÃ©nard (2000) raised the issues of ineffective collective actions in the system can lead to free-riding, ethical concerns in the operation of the system and disadvantages in processing of information in the farmer groups. Loureiro and McCluskey (2000) argued that in some circumstances, only small or insignificant premium can be generated from the GI system because of its attraction can be minor considerable. Bramley et al. (2009) suggested three main issues of an ineffective GI system, including the lack of a well-defined and recognized characterization of the GI product, weak regulations and enforcement mechanism and ambiguity of exclusionary effects that could be generated by the GI. ALAVOINE-MORNAS (1997) and Gangjee



Figure 1-1 Public only official logo of GIs in Japan

Source: MAFF (2018c)

(2015) asserted that low awareness of GI was the main problem for the system to be successful. Additionally, Durand and Fournier (2017) examined some case studies and figured out that challenges could be also the insufficient valorization of local traditional know-how in coming up with the definition of the GI product and rules for its production, processing and marketing activities.

However, an assertion can be made is that the challenges have not been examined in the regard to the heart of economics of GI, the use of GI as a differentiation tool for product, especially for agricultural products in a developing country such as Vietnam. Given the first research problem, which is the requirement for the institutionalization of reputation, this research hypothesizes that there have been some uncovered challenges for GI to function as a differentiation tool for agricultural products in the underdeveloped world. Also, acknowledged the second problem, which is about the freely chosen legal framework and therefore left open public involvement in the GI system, this study is trying to leverage lessons for public intervention in GI in the world for a poor nation. Furthermore, as the term differentiation means being different from free-riding and misappropriation of GI reputation (Giovanni, 1999), the differentiation potential should be examined in the context with the availability of the free-riding. Vietnam as a developing country is much suitable for this study.

In this dissertation, the first research problem which is about the challenges for GI to work as a differentiation tool will be examined in Vietnam, using Luc Ngan Thieu lychee case study in chapter 3 of this thesis. The case study of Luc Ngan Thieu lychee will open the context for the need for a model of public intervention in the operational phase of the GI so as to achieve the differentiation strategy. The model is then learned through the consultation of public intervention in the operational phase of GIs in Japan in chapter 4 of the dissertation.

1.3 Research questions

From the research problems, it can be argued that the development of GI as a differentiation tool for agricultural products in Vietnam has been still an ongoing discussion. This dissertation focuses on the following research questions in order to define the current situation and future prospects of GI development as a differentiation tool for agricultural products in Vietnam:

1/ What are the challenges for GI as a differentiation tool for agricultural products in Vietnam?

2/ What lessons can be learned from Japan in terms of public intervention in the GI system so as to foster the differentiation strategy?

3/ What is the definition of current situation and future prospects of using GI as a differentiation tool for agricultural products in Vietnam?

1.4 Research objectives

According to the three research questions, three specific research objectives were built. The purpose of this dissertation is to identify current situation and future prospects of the development of GI as a differentiation strategy for agricultural products in Vietnam, the three specific objectives are as follows:

1) To examine the challenges to the development of GI as a differentiation tool for agricultural products in Vietnam;

2) To leverage some future prospects for GI differentiation strategy in Vietnam and

3) To define the current situation and future perspectives of GI as a differentiation tool for agricultural products in Vietnam.

1.5 Summary of dissertation

The dissertation is summarized as follows:

Chapter 1 establishes the research objectives for this dissertation. It starts with the background information about the foundation of GI which is based on the economics of information and reputation. Specifically, the information economics states that there is often asymmetry of information in the market given the fact that the producers and sellers know more about product quality than the buyers do. This asymmetry is resulted from the action of moral hazard and advert selection in the market which can be demonstrated clearly by the actions of free-riding and misappropriation of product names and reputation in the market by some producers and sellers. In that context, the good producers cannot compete with those who free-ride and misuse the right product name and reputation mostly in terms of price. The buyers also cannot buy the right products they wish because of the free-riding and

misappropriation. As a result, the market is characterized by low quality products and both good producers and buyers are worse off. The economics of reputation, on the other hand, establishes that reputation of product is the reference of the past purchase that buyers made to the quality of the product in the future purchase. In other words, the buyers learn the information about product quality based on the previous consumption. The reputation of GI product is often established throughout long history in the market and is shared among a group of stakeholders within a particular region. The reputation is naturally grounded in the production, processing, and marketing process of the GI product by the natural, human, and cultural conditions. Stating differently, the characteristics of the GI products are attributable or attached to the natural, human and cultural traits of its region of origin.

The economists believe that the reputation can be used to differentiate the products in the market so as to eliminate the issues of information asymmetry in the market, creating economic rent for local region development. One potential use is to develop GI system for the products that have the mentioned reputation. However, because the reputation is shared among stakeholders in a region, meaning that it is a type of public good, cultural asset, the GI should be designated through a process called the institutionalization of the reputation. The institutionalization is needed to have not only the local producers and buyers in the market protected from moral hazard and adverse selection, but also to have the cultural asset aspects attached to the GI products protected along its business value chain. The research problem is that huge changes should be enforced so as to have the institutionalization process accomplished and countries around the world are free to choose legal framework and therefore public involvement in the GI system. Those problems in developing countries should be considerably significant as GI is almost new to them. As a result, the objective of this study is to define the current status and future prospects of GI development as a differentiation tool for agricultural products in Vietnam.

Chapter 2 details about research methods used in this dissertation, including the provision of conceptual framework and research methodologies. The conceptual

framework part describes the position of this dissertation in the GI research field. In general, this research focuses on the development of GI as a differentiation tool for agricultural products which covers two main specific research objectives of evaluating the differentiation in context of Vietnam and leveraging lessons about public involvement from Japan for the strategy in Vietnam. In details, the first part of the research deploys the concept of quality virtuous circle which includes identification, qualification, remuneration, and reproduction stages of institutionalization of product reputation in order to evaluate the differentiation tactic in Vietnam. The second objective draws some lessons learned from Japan on how public involvement in the GI system should be done to more effectively achieve the differentiation objective in Vietnam. This is aligned with the historical tradition that Japan has been providing huge support to developing world, including Vietnam in not only infrastructure development but also legal framework designation. Both the two main objectives lie in a broader research field of GI development which should covers a multidisciplinary socio-economics field of study.

In terms of research methodologies, this research employs case study research as the approach to get research questions answered. Luc Ngan Thieu lychee was chosen for the evaluation of GI as a differentiation tool for agricultural products in Vietnam as this product is popular case for GI development for fruit products in Vietnam. The next research objective is conducted by several case studies in Japan, using comparative case study design to leverage lessons of public involvement in GI system for Vietnam. In depth interviews using semi-structure questionnaire are conducted with various stakeholders in each case study to uncover the research questions.

Chapter 3 evaluates the development GI as a differentiation tool for agricultural products in Vietnam using the case study of Luc Ngan Thieu lychee. The conceptual framework for the chapter was built by the adaptation of the quality virtuous circle which includes identification, qualification, remuneration, and reproduction of product reputation. A variety of stakeholders are interviewed using semi-structured questionnaire to come up with the accomplishment of the research objective. The

challenges were empirically defined as the low awareness of GI among local stakeholders; vague CoP and enforcement system; lack of a sound designation and implementation of a value chain for GI that can effectively control, verify and govern the right use of GI reputation and marks in the market, and to effectively distribute economic benefits from GI business among value chain stakeholders. Also, very few measures have been conducted to evaluate the social and environmental effects of and revise GI system. Additionally, there are unclear roles and responsibilities of public entities in the GI system after registration or operational phase of GI. As a result, GI reputation and marks has been hardly played a role as the tool for differentiating GI products from counterfeits in the markets.

Chapter 4 examines public involvement in the operational phase of GI in Japan with the purpose of leveraging some lessons for Vietnam. The research is conducted using three case studies about Aomori Cassis, Tsuruta Steuben (grape) and Sakurajima Komikan (mandarin orange). The objective of this study is to uncover the rationale for and activities of public involvement in GI system in operational phase in Japan. There are three main reasons for public involvement in the GI groups in Japan, including that of raising the awareness of GI among producers and stakeholders, facilitating collective actions, and helping the groups with huge paperwork after GI registration. Depending on capacities of farmer groups in terms of handling the functional activities as a GI business entity and vehicle to preserve and promote the cultural aspects of GI, the extent and the activities of the involvement vary. The public personnel might 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. On the other hand, when the GI group is embedded in a JA, public entities provide only technical assistance as a part of extension service.

Chapter 5 provides some discussed and concluded points of the dissertation. The dissertation supports the idea that economic rationale of GI is tentative and country specific context. Particularly, it might be concerned from the case study in Vietnam that the inconsistency of GI has likely exacerbated the problem of

information asymmetry in the markets and undermined reputation of the GI product in the perception of consumers. It also empirically bolsters the argument that countries should make the tradeoff between the gains from GI differentiation and exclusionary effects on benefits of stakeholders in the surrounding areas of GI delimitation. The dissertation suggests that any benefits gained from free-riding of GI name and reputation must be eliminated by strict (implementation of) laws and regulations applied to the GI system. In terms of future prospects for public intervention in the operational phase of GI, the dissertation is the first study to leverage current status of GI from one country (reference country) for future status of another country (targeted country).

In general, case study in Luc Ngan Thieu lychee can help to define the current situation of GI as a differentiation tool for agricultural products in Vietnam that GI system in Vietnam might not have been well functioning as a differentiation tool for agricultural products in the country. The failure should be resulted from both challenges from inside GI system and its enabling environment. Specifically, the GI system showed loose CoP and weak enforcement scheme; lack of sound designation and implementation of a value chain for GI products to control, verify and govern the appropriate use of GI marks in the market and distribution of economic benefits from business of GI. The enabling environment presented itself in the lack of clearly defined practical roles and responsibilities of public entities in supporting the operation of GI after registration.

The public entities will probably intervene in the operational phase of GI system with clearer plans and more effective actions. In general, the intervention will likely to continuously overcome market failures in the operation of GI. In other words, the involvement is to preserve the public good aspects of GI that cannot be implemented by market mechanism in the operation of the GI differentiation strategy. Specifically, public entities will likely designate and implement agenda to continue raising the awareness of GI among local stakeholders, implement, provide consultancy on, enforce, control and govern the operational activities of the groups so as to comply with the GI CoP. Depending on the actual capacities of GI groups in handling its functions as a business entity and vehicles to preserve and promote cultural aspects attached to the GI products, the public personnel can be as a functional component of the GI groups or as consultant of the groups.

Chapter 2 Research Methodology

2.1 Conceptual framework

Conceptual framework for this dissertation is illustrated in the figure 2.1 The initial idea for the use of GI as a differentiation tool for agricultural products is that there are always a group of customers in the market who wish to buy and consume local typical agricultural products. The local typical agricultural products are defined by WIPO (2017) as the agricultural goods whose characteristics are attributable to the natural, human and cultural conditions of a particular region. That group of customers is called market niche in marketing term to represent a number of buyers in the market who have the specific needs for a particular set of product attributes (Kotler, Brown, Burton, Deans, & Armstrong, 2010). The market niche is the base for the typical products to be efficiently sold in the market, taking the best economic advantage of the local region. Because the typical product is different from other similar products in the market in terms of its own attributes attached to the local region and because of the stable demand for the product from the niche market, there should be always economic rent for the region of origin where the typical product is made. The rent is often the base for economic and social development in the local regions. Especially, as Vandecandelaere et al. (2010) suggested, the rent created by high value characteristics of the typical products can play significant role in the development of fragile and remote areas.

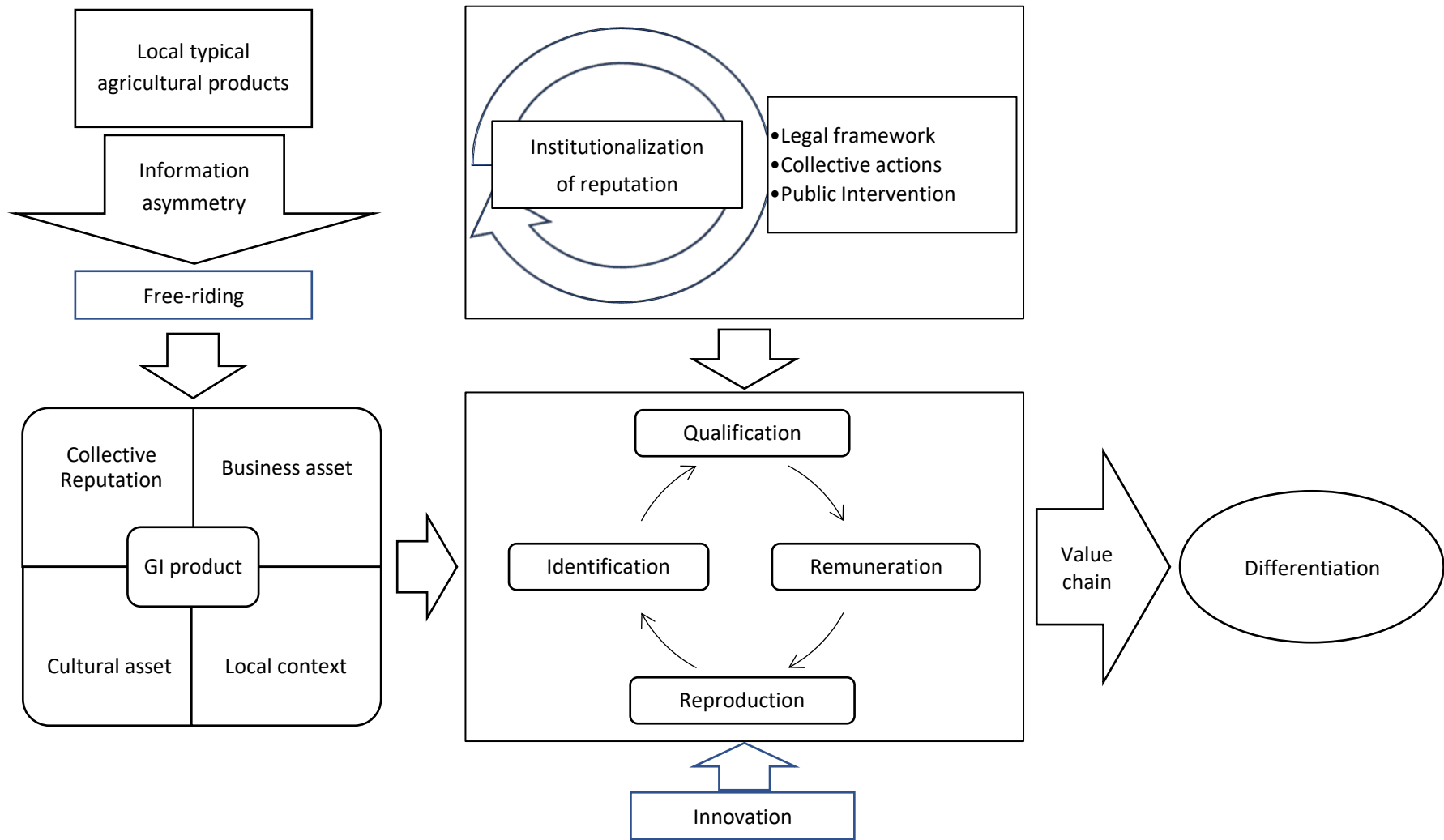


Figure 2-1 Conceptual framework

The problem for the differentiation of the typical products in the market and therefore taking advantage of the economic rent from marketing of the typical product arises as there are often issues of asymmetric information in the market in which the producers and sellers know more about product quality than the buyers do and there is usually availability of free-riding of name and reputation of the typical goods (Bramley et al., 2009). The information asymmetry often leads to the fact that the buyers in the niche market cannot buy the goods they wish, and the real producers cannot sell the typical products they made because of the availability of counterfeits in the market. To attract more buyers, the free-riders often reduce the selling price which naturally force the producers of typical products to follow the price deduction trend so as to win competition. Unfortunately, as production of the typical goods often incur high cost which causes its high price in the market, the real producers cannot continue to go with the competition for falling price. As a result, less and less real producers will be survived in the market for the typical products. The outcome in the market is that *“the bad ones drive out the good ones”* (Akerlof, 1978), meaning that the counterfeits gradually replace the true typical products and dominate the market. The detrimental effects are both the buyers and producers worse off and there is a loss of economic rents for agricultural and rural development of the local regions.

GI emerged as a solution to the problem because of the economic theory of reputation which believes that the tool can be used to protect and promote the reputation of the typical agricultural products in the market (Bramley et al., 2009). Specifically, GIs are signs, or marks that placed on the products or packages of the products whose characteristics are attributable to the place of origin (WIPO, 2017). The requirement for the use of GI as a differentiation tool for the typical agricultural products is the system must be developed to reflect the product reputation in the way that it is properly shared among related local stakeholders. In other words, the renown of the product is collective reputation within a particular local region. Furthermore, the reputation should be often created by the combination of natural, human and cultural conditions of the local areas. Therefore, the GI products should not only be considered

as a business asset, but also a cultural asset of the local regions. The shared reputation and cultural asset characteristic of the products are often referred as public good. Because the business operation of the GI product directly affects the collective reputation and the public good, the GI differentiation should be developed through a process called "*institutionalization of reputation*" (Giovanni, 1999). In other words, the differentiation of agricultural products by using GI is a process of institutionalization of the product reputation in order to solve the problem of free-riding and misappropriation of product name and reputation in the market (Bramley et al., 2009). Vandecandelaere et al. (2010) suggested that the institutionalization process should be built through for interrelated stages, including identification, qualification, remuneration and reproduction of the reputation accompanying with the involvement of public in providing legal framework, technical and other support to the GI system. However, at this stage the problems arise again, showing the fact that the institutionalization could require huge changes in knowledge and skills of local producers and other stakeholders in the ways of doing business with the typical products. Collective actions among local producers and coordination between actors and stakeholders in the value chain of the GI products are the main tasks to be effectively and efficiently performed so as to achieve the differentiation objective. In addition, although the process needs a sound legal framework support, there has been no conventional grounded base for this aspect at international level and countries around the world are free to choose the one that seemly suitable for their particular contexts (Gangjee, 2015). Even decades have passed, the question of how to practically use GI as a differentiation tool for agricultural products has been still in discussion, especially for developing countries where, as mentioned by Bramley et al. (2009), the data and empirical evidence for this regard is lacked.

This dissertation lies in the literature part of GI developing that shows how the institutionalization process can activate the function of the GI system as a differentiation tool for agricultural products in developing countries. The context for the research is that there is common issue of free-riding and misappropriation of name

and reputation of the typical agricultural products in the market. The first research step is to figure out the challenges face by the system to properly perform its differentiation function. The next is to compile recommendations for the improvement of the system so as to achieve the differentiation tactic.

2.2 Research process

The research process is depicted in the figure 2-2 which covers three interrelated component stages, including defining research topics, research components and activities, and methodologies.

The first step of the research process is to identify the general research topic, which is about GI. To achieve this step, personal interest was used in the brainstorming of the potential topic. The interest states that agricultural products generally reflect the local characteristics which include natural and cultural and social conditions. This interest initiative was then examined and refined in literature about local indigenous products. As the result, GI was found to be a suitable topic for general interest. To come up with the specific research topic, more literature review was conducted, resulting in tons of GI related topics. One of the findings states that GI can function as a differentiation tool for agricultural product because it can help to convey the meaning of local indigenusness in the product to its niche markets. The finding from the literature also said that there should be some conditions for the success of the differentiation strategy. However, deeper examined of the topic in the literature resulted in the fact that the differentiation strategy is tentative and country specific context. In addition, GI development for agricultural products in Vietnam has been a conspicuous topic and the potential benefits of GI have been remained unclear. Consequently, the research topic for the research, which is about the examination of the use of GI as a differentiation tool for agricultural products in Vietnam, was determined. The research firstly focused on testing the research hypothesis that there could be challenges for GI to function as a differentiation tool for agricultural products in Vietnam. The testing of the research thesis makes up the contents of Chapter 3 of the thesis which conducts

an empirical research in Vietnam using case study methodology and in-depth interview and focus group discussion as data collection methodologies. As the hypothesis was confirmed in Chapter 3, some resolution for the challenges of GI differentiation strategy should be established. This led to the initiative of learning from somewhere and as a result the idea of leveraging some lessons from Japan was determined which made up chapter 4 of the thesis. The research of chapter 4 was conducted in Japan using comparative case study research methodology. All the rationale to come up with research idea made up chapter 1, the introduction of the thesis, and all the methodologies used in the research parts made up the chapter 2, the methodology. The completion of all four first research parts results in the chapter 5 of the thesis, the discussion and conclusion.

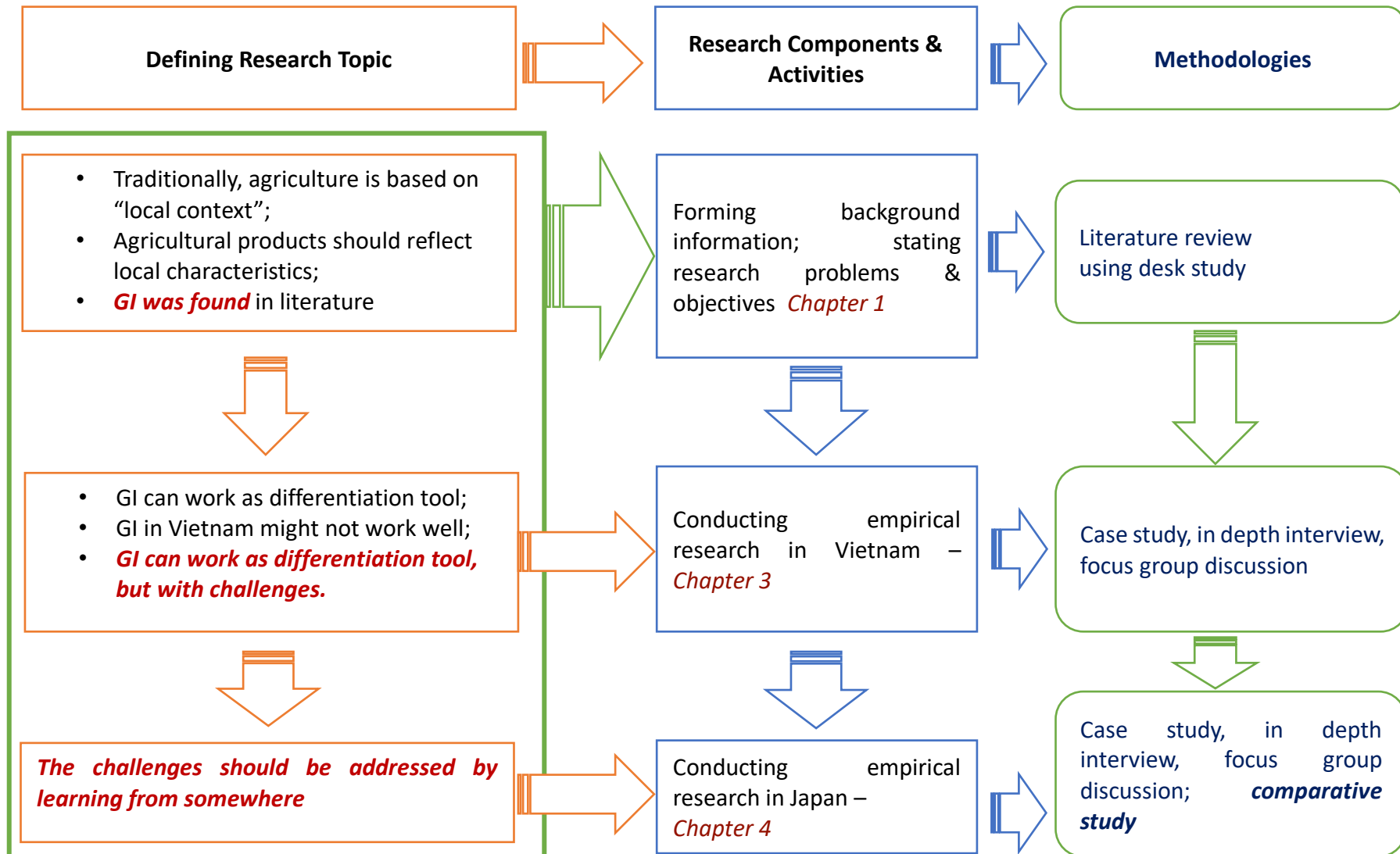


Figure 2-2 Research process

2.3 Research methodology

2.3.1 Case study

Case study research is considered suitable with this dissertation due to the notion that the methodology *“is an empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident”* (K.Yin, 2003). The focused phenomenon in this dissertation is the use or development of GI as a differentiation tool for agricultural products in the context of a developing country, particularly Vietnam. The phenomenon is also the public involvement in the GI differentiation strategy in different contexts of GI groups in Japan. The unclear evidence of the link between the phenomenon and the contexts is the reason for this dissertation to be conducted.

Luc Ngan Thieu lychee was chosen as a case study in Vietnam because it has been considered a popular case for development of GI for fruit product in Vietnam. The product is a highly renowned fruit in domestic market and some international markets such as China and others in the South East Asia. The establishment and implementation of GI for the product is hoped to bring about benefits to local producers in Luc Ngan district and improvement of economic development of the region through the promotion of product by the use of the GI (Bac Giang DOST, 2008). Case studies in Japan: The study tries to select GI cases in the fruit sector to have the same base so as to have high feasibility in leveraging lessons for Vietnam. Within the limitation of research capacities regarding human resources, time, and finance, three case studies were chosen, including Aomori Cassis, Tsuruta Steuben and Sakura Jima Komikan.

The case studies in Vietnam and in Japan are combined in this dissertation because of the three main reasons. The first reason is because of the notion that GI is not only business asset but also cultural asset, a type of public good (Bramley et al., 2009) which should be considered as one of the bases to conduct research in both Vietnam and

Japan. Specifically, because of the public good characteristic of the GI product, there should be public involvement in the GI system (Vandecandelaere et al., 2010). The involvement is examined in Japan so as to leverage lessons for GI system in Vietnam. The second reason is that the both countries seem to use top-down approach in developing GI system, showing strong involvement of public entities in the system (Durand & Fournier, 2017; Tashiro, Uchiyama, & Kohsaka, 2018). Last but no least is that Japan has been considered as model country that provide significant development supports to Vietnam during the last 40 years, especially in legal framework and public policy development assistance (JICA, 2013).

2.3.2 Comparative research

Comparative study is used in this research to deeply examine aspect of public involvement in GI system at the operational phase among different GI groups (products). This is because of the believe that GI should be context specific (Bramley et al., 2009) and therefore the public intervention should be various among different types of GI group structures. As a result, three different case studies are selected in assurance of their divergence in terms of the structures. In other words, the chosen GI groups are different in terms of their organizational nature. Specifically, the three cases are:

Aomori Cassis GI is organized by Aomori Cassis Association in which Aomori city authority is responsible for the operation and success of the GI system. In other words, the GI system is mostly organized by Aomori city authority.

Tsuruta Steuben GI is hosted by Tsuruta Steuben association in which there are three different collective marketing groups with different standardization. Personnel from Tsuruta town hosts as administrative office in the association in order to unify the standardization among the different groups.

Sakura Jima Komikan GI is hosted by a Japanese agricultural cooperative (JA) which is well organized with professional departments and expertise. They had trademark (JA Kagoshima Mirai) 12 before the GI registration.

2.3.3 Data collection

1) Survey procedure

Data collection was conducted during two periods: in November 2017 in Vietnam and in May 2019 in Japan. Semi-structured questionnaires combining both quantitative and qualitative questions were used in conducting in depth interviews and group discussions with related stakeholders in each GI case study in both countries.

The informant respondents in Vietnam are local producers, processors, collectors, traders, exporters and local authorities at district and provincial levels. The contents of the survey focus on the establishment and implementation of GI with regard to the four interrelated development stages of GI suggested by Vandecandelaere et al. (2010), including identification, qualification, remuneration, reproduction of product reputation and evaluation differentiation potential for the GI product in the market.

On the other hand, the surveys conducted Japan focuses on aspect of public involvement in the GI system after the registration, the operational stage. The purpose of the surveys is to leverage lessons for Vietnam on the idea of rationale for and activities of the public intervention in the GI system so as to have the GI differentiation achieved. In depth interviews and group discussion using semi-structured questionnaire with open and close questions were conducted with farmers, representative of GI groups and public personnel directly involves in the GI system.

2) Primary data collection

Face-to-face interviews and group discussions were conducted with various stakeholders in case studies using semi-structured questionnaires which include both open and close end questions. Basically, “snow-ball” technique (Tran, Bailey, Wilson, & Phillips, 2013) was used to come up with sampling method. The technique uses the suggestions of the previous informant respondent to identify the next interviewees.

In Luc Ngan Thieu lychee case study, the interviews were performed with 15 producers, one dry processor, representative of one lychee cooperative, two domestic household collectors (traders), one domestic fruit collecting company, one processing and export company, one farmer association and five local public authorities. In addition, three

focus group discussions were conducted with farmers, cooperative representatives and authority officers.

The collection methods were also used to conduct survey in case studies in Japan. However, due to the limitation of research resource, group discussion was mainly used to collect the data and information for the dissertation. In total, the interviews and discussions were conducted with 6 local public authorities who directly intervene in the GI system, representatives of cooperative and some producers in the GI groups.

3) Secondary data collection

Secondary data for this research is information regarding the development and implementation of GI from various public entities at different levels. In Vietnam, the information comes from the main sources such as Ministry of Industry and Trade, Provincial Department of Industry and Trade, District Department of Agricultural and Rural Development, Statistics and farmer association. In Japan, the data comes from Ministry of Agriculture Fishery and Forestry (MAFF) and GI groups.

2.3.4 Data analysis

The main data analysis technique used in this dissertation is “coding qualitative data” suggested by Neuman (2003a). Accordingly, the information gathered through the surveys is organized into conceptual categories or groups. Within the conceptual groups, the smaller themes are identified so as to figure out both divergence and convergence in ideas and knowledges among different surveyed cases. The density of the divergence or convergence is used for making the conclusion about subject studied. Comparative analysis of which the focus is “on similarities and differences between units” (Neuman, 2003b) is also utilized in this research. Accordingly, the method is employed to make the comparison among different case studies with regard to the same study topics. Specifically, the technique is utilized to determine the similarities and differences in rationale and activities of public involvement in GI systems in different case studies in Japan.

Chapter 3 Challenges for the use of geographical indication as a tool for agricultural product differentiation in Vietnam

3.1 Introduction

Interest in the use of geographical indications (GI) as a tool for the differentiation of agricultural products has recently increased due to its dynamic approach to agribusiness development. Bertil SYLVANDER and ALLAIRE (2007) noted the importance of having an established legal framework and clear institutional arrangements in GI development. More specifically, Das (2009) expressed concerns regarding the misuse and infringement of the name and reputation of GI products, as well as ensuring that GI producers received a fair share of their economic benefits. Furthermore, the top-down approach taken in the development of GI has led to low interest and less initiative on the part of local stakeholders in the system (Pick, Marie-Vivien, & Bui Kim, 2017). Seeking to benefit from the differentiation strategy, developing nations are institutionalizing GI; however, they face challenges that arise from country-specific contexts (Bramley, 2011).

GIs were first mentioned in Vietnam in Article 796 in the 1995 Civil Code as “Appellation of origin.” The system was revised in the first intellectual property (IP) law of Vietnam in 2005 as the country was preparing to join the World Trade Organization (Durand & Fournier, 2017). Particular regions in Vietnam are affected by the varied topographical reliefs and latitude differences; as such, each province has its own natural advantage in producing a particular agricultural product within its land area. However, GIs are developed only for the produce in the parts of the province based on its historically existing reputation. Until the end of 2017, approximately 60 GIs were registered, with more than 90% of GIs for agricultural products (empirical data, 2017).

Durand and Fournier (2017) examined the role of government participation in Vietnamese GI development, and Pick, Marie-Vivien, and Kim (2017) investigated situation of Vietnamese GI. These studies emphasized that although it had an impact

on the commercial and marketing aspect of GI products, strong top down approach in registration and no space for producers was pointed out as problems. These studies forced mainly on social and rural development aspects of GI. However, few studies have focused on the GI as agricultural products differentiation tool. This study adapts “the origin-linked quality virtuous circle” proposed by Vandecandelaere et al. (2010) to investigate the specific challenges of developing GI as a differentiation tool by examining the entire four-stage in development process of GI in Vietnam.

The remainder of this chapter is organized as follows. First, we discuss more detail the theoretical framework. Second, we present research site and data collection as method part. Third, registration process, four-stage of GI development, and governance of GI is discussed. The final section summarizes some key conclusions as challenges of GI and discuss future progress and recommendations.

3.2 Methodology

3.2.1 Conceptual framework

An agricultural GI product can be differentiated in the markets because of its unique characteristics that are attributed to its geographical origin. This uniqueness has also been referred to as its product reputation and cultural identity (RANGNEKAR, 2004), public good of a particular region, and, sometimes, its national heritage (Uytsel, 2017). For non-GI products, differentiation is first created by assigning unique attributes based on the company’s resource capacity and with a good understanding of its target markets (niche markets). A product’s uniqueness is then used as a “product or feature specialist” (Kotler et al., 2010) on which to base a strategy for differentiation. After consistent exposure to the differentiation message for a period of time, customers will begin to associate the quality with the product being differentiated. As a result, the

product's reputation (hereafter called reputationA) will be established in the markets (Shapiro, 1983).

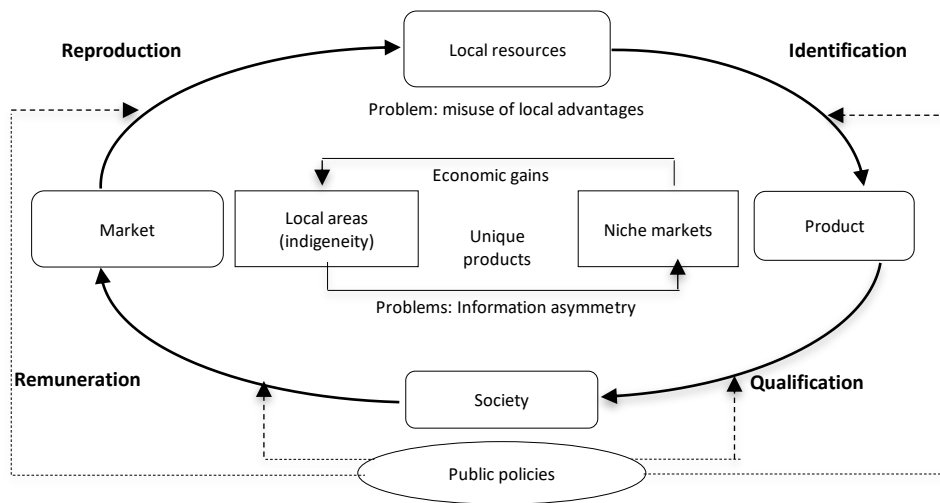


Figure 3-1 Conceptual framework for GI differentiation

Source: Adapted from the study by Vandecandelaere et al. (2010)

For GI products, on the other hand, differentiation begins with identifying and qualifying the product's historically established reputation (hereafter called reputationB). ReputationB is then used to conduct the differentiation strategy so as to achieve the reputationA for the GI product producers and sellers (Bramley et al., 2009). Thus, the GI product's reputation is collective; it is owned and shared by the local people in the region where the product originated. Completion of a four-stage development system that includes identification, qualification, remuneration and reproduction for institutionalization of GI; establishing rules for the use of GI and collective management of the value chain, are required to protect the GI product's reputation (Vandecandelaere et al., 2010).

Therefore, investigating the four-stage development of GI and how local stakeholders share the roles are essential for examining the challenges of developing a GI system as a differentiation tool for agricultural products in Vietnam.

3.2.2 Research site

The Luc Ngan Thieu lychee was chosen for the case study due to its popularity in GI development for the fruit sector in Vietnam. The Luc Ngan District (LN in Figure 3-2),

located in the Bac Giang Province, contributes approximately 60% of the total lychee production and sales in the province. It is the main location for collecting and shipping lychee in the whole province. Lychee production in Luc Ngan constitutes 22.61% of the total agricultural land area of the district (71,831.8 ha). It contributes to 46.76% of the district's gross production, which is estimated at approximately 4,304,886 million VND in 2016 (LNDARD, 2017). The Luc Ngan district is surrounded by the Luc Nam and Son Dong districts, where lychee production constitutes 40% of the total sales in the Luc Ngan market.¹⁾

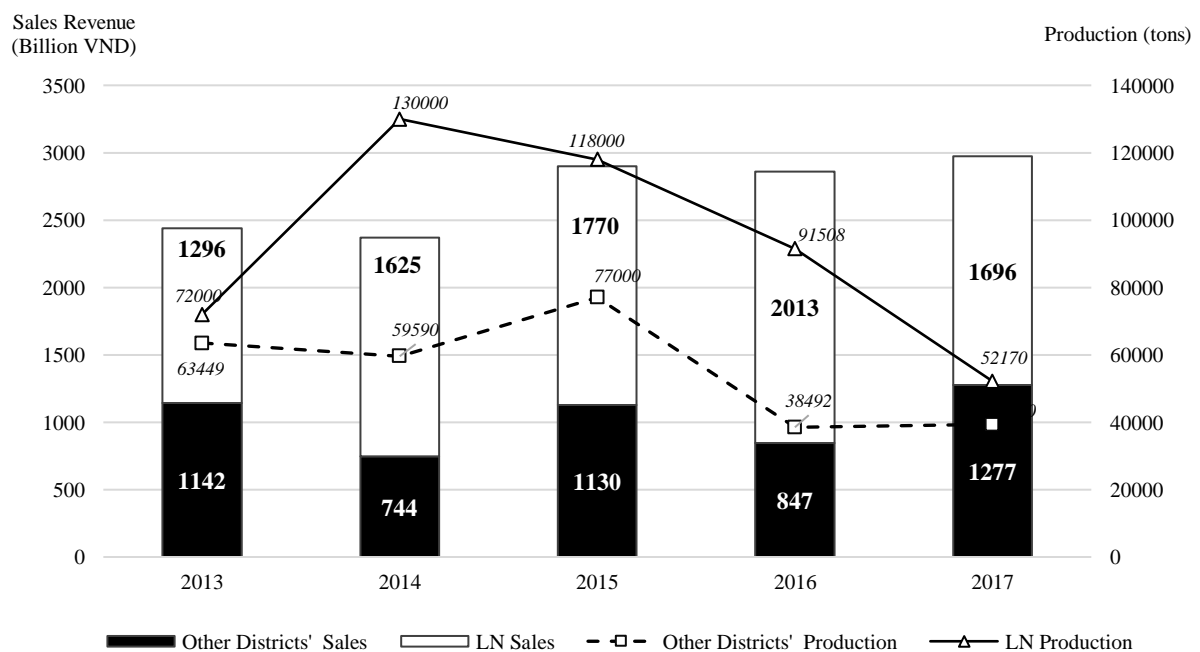


Figure 3-2 Total Production and Sales Revenue of Lychee in Luc Ngan and Other Districts in Bac Giang Province

Source: Based on Statistics from Luc Ngan DARD (2017) and Bac Giang DOST (2017)

3.2.3 Data collection

The data collected for this research was used to identify how the GI was developed for the Luc Ngan Thieu lychee and whether the GI development could sufficiently differentiate the lychee product from similar products in the market.

First, secondary data were collected through a document study to provide a thoughtful understanding of the legal framework for GI development in Vietnam. This exercise included the collection of laws, decrees, circulars, reports, and other sources of

legislative information related to the development of GI in Vietnam. Second, in-depth interviews and group discussions were conducted with 15 head of lychee farmer households, the Thieu Lychee Association²⁾, the Hong Xuan Cooperative³⁾, two lychee processors, six traders, and three local officers from the Luc Ngan Department of Agricultural and Rural Development (Luc Ngan DARD), Bac Giang Department of Science and Technology (Bac Giang DOST), and the Bac Giang Department of Industry and Trade (Bac Giang DIT). The interviews and discussions were guided by semi-structured questionnaires and inquired about the production and marketing system of the lychee fruit and the effects of implementing the GI system on the differentiation of the product. The case study was executed in Luc Ngan District and Bac Giang Province, Vietnam in November 2017.

3.3 Results of the study

3.3.1 Profile of respondents

As can be seen from the table 3-1, majority of the household heads have the age of under 50 years old (about over 72%) and while most of them finished high school (73.33%), no one attended tertiary education. Additionally, lychee production makes significant contribution to their agricultural economy, accounting for nearly 85% of agricultural land area and just under 79% of household total income. On average, the heads of farmer households have almost 16 years of producing Luc Ngan Thieu lychee.

Table 3-1 Household survey data

Share of age group in the survey sample (%)	20s	6.67
	30s	20.00
	40s	46.67
	50s	20.00
	60s	6.67
Share of educational background in the survey sample (%)	Primary school	6.67
	Junior high school	20.00
	High school	73.33
	Tertiary levels	0.00
Lychee production share in total agri. land (%)		84.59
Share of lychee production in total income (%)		78.67
Experience in lychee production (avg., years)		15.67

Source: Own surveyed data, 2017

3.3.2 Registration process of Luc Ngan Thieu lychee

The registration of Luc Ngan Thieu lychee GI followed exactly the legislative procedure for GI registration in Vietnam which is depicted in the figure 3-3, including nine steps.

In step 1, GI candidate product is nominated by Bac Giang DOST based on the existing reputation of the product in the domestic market. After the nomination was decided, the step 2, the identification of the nominated product, was followed by a combination of activities such as field research, scientific tests, social meetings among producers, traders, and other stakeholders to decide on the product's characteristics which is attributed to geographical production place (this step will be described in details in the next section). In Step 3, the application is prepared by Bac Giang DOST, including the documents that shows the identified characteristics of the product, the link between the characteristics and the production place, and the recommended delimitation area for the potential GI product. In step 4, the application was submitted to the Vietnam National Office of Intellectual Property (NOIP, the competent authority for GI application in Vietnam), by the Bac Giang DOST. In step 5, it took one month for the NOIP to complete the format check of the application. The announcement of format appropriateness of the application was posted on the website of the NOIP in step 6. The step 7, in which the evidence of unique characteristics of the lychee and its link to production place was looked for, lasted for 9 months. After the registration fee was paid in step 8, the registration status was announced on the Vietnamese Geographical Indication Map on the NOIP website and the Bac Giang DOST was granted the GI registration certification for Luc Ngan Thieu lychee.

Completion of a four-stage development system that includes identification, qualification, remuneration and reproduction before registration process is necessary for GI development; however, the registration of Luc Ngan Thieu lychee includes only identification and some parts of the qualification stage. As we are going to explain the

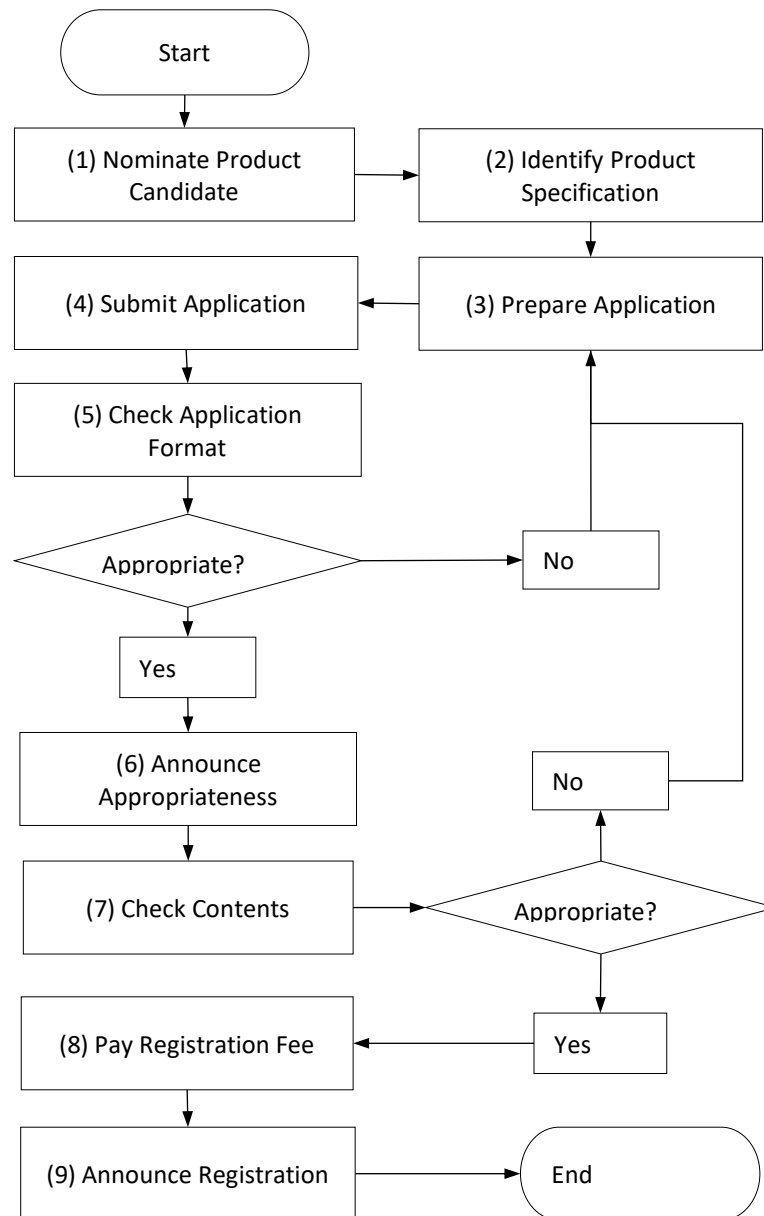


Figure 3-3 GI registration procedure of Luc Ngan Thieu lychee

Source: Author's document study

detail in following section, strategic marketing system for remuneration, reproduction to maintain production were not cleared when it instituted.

3.3.3 The four development stages of Luc Ngan Thieu GI

(1) Identification

The identification was followed by extensive scientific research conducted in the field and laboratory to identify product specification, specific natural conditions, human factors, and the link between the product's characteristics and its origin. Experts from the Soil and Fertilizer Research Institute, representatives of NOIP (providing technical

support), personnel of Bac Giang DOST, farmers' representatives, processors, and traders are enlisted to gain consensus on the contents of these stages⁴).

As shown in the Luc Ngan Thieu lychee GI project report (BacGgDOST, 2008), natural conditions are the main cause of the uniqueness possessed by the fruit. The characteristics of the product, which include color, weight, flesh thickness, water content, flavor, and some other traits, are said to have significant links with natural conditions, such as climate (rainfall, temperature, humidity), soil, and topography. Although the fruit was identified as having a strong reputation in domestic and global markets, with approximately 70 years of existence, little traditional know-how or human factors are mentioned in the identification of the product in the GI project report.

(2) Qualification

① Delimitation of area

The delimitation area was determined mainly based on the statistical link between the product's traits and natural characteristics. The area designated for GI production was 17,039.55 ha, which constitutes approximately 94% of the total lychee plantation area in 2007. The remaining 6% was excluded from the delimitation because the natural conditions are not suitable for production of the GI product (BacGgDOST, 2008). The delimitation area description accompanies with the result of product identification in the preparation for the application for GI.

② Code of Practice (CoP)

Since the GI were registered, there have been no practical qualifications for Luc Ngan Thieu lychees. The GI registration did not include a description of the CoP for production, a guarantee system, or elaboration of rules for managing the GI. When the qualification was clarified in the 2010, Vietnamese Good Agricultural Practice (VietGAP) was selected as the CoP and further information was provided about management of GI use and the control and enforcement system.

However, until the end of 2017, the guarantee of CoP had not been implemented. Producers are encouraged, but not forced, to apply the CoP during production. They can freely modify production practices to achieve their own objectives. Although the Luc Ngan Thieu Farmers' Association and the Luc Ngan DARD were assigned the role of enforcing the CoP, in practice, they merely encouraged farmers to follow the CoP. Responsibility for quality control of the GI product was given to the Bac Giang Department of Standards Metrology, and Quality (SMQ). The Bac Giang SMQ annually samples 50 kilograms of lychees, from a total production of approximately 90,000 tons, to verify any overuse of pesticides and chemicals in the production of Thieu lychees⁵).

③Labels

The labels for GI products were carefully designed before registration and their use is periodically examined by the NOIP. However, the GI labels are printed and used freely by anyone in the market, including Luc Ngan producers and those from other districts. Empirical information shows that some big farmers and cooperatives are provided with GI labels for the marketing of lychees even if the GI qualification status of the receivers is unclear.

(3) Remuneration and the Market

Fifteen households were surveyed about the shares of lychees they sold to each type of collector and the results are shown in Table 3-2. The amount sold to Chinese collectors that constitutes the majority of the sales, averaging approximately 55% of the total., followed by southern domestic market. The Bac Giang DIT has estimated that there are approximately 1,600 collection points established in the district every year, of which Chinese traders constitute 200 to 350 points⁶).

Table 3.3 summarizes some information about collectors of lychee at Luc Ngan district. Chinese collectors and traders are the lead buyers in terms of purchase quantity and they also set purchase prices and product quality standards in this area. Chinese collectors offer the highest prices in the collection market and are often 5,000 to 10,000 VND higher than the second-highest price offered by other collectors. Chinese collectors also typically buy as much product as possible provided that the product is

big and even in shape and is bright and pink in color, without considering VietGAP or any other agricultural practices or the product's origin. The traders also practice a quick and convenient lychee collecting procedure that best satisfies the producers.

Table 3-2 Share of lychees sold by farmers to each type of collector (%)

Households	Type of collectors							
	Cooperatives having contracts with export companies to developed markets	Chinese collectors	Vietnamese collectors to Chinese markets	Cooperatives having contracts with supermarkets	Vietnamese collectors to the south domestic markets	Vietnamese collectors to the north domestic markets	Export processing companies	Drying processors
1	0	70	0	0	20	5	3	2
2	0	70	0	0	20	0	7	3
3	45	55	0	0	0	0	0	0
4	0	0	0	0	0	0	0	0
5	5	80	0	0	17	0	0	3
6	0	60	0	0	40	0	0	0
7	0	33	0	0	53	14	0	0
8	0	37	0	0	52	11	0	0
9	0	70	10	0	10	10	0	0
10	0	50	0	0	35	10	5	0
11	0	40	0	0	60	0	0	0
12	0	60	10	0	20	5	0	5
13	0	40	0	0	55	0	0	5
14	0	53	0	0	47	0	0	0
15	0	52	25	0	23	0	0	0

Source: Own surveyed data, 2017

In competing to obtain the fruits, domestic collectors follow the standards set forth by the Chinese collectors and show little concern for product origin and production practices. No collectors have required the GI labels while purchasing the fruit; however, some of them use the marks to promote their goods post-collection. This situation has been discouraging lychee producers from pursuing GI certification and VietGAP.

As the facts show, very little vertical or horizontal coordination can be found among stakeholders. In fact, huge efforts to establish and maintain a collective marketing system for the GI product, such as selling via cooperatives and via contracts with companies and supermarkets, have not come to fruition. Farmers and local stakeholders have been exhausted by complicated trading procedures and requirements from business partners, which consume a lot of time during the busy harvesting season. Some trading companies were accused of failing to honor the terms of their contracts

to buy the lychees from the farmers. In addition, the quantity of lychees traded through these channels constituted only a small share of total sales, which was insufficient to cover the operational costs. Alternatively, farmers could sell almost all of their produce to the local market in the Luc Ngan District where the product is mixed with lychees coming from other districts in Bac Giang Province, because, as noted earlier, there has been no control over free riding of the name and reputation of the GI product.

Table 3-3 Main collectors of Luc Ngan lychee at local market

Collectors	Prices (1,000 VND)	Quality required	Share (%)	Type of Procedure
Cooperatives having contracts with export companies	50 - 55	GlobalGAP	0.3	Complicated and not transparent
Chinese collectors	50 - 55	As big, bright, pink, even (in shape) as possible	37.0	Simple and quick
Vietnamese collectors to Chinese markets	40 - 45	As big, bright, pink, even (in shape) as possible	20.0	Simple and quick
Cooperatives having contract with supermarkets	35 - 37	VietGAP, GlobalGAP are preferred	3.0	Very complicated and time consuming
Vietnamese collectors to the south domestic markets	30 - 32	Cannot be sold to the previous choice collectors	23.7	Simple and quick
Vietnamese collectors to the north domestic markets	22 - 25	Cannot be sold to the previous choice collectors	11.0	Simple and quick
Export processing companies	15 - 17	Cannot be sold to the previous choice collectors	4.0	Simple and quick
Drying processors	5 - 10	Dropped fruits or bruised fruits cannot be sold to other collectors	1.0	Simple and quick

Source: Own field survey, 2017

Notes: based on the interview with the 15 famers (in part Method, Data collection) and calculate based on the information about price and the amount of lychee each famer household sold to each type of collector.

(4) Reproduction

With the exception of the revisions in 2010, few actions have been planned or undertaken to evaluate the impact of the GI on the development of lychees and the local region. Some farmers raised concerns about the changes in the agricultural production system in parts of the district, indicating that more farmers have been replacing lychees with citrus fruits (Table 3-4).

Table 3-4 Plantation and production of lychee and citrus fruits in Luc Ngan district

Years	Plantation area (ha)		Production (ton)	
	Lychee	Citrus	Lychee	Citrus
2010	18,595	195	61,050	720
2011	18,595	205	120,250	780
2012	18,595	385	83,250	2,300
2013	17,810	580	72,000	2,496
2014	16,295	1,027	128,114	4,169
2015	16,193	1,503	118,500	6,086
2016	16,243	2,136	95,110	9,789

Source: Luc Ngan Statistics, 2017

According to the farmers, they can achieve much higher income from citrus fruits than from lychees, whereas the harvest and sales pressure of the latter is much higher than that of the former. The farmers also cited the difficulties of following VietGAP and their reluctance to adhere to such strict guidelines when few collectors required it. Furthermore, there has been little evidence to assure them that the reproduction of the GI system has been effective at achieving differentiation for the Luc Ngan Thieu lychee.

3.3.4 Governance of GI system (Roles of stakeholders/ local authorities)

The Luc Ngan Thieu Lychee Association is practical manager of GI, although the Bac Giang DOST was still the applicant / owner of the GI. The association expected to play a role of verifying the conditions of producers/traders in terms of meeting the requirements for the use of GI, and directly controls the use of GI labels and manage the value chain. Farmers, processors, and traders willing to use GI labels must make the application to the Bac Giang DOST, the GI registration authority. Farmers must get the verification from the Luc Ngan Farmer Associations and the district DARD before applying (BacGgDOST, 2010). However, no evidence of this procedure was found in the field research. Other stakeholders, including authorities from the Luc Ngan DARD and other industries, such as members of farmers associations, find determining their responsibilities regarding the use and management of GI to be ambiguous.

3.4 Discussion and conclusion

Throughout this research, we have found several critical challenges for the development of GI as a differentiation tool for agricultural products in Vietnam.

First, lack of requirements for management plan after GI registration (thereafter the operational phase of GI) is clear for Luc Ngan Thieu lychee case. The registration was completed without any details about rules or CoP for production, processing, and selling and trading of the GI product. Second, there was a lack of human factors during the GI product identification process. Due to the lack of traditional know-how in the identification of the product, VietGAP was chosen to be the CoP in the qualification of GI product. This might have been due to the low involvement of local producers and stakeholders during this stage of process. Lack of awareness about GI by local stakeholders is a conspicuous phenomenon.

Third, elaboration of the rules and roles of local authorities and stakeholders in the use and management of the GI has been too ambiguous to be effective. Although the delimitation area and CoP of the GI product were determined, no guarantee systems were established and implemented to ensure compliance. Additionally, although collective institutions, such as cooperatives, had been established, few collective actions were conducted to guarantee adherence to the CoP in the production and marketing of the product

Fourth, while the GI have been used as a promotional tool for local products, there is little control over free riding of the name and reputation of the GI product. Most of the collectors and traders, including the Chinese market, find it is pointless to follow the GI rules when they can reap the benefits with non-GI products. In fact, the name and reputation are commonly used by producers in the surrounding areas to market similar GI products. No guarantee of quality consistency along the value chain of GI product has been made.

Fifth, there has been little evaluation conducted on the impacts of GI implementation on local resources. Without guidelines in place to manage misappropriation of the GI product's name and reputation, little socioeconomic impact has been recognized in

the local region outside of the GI's use as promotional tool. In fact, the Luc Ngan Thieu lychee case study showed that, in some areas, the production of the GI product has been replaced by citrus fruits.

Finally, no consideration to roles, responsibilities of related stakeholders in the GI system, such as farmers, processors, traders, were consisted in the registration documents.

In conclusion, given the current state of development, GI has been implemented far too little to function as a differentiation tool for agricultural products in Vietnam. Specifically, the failure of the differentiation is caused by the inconsistency of reputation of GI product in the product value chain because of: 1) the availability of counterfeiting products resulted from the weak control over the use of GI name and labels, 2) the diversity in GI product quality due to the loose GI quality control system. The inconsistency has likely exacerbated the problem of information asymmetry in the markets wherein "bad products drive out good ones" (Akerlof, 1978) and created loose reputation of the GI product in the perception of consumers. Any benefits gained from free-riding of GI name and reputation must be eliminated by strict (implementation of) laws and regulations applied to the GI system. Also, a clear CoP for GI should be collectively designed and complied by related stakeholders in the system. Additionally, there should be sound marketing strategies to ensure that the eligible producers and traders of GI product could be economically beneficial from the system.

Chapter 4 Public Intervention in Operational Phase of GI in Japan: A lesson for Vietnam

4. 1 Introduction

The case study for Luc Ngan Thieu lychee in Vietnam by Thinh, Fumie, and Satoshi (2019) which contributed to the chapter 3 of this dissertation clearly showed the limitation of public intervention in the operational phase of GI in Vietnam, likely contributing to the failure of the GI to function as a differentiation tool for agricultural products in the country. In particular, no specific rationale and activities of public involvement in the operation of GI differentiation were defined and implemented even the provincial people committees are the owners of the GI. To address this problem for Vietnam, some lessons should be leveraged in the matter of concern. However, there has been the lack of empirical research on showing how the public intervention is performed in the operation of GI after registration. Additionally, as the need for the improvement of the GI differentiation strategy is for the future, the leveraged lessons should be from the nation that not only has some similar context with Vietnam in terms of applying GI, but also has some advanced level of social and economic development.

The aim of this chapter is to anticipate the future perspectives of public intervention in the operational phase of GI differentiation strategy for agricultural products in Vietnam. Specifically, the study will try to answer the following research questions: What will be the rationales for public intervention in GI operational phase in Vietnam? And, what will be the activities of public intervention in the operational phase of GI given the rationales of the intervention in Vietnam?

4. 2 Methodology

4.2.1 Conceptual Framework

As public intervention is needed in GI system to assure the preservation of cultural aspects in business of GI product (Giovannucci et al., 2009), and to overcome problems occurring in the collective actions within the system (RANGNEKAR, 2004; Tregear, Arfini, Belletti, & Marescotti, 2007). 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 4-1.

When the intervention is seen in the GI group structure, 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.

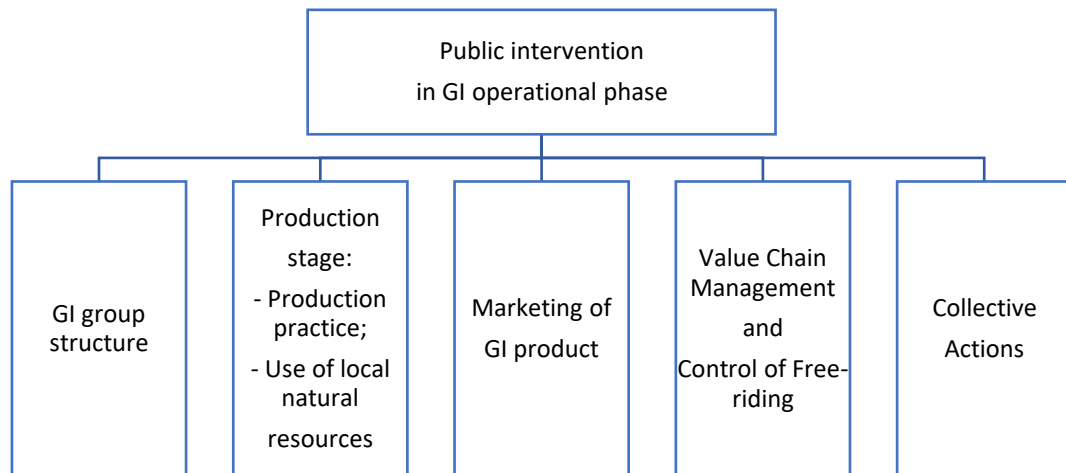


Figure 4-1 *Framework for examination of public involvement in GI operational phase*

4.2.2 *Research Design and Data Collection*

Japan is chosen as a reference country for Vietnam because of two main reasons. First, the both countries seem to use top-down approach in developing GI system showing strong involvement of public entities in the system (Durand & Fournier, 2017; Tashiro, Uchiyama, & Kohsaka, 2018). Second, Japan has been considered as a model country that provide significant development supports to Vietnam during the last 40 years, especially in legal framework and public policy development assistance (JICA, 2013).

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 (Neuman, 2003c). 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 (grape): there are three different collective marketing groups in the association with different marketing standards. Now it is united by Tsuruta town.

Sakurajima Komikan (mandarin orange): 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.

4.3 Results

4.3.1 Overview of researched products

1) 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 (MAFF, 2018a).

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 (MAFF, 2018a).

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 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 4-2, 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 assigned seller in the association, the 101 farmers are responsible for producing the product only and the association perform 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.

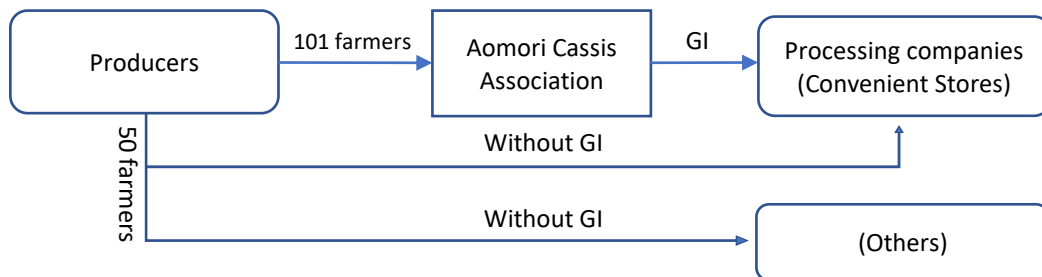


Figure 4-2 Marketing channels of Aomori Cassis

2) 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 4-3). Each of this marketing group has their own marketing standards for products acquired for trading. JA sell their products via their own system and network which include processing operation and retail stores. The farmer group and the limited 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.

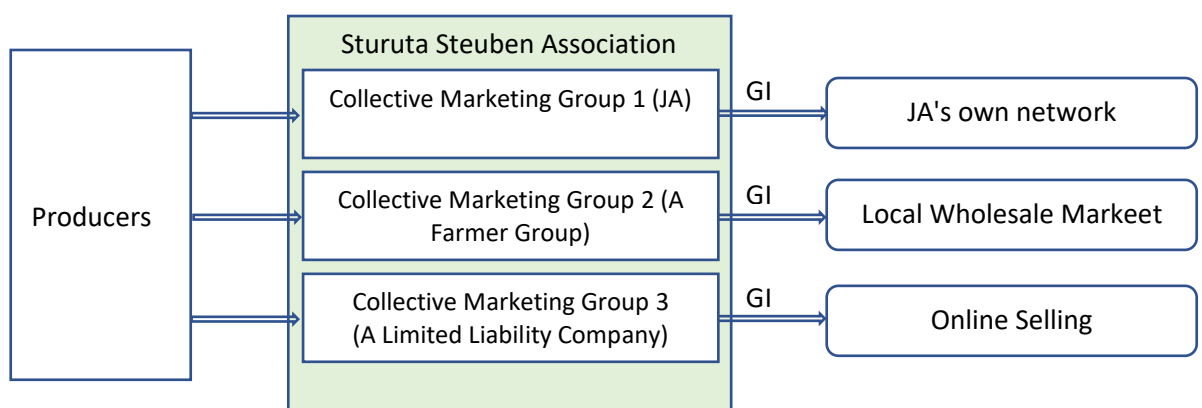


Figure 4-3 Marketing channels of Tsuruta Steuben

3) JA Kagoshima Mirai

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 (Kagoshima JA).

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 (MAFF, 2018b).

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 4-4 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.

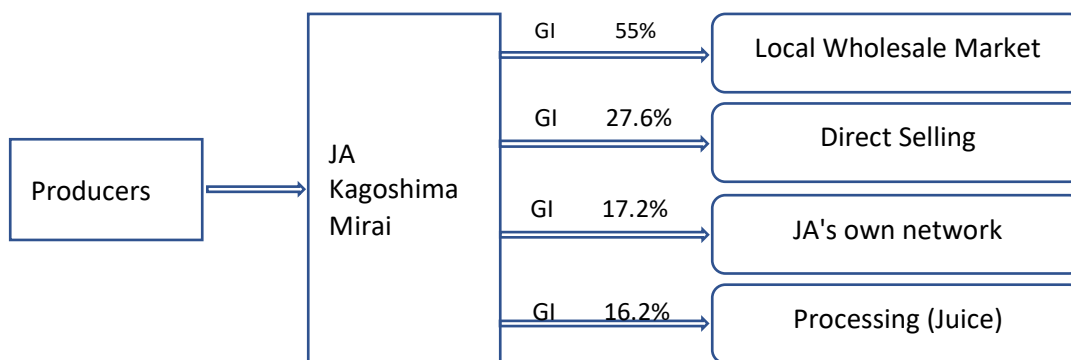


Figure 4-4 Marketing channels of Sakurajima Komikan

4.3.2 Public Involvement in Operational Phase of GI in Japan

1) Public Involvement in Organizational Structures of Farmer Groups

In depth interviews with farmers and public personnel directly working in the farmer GI groups shown the various patterns of involvement of public in the organizational

structures of the groups, 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 4-1.

Table 4-1 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, extension service, trade festival and promotion	JA has their own expertise

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, a 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.

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 groups organizational structure is to support the entity with huge paper and discussing workloads since the groups 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 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.

2) 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 tradition 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 4-2.

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.

Table 4-2 Public Involvement in Production of GI Groups

Cases	Activities of Involvement	Rationale for the involvement status
Aomori Cassis	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
Tsuruta Steuben	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
Sakurajima Komikan	Standing outside of the organization, providing normal extension services and subsidy	JA has its own strong expertise

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.

3) 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 4-3 Public Involvement in Marketing Activities of GI groups

Cases	Roles of public personnel	Rationale of the involvement
Aomori Cassis	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
Tsuruta Steuben	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
Sakurajima Komikan	Standing outside the group; Providing normal extension services and subsidy	JA has its own expertise

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 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.

4) 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 4-4.

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 4-4 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

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.

4.4 Conclusion

The main rationale for public involvement in the operational phase of GI in Vietnam will likely be to continuously raise the awareness and the use of GI among agricultural

producers. Facilitating collective actions and helping the small holders' groups should also be 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 might 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 can 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 can be 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.

Chapter 5 Discussion and Conclusion

Prior work has documented the potential of the use of GI as a differentiation tool for agricultural products, mainly mentioning its function as an approach for reducing the market information asymmetry (Rangnekar, 2004) or increasing the transparency of the market (Giovannucci, Josling, Kerr, O'Connor, & Yeung, 2009), working as an origin-based signal (Pick, Marie-Vivien, & Bui Kim, 2017) and sometimes as a verification tool for the products in the market (BRAMLEY, BIÉNABE, & KIRSTEN, 2009a).

However, these studies have either been tentative or have not been convinced in a systematic framework that examines the entire GI development process and aspects making up the potential uniqueness of GI products.

In this study the differentiation potential of GI was examined by the use of analysis of the framework of quality virtuous circle (Vandecandelaere, Arfini, Belletti, & Marescotti, 2010) that covers the examination of GI development process and relation of the process to the differentiation potential.

Also, the examination focuses on the notion that GI is not only a business asset but also a cultural asset, a type of public good (Uytzel, 2017; Belletti, Marescotti, & Touzard, 2017). Therefore, the differentiation was reviewed in the consideration of the extent to which the strategy is in line with the preservation of cultural aspects of the GI products in its value chain.

This study found that the differentiation strategy has been hardly successful in Vietnam due to huge challenges resulted from the underdevelopment of the quality virtuous circle of GI. Particularly, the underdevelopment is the fact that the four-stage development of GI has been not effectively implemented. This finding supports the idea that economic rationale of GI is tentative and country specific context (Bramley, BiÉNabe, & Kirsten, 2009), and this might be the first empirical study to apply the quality virtuous circle in examining the differentiation potential of GI for agricultural products in the context of free-riding.

The research might be amongst the first studies to distinguish the differentiation by GI from general differentiation strategy in agricultural marketing. Specifically, for non-GI products, differentiation is first created by assigning unique attributes based on the company's resource capacity and with a good understanding of its target markets (niche markets). A product's uniqueness is then used as a "product or feature specialist" (Kotler et al., 2010) on which to base a strategy for differentiation. After consistent exposure to the differentiation message for a period of time, customers will begin to associate the quality with the product being differentiated. As a result, the product's reputation (hereafter called reputationA) will be established in the markets (Shapiro, 1983). For GI products, on the other hand, differentiation begins with identifying and qualifying the product's historically established reputation (hereafter called reputationB). ReputationB is then used to conduct the differentiation strategy so as to achieve the reputationA for the GI product producers and sellers (BRAMLEY et al., 2009). Thus, the GI product's reputation is collective; it is owned and shared by the local people in the region where the product originated. Completion of a four-stage development system that includes identification, qualification, remuneration and reproduction for institutionalization of GI; establishing rules for the use of GI and collective management of the value chain, are required to protect the GI product's reputation (Vandecandelaere et al., 2010).

The findings of this research extend the knowledge created by Durand and Fournier (2017) mentioning the lack of human factors in the identification and qualification of the GIs products. The findings of this study suggested that the lack might be due to either no human factors was identified or little involvement of local stakeholders was enlisted in the development of GIs. To make it clear about the reason for the absence, active participation of local producers, processors, and traders in the GIs development process should be encouraged.

The research also found that although the delimitation area and CoP of the GIs product were determined, no guarantee system were established and implemented so as to assure the compliance with those. Because of the lack of traditional know-how in the

identification of the product, GAP was chosen to be the CoP in the qualification of GIs product. Also, collective institutions such as cooperatives have been established, few collective actions have been conducted with regard to guaranteeing the CoP in the production and marketing of the product. The findings bolster and complement the argument of loosening linkages of GI product traits to a region and of diluted GI certification guarantee due to the flexibilities in the development of GI (Gangjee, 2015). Therefore, Vietnam should be on alert of the importance of developing and guaranteeing the GI product specification in the pursuit of the differentiation objective. The study sees the challenge in the use of GIs to create the remuneration to local producers and to protect benefits of consumers. The case study showed that the GIs have been used as a promotional tool for local products, accompanying with little control of free-riding of name and reputation of the GIs product. The name and reputation are commonly used by producers in the GIs' surrounding areas to market GIs-similar products. No guarantee of quality consistency along the value chain of GI product has been available. In addition to this is the lack of information at national level for the recognition of GIs products, giving the fact that few product labels, certified individuals and organizations were displayed on the official website of NOIP, the likely most trustable information channel. This, to large extent, leads to concern from the case study in Vietnam that the inconsistency of GI has likely exacerbated the problem of information asymmetry in the markets and undermined reputation of the GI product in the perception of consumers, the situation where "bad product drive out the good ones" (Akerlof, 1978).

The next finding is that little evaluation of the impacts of GIs implementation on the local resources has been conducted. Besides being used as a promotional tool for product without management of misappropriation of name and reputation, little social-economic impact has been recognized in the local region. In fact, in the Luc Ngan Thieu lychee case study, it has been showing that the production area of the GIs product has been replaced by production of circus fruits. This goes against the

requirement of an effective GI system which should assure the local interest (Belletti et al., 2017).

This study complements the conclusion made by Pick et al. (2017) that top-down approach in development processes might marginalize the initiative and interests of local stakeholders in GIs, suggesting that the approach laid out the unnecessary separation between the ownership and management of GIs in developing countries. There has been an ambiguous elaboration of rules and roles of local authorities and stakeholders in the use and management of the GIs. Specifically, the case study showed that the Bac Giang provincial people committee is the owner of Luc Ngan Thieu lychee of which representative is Bac Giang DOST. However, Bac Giang DOST has no action plan for the utilization and management of the GIs. In addition, the low interest of local stakeholders in the GIs might be due to this separation that made them feel irrelevant to this scheme. Therefore, different approaches to GIs development in Vietnam should be in place to raise the local awareness of initiative of GIs, its ownership, and employment.

Given the challenge found in the research, it is called for understanding the initiative of GIs development in developing countries, particularly in Vietnam, in a pragmatic way as mentioned by SYLVANDER and ALLAIRE (2007). This study complements to the perspective by showing the misunderstanding of the GIs initiative. Instead of using GIs as a tool for differentiation based on protecting product's reputation, GIs are employed as a tool for promoting local region with little management of misuse of the reputation, which was mentioned by Das (2009). The misappropriation raises the concern about the development of GI taking into account of exclusionary effect suggested by BRAMLEY et al. (2009b). This study empirically bolsters the suggestion that countries should make the tradeoff between the gains from GI differentiation and exclusionary effects on benefits of stakeholders in the surrounding areas of GI delimitation (BRAMLEY, BIÉNABE, & KIRSTEN, 2009b). Particularly, it is suggested that any benefits gained from free-riding of GI name and reputation must be eliminated by strict (implementation of) laws and regulations applied to the GI system.

In terms of future prospects for public intervention in the operational phase of GI, the dissertation is the first study to leverage current status of GI from one country (reference country) for future status of another country (targeted country). The leveraged lessons from Japan can be considered as valuable for Vietnam because several same conditions between the two nations in the approach to GI and the long-term engagement of the former country in supporting development policies for the later. Accordingly, strong public involvement in the GI should be improved in terms of establishing a sound rationale and set of actions of intervention of public entities in the system. Particularly, it could be suggested that the rationale can be based on the phenomenon that GI can be considered as a type of public good or it can to some extent affect the provision of public good in the local areas. Therefore, the involvement of public entities is to assure that the interest of non-direct beneficiaries of GI is not undermined by the business operation of GI products (Belletti et al., 2017). Consequently, the intervention should be not only in place of enabling environment which assures the effective and faire competitive business environment, but also in place of day-to-day business operation of the GI system.

However, the intervention action should be designed and implemented based on the capacity of the GI group in performing its business operation. Specifically, the intervention should focus on building up or strengthening the capacity of the GI groups in terms of awareness raising, expertise and human resources supporting, and daily business operation help and consultancy providing. The public entities might directly participate as staffs in the GI groups, helping the groups with understanding the GI concepts and methodologies, paper works, conflict mediating, and other business strategy and operation designing and implementing. Or, in other cases where the GI groups have strong capacities, the public entities might involve indirectly as consultants or extension service providers.

The dissertation shows the limitation in conceptual framework generalization because the research was conducted only with one case study in Vietnam and several case

studies in Japan. More empirical work should be conducted to bolster or challenge the affirmation of this study. Further research is called for more depth examination of differentiation potential of GIs in Vietnam. For example, there has been a gap in this field so as to answer the question of how and why and why not stakeholders in the product value chain use GIs as a differentiation tool. Also, opportunities are opened for studies that describe or propose frameworks or models for agricultural product differentiation strategies using GIs development. In addition, because GIs are normally developed based on local traditional reputation (WIPO, 2017), there might be the need for research that can deeply investigate the potential of GIs as a differentiation tool to protect and promote agricultural and rural heritage and tourism.

Research opportunities remain in examining of GI differentiation for agricultural products in some other new emerging trends. Firstly, prospect study can help to figure out the successful factors for practical application of the quality virtuous circle in the pursuit of the differentiation strategy. Secondly, the research might help to examine the potential of design and implement a GI differentiation strategy in a business ecosystem (Jacobides, 2019) in which the GI business is only one component in a larger local business system containing interrelated components. Thirdly, the differentiation can also be examined in the context of shared value creation (Porter & Kramer, 2011) in which stakeholders in the down-stream of the GI value chain can better make use of faire trade buying approach to GI famers, therefore making the whole value chain economic pie bigger and making every chain participants winner. Lastly, the opportunities are still available for research which can investigate the potential of applying the circular economy movement (Allenmacarthurdoundation, 2019) in the conduct of GI differentiation strategy for agricultural products in Vietnam.

In conclusion, GI system in Vietnam might not has been well functioning as a differentiation tool for agricultural products in the country. The failure should be resulted from both challenges from inside GI system and its enabling environment. While the former factor refers to the components of GI development process which

include identification, qualification, remuneration and reproduction of the system, the later emphasizes supporting elements such as legal framework and public intervention in the system. Specifically, the GI system showed loose CoP and weak enforcement scheme; lack of sound designation and implementation of a value chain for GI products to control, verify and govern the appropriate use of GI marks in the market and distribution of economic benefits from business of GI. The enabling environment presented itself in the lack of clearly defined practical roles and responsibilities of public entities in supporting the operation of GI after registration. No actual detailed measures have been conducted to enforce the right use of GI reputation and marks in the market. As a result, the reputation of GI has been likely undermined and far little to play as a differentiation signal for the GI products in the market.

For the future prospects of public intervention in the GI differentiation in Vietnam, the public entities will probably intervene in the GI system with clearer plans and more effective actions. In general, the intervention will likely to continuously overcome market failures in the operation of GI. In other words, the involvement is to preserve the public goods aspects of GI that cannot be implemented by market mechanism in the operation of the GI differentiation strategy. Specifically, public entities will likely designate and implement agenda to continue raising the awareness of GI among local stakeholders, implement, provide consultancy on, enforce, control and govern the operational activities of the groups so as to comply with the GI CoP. Depending on the actual capacities of GI groups in handling its functions as a business entity and vehicles to preserve and promote cultural aspects attached to the GI products, the public personnel can be as a functional component of the GI groups or as public officers providing public services to the groups.

Notes

- 1) The information is from group discussion with farmers.
- 2) The Association of Luc Ngan Lychee Producers and Traders (hereafter, the Luc Ngan Thieu Lychee Association) was established in 2010 under the control and management of local authorities. The association operates in accordance with a cooperative approach. As of the end of 2017, it had 227 members. The main roles played by the association include encouraging members to produce high-quality Thieu lychee in the district, managing and using GI for Luc Ngan Thieu lychees granted by Bac Giang DOST, collaborating with local extension bodies to provide the members and farmers with agricultural technical support and trainings, and cooperating with local authorities in propagandizing political promotion and policies.
- 3) Hong Xuan Cooperative was established in 2011 with 23 household members. The main operations include fruit production and trade as well as incubation and hatching of poultry eggs. Although lychee production is a part of its business activities, the cooperative has been actively participating in agricultural modernization policies such as applying VietGAP and GlobalGAP in the production of lychee. During annual trade promotions of Luc Ngan Thieu lychees, the cooperative is often assigned as the promoter, signing trading contracts with export companies and collecting fruits from members to fulfill the contracts.
- 4) This stage was performed under a project namely *building the geographical indication for Luc Ngan Thieu lychee* funded by the NOIP and took the entirety of 2007 to be completed. This project was conducted by Bac Giang DOST. The product's characteristics and natural conditions were statistically tested to examine the link between them.
- 5) However, according to the key informant from the Bac Giang DOST, the test has no practical meaning.
- 6) On lychee harvesting season, Chinese collectors cross the border to purchase lychee directly from Vietnamese farmers.

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Appendix

1. QUESTIONNAIRE TO PROCESSORS - GI AS A DIFFERENTIATION TOOL FOR AGRICULTURAL PRODUCTS IN VIETNAM

Date & Time:

Interviewer:

Questionnaire NO.

1. General information

Full name:	
Gender:	
Age:	
Level of Education:	
Ethnics (listing):	
Type of business (company, cooperative, individual household...)	
Experiences in processing litchi (years since start-up business):	
Fixed capital (VND million):	
Working capital (VND million):	
Numbers of employee (people, detailing about household labour and hired labours):	
Processing capacity (raw amount a year - kg):	
Contact detail (mobile phone):	

2. About sourcing products

2.1 Please tell me to fill out this table:

Types of sellers	Process of purchasing	Main type of litchi they sell	Amount each time you buy from them (kg)	How is the price determined?	Rate of deduction in quantifying the purchase amount (%)?

2.2 Do you have any kind of contract with sellers (1 is Yes; 0 is No)

If Yes, please help me to fill out the table below:

Types of sellers	Types of contract (1 is "oral contract"; 2 is written contract; 99 is others)	Detail the terms of contract	Enforcement mechanism

2.3 Do you have any kind of coordination/ collaboration with sellers (any type of activities that you support them so as the benefits return to you also; 1 is Yes, 0 is No)

If Yes, please help us to fill out the following table:

Types of sellers	Coordination/Collaboration activities	Conditions for sellers to involve in coordination/ collaborations

2.4 Do you categorize products when you buy? (1 is Yes; 0 is No)

If Yes, please help us to fill out the following table:

Category types of litchi	Category characteristics	Price level paid (% , suppose that 100% is given to the best category)
Category 1 (for example)		
Category 2		

2.5 Do you categorize products before you process the products? (1 is Yes; 0 is No)

If Yes, please help us to fill out the following table:

Category types of litchi	Category characteristics	Price level received (% , suppose that 100% is given to the best category)
Category 1 (for example)		

Category 2		

3. About processing product

3.1 How processing litchi contribute to your total income (%)?

3.2 Please describe the method/ technology you use to process litchi

Processing methods/ technologies (traditional, or others...)	Machinery / Instruments used	Sourcing of machinery/ Instruments used (made by yourself, importing, others..)	processing stages	Capacity each time	The advantages	Types of processed products (dried litchi, for example)

3.3 If you are in (or is there) any type of association/ organization (Thieu litchi association for example,..), please describe what the association has supported you in processing products!

Types of association/ organization	Types of support for your processing of litchi	How do you find the supportiveness they provide you? (1 is totally not supportive; 2 is a little bit supportive; 3 is fairly well supportive; 4 is extremely supportive)	What is your roles or obligation in the organization?

4. About selling products

4.1 How do you promote your products to the buyers

4.2 Please describe the markets for your products

Markets/buyers	Selling amount each time (kg)	Requirement criteria for products	Procedure of trading and transaction	How is price determined?

4.3 Please describe any type of contracts you have with buyers

Types of contracts	With whom (what type of buyers)	What are the main points of contracts about?	Enforcement mechanism
No contract	-	-	-
Verbal contracts			
Written contract			

4.4 Do you categorize litchi before selling? (1 is Yes; 0 is No)

If Yes, please help us to fill out the following table

Category types of litchi	Category characteristics	Markets/ buyers for each category (who is the buyers of a particular category?)	Price level received (% , suppose that 100% is given to the best category)
Category 1 (for example)			
Category 2			

4.5 Please describe how you package product for trading

Package type/ materials (Boxes, ...)	For which markets?	Procedure of packaging (irradiation, vacuum cleaning ..)	Amount in each pack	Who design/ require the packaging	Any logos on the packaging (Yes - detail/ No)	Any traceable sign on packaging? (Yes - detail/No)

4.6 Please describe how do you transport product to markets

Markets	Types of transport (lorry,...)	Time to reach market (hours)	Product preserving conditions (cooling system?,...)	Source of transport means (your onw or hired?)

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4.7 If you are in (or is there) any type of association/ organization (Thieu litchi association for example,..), please describe what the association has supported you in Marketing products!

Types of association/ organization/ regulations/ ...	Types of support for your marketing of litchi	How do you find the supportiveness they provide you? (1 is totally not supportive; 2 is a little bit supportive; 3 is fairly well supportive; 4 is extremely supportive)	What is your roles or obligation in the organization?

5. About the use of GI for production and marketing of litchi

5.1 How do you think of the meaning of the name "Luc Ngan Thieu litchi" for your business?

5.2 How can you tell people about the differences of Luc Ngan Thieu litchi from other types of litchi in Bac Giang?

5.3 Why buyers chose to purchase Luc Ngan Thieu litchi?

5.4 How do you do to make sure that buyers will recognize your Luc Ngan Thieu litchi?

5.5 Have you heard about geographical indication (GI) for Luc Ngan Thieu litchi? (Yes/No)

5.6 If you heard about GI for Luc Ngan Thieu litchi, please describe your knowledge about it?

5.7 If you know about GI for Luc Ngan Thieu litchi, how do you think of its current contributions to your litchi business? (how it is contributing to your business success?)

5.8 If you know about GI for Luc Ngan Thieu litchi, how do you evaluate its meaning for your litchi business? (1 is not meaningful; 2 is a little bit meaningful; 3 is fairly well meaningful; 4 is extremely meaningful)

5.9 Do you have GI certificate? (1 is Yes; 2 is No)

5.10 If you have GI certificate, how have you been changing the production practice for correspondence with GI scheme?

5.11 How do you see the thought of buyers about the importance of GI certificate?

Types of buyers	Your feelings about buyers' preferences of GI certificate you have (1 is totally not important; 2 is a little bit important; 3 is fairly important; 4 is extremely important)	Why they do care / do not care about GI certificate that much?
Ultimate consumers		

5.12 How do you collaborate with other individuals, stakeholders, organizations, institutions (I call it collaboration units) to take advantages of GI certificate for your litchi business?

Types of collaboration units	Details of collaboration (how the collaboration is formed? What is your role and obligation, what are the benefits from the collaboration? What is the collaboration unit's benefit and duty?)	How do you think of the meaningfulness of the collaboration for the success of using GI for you business? (1 is not meaningful; 2 is a little bit meaningful; 3 is fairly meaningful; 4 is extremely meaningful)

5.13 How do you think of difficulties / limitations of using GI as a marketing tool for your litchi business?

Types of difficulties and/or limitations	Describe in detail	Reasons for difficulties/ limitations

5.14 How do you think of future benefits of GI for your litchi business? (how will it contribute to your business?)

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Thank you very much!

2. QUESTIONNAIRE TO TRADERS - GI AS A DIFFERENTIATION TOOL FOR AGRICULTURAL PRODUCTS IN VIETNAM

Date & Time:

Interviewer:

Questionnaire NO.

1. General information

Full name:	
Gender:	
Age:	
Level of Education:	
Ethnics (listing)	
Type of business (company, cooperative,...)	
Experiences in trading litchi (years since start-up business)	
Fixed capital (VND million):	
Working capital (VND million):	
Numbers of employee (people):	
Trading capacity (amount trading a year - kg):	
Contact detail (mobile phone):	

2. About buying products

2.1 Please tell me to fill out this table:

Types of sellers	Process of purchasing	Main type of litchi they sell	Amount each time you buy from them (kg)	How is the price determined?	Rate of deduction in quantifying the purchase amount (%)?

2.2 Do you have any kind of contract with sellers? (1 is Yes; 0 is No)

If Yes, please help me to fill out the table below:

Types of sellers	Types of contract (1 is "oral contract"; 2 is written contract; 99 is others)	Detail the terms of contract	Enforcement mechanism

2.3 Do you have any kind of coordination/ collaboration with sellers (any type of activities that you support them so as the benefits return to you also; 1 is Yes, 0 is No)	
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If Yes, please help us to fill out the following table:

Types of sellers	Coordination/Collaboration activities	Conditions for sellers to involve in coordination/ collaborations

2.4 Do you categorize products when you buy? (1 is Yes; 0 is No)

If Yes, please help us to fill out the following table:

Category types of litchi	Category characteristics	Price level paid (% , suppose that 100% is given to the best category)
Category 1 (for example)		
Category 2		

3. About selling products

3.1 How do you promote your products to the buyers

3.2 Please describe the markets for your products					
Markets/buyers	Trading amount each time (kg)	Requirement criteria for products	Purpose of buying (raw consuming, or processing, or others - please detailing)	Procedure of trading and transaction	How is price determined?

3.3 Please describe any type of contracts you have with buyers

Types of contracts	With whom (what type of buyers)	What are the main points of contracts about?	Enforcement mechanism
No contract	-	-	-
Verbal contracts			
Written contract			

3.4 Do you categorize litchi before selling? (1 is Yes; 0 is No)

If Yes, please help us to fill out the following table

Category types of litchi	Category characteristics	Markets/ buyers for each category (who is the buyers of a particular category?)	Price level received (% suppose that 100% is given to the best category)
Category 1 (for example)			
Category 2			

3.5 Please describe how you package product for trading

Package type/ materials (Boxes, ...)	For which markets?	Procedure of packaging (irradiation, vacuum cleaning ..)	Amount in each pack	Who design/ require the packaging	Any logos on the packaging (Yes - detail/ No)	Any traceable sign on packagin g? (Yes - detail/No)

3.6 Please describe how do you transport product to markets

Markets	Types of transport (lorry,...)	Time to reach market (hours)	Product preserving conditions (cooling system?,...)	Source of transport means (your onw or hired?)

3.7 If you are in (or is there) any type of association/ organization (Thieu litchi association for example,..), please describe what the association has supported you in Marketing products!

Types of association/ organization/ regulations/ ...	Types of support for your marketing of litchi	How do you find the supportiveness they provide you? (<i>1 is totally not supportive; 2 is a little bit supportive; 3 is fairly well supportive; 4 is extremely supportive</i>)	What is your roles or obligation in the organization?

4. About the use of GI for production and marketing of litchi

4.1 How do you think of the meaning of the name "Luc Ngan Thieu litchi" for your business?

4.2 How can you tell people about the differences of Luc Ngan Thieu litchi from other types of litchi in Bac Giang?

4.3 Why buyers chose to purchase Luc Ngan Thieu litchi?

4.4 How do you do to make sure that buyers will recognize your Luc Ngan Thieu litchi?

4.5 Have you heard about geographical indication (GI) for Luc Ngan Thieu litchi? (Yes/No)

4.6 If you heard about GI for Luc Ngan Thieu litchi, please describe your knowledge about it?

4.7 If you know about GI for Luc Ngan Thieu litchi, how do you think of its current contributions to your litchi business? (how it is contributing to your business success?)

4.8 If you know about GI for Luc Ngan Thieu litchi, how do you evaluate its meaning for your litchi business? (1 is not meaningful; 2 is a little bit meaningful; 3 is fairly well meaningful; 4 is extremely meaningful)

4.9 Do you have GI certificate? (1 is Yes; 2 is No)

4.10 If you have GI certificate, how have you been changing the production practice for correspondence with GI scheme?

4.11 How do you see the thought of buyers about the importance of GI certificate?

Types of buyers	Your feelings about buyers' preferences of GI certificate you have (1 is totally not important; 2 is a little bit important; 3 is fairly important; 4 is extremely important)	Why they do care / do not care about GI certificate that much?
Ultimate consumers		

4.12 How do you collaborate with other **individuals, stakeholders, organizations, institutions** (I call it **collaboration units**) to take advantages of GI certificate for your litchi business?

Types of collaboration units	Details of collaboration (how the collaboration is formed? What is your role and obligation, what are the benefits from the collaboration? What is the collaboration unit's benefit and duty?)	How do you think of the meaningfulness of the collaboration for the success of using GI for you business? (<i>1 is not meaningful; 2 is a little bit meaningful; 3 is fairly meaningful; 4 is extremely meaningful</i>)

4.13 How do you think of difficulties / limitations of using GI as a marketing tool for your litchi business?

Types of difficulties and/or limitations	Describe in detail	Reasons for difficulties/ limitations

4.14 How do you think of future benefits of GI for your litchi business? (how will it contribute to your business?)

Thank you very much!

3. QUESTIONNAIRES TO FARMERS – GI AS A DIFFERENTIATION TOOL FOR AGRICULTURAL PRODUCTS IN VIETNAM

Date & Time:

Interviewer:

Questionnaire NO.

1. General information

1.1 Household's representative

Full Name:	
Date of birth:	
Gender: (1 is Male; 2 is Female)	
Ethnic:	
Address:	
Level of study:	
Main career:	
Any associations members status (listing)	
Time experience in planting litchi	
Any position/ duty in local communities	

1.2 Household size (numbers of people):

In which, numbers of labor (people):

1.3 Cultivation land

Cultivating land areas	(ha)
In which land area for litchi	
Rental land area	
In which land for litchi	
1.4 Main income sources? (listing)	
1.5 Contribution of litchi production to total income (%)	
1.6 Internet connection (yes/no)	
1.7 (if Yes for the previous question), Do you use Internet for any purpose of producing litchi?	
If yes, please explain in detail!	

2. Cultivation

2.1 What species type of litchi do you plant?

Type of litchi	Plantation areas (ha)	Numbers of trees	Numbers of yeas since planted	Production per tree (kg)			
				In pessimistic conditions	In the most likely conditions	In the optimistic conditions	In 2017

2.2 What type of cultivation methods do you apply for litchi production? (fill out table below)

Cultivation methods (might be "organic", VietGAP, GlobalGAP,...)	Applied areas (ha)	Litchi species	Sources of methods (How & why to have the method applied?)

2.3 How do you assure that you are practicing in way so as to avoid or minimize soil erosion and degradation?

2.4 Do you keep farm animals in the production area? (circle the answer) 1. Yes 0. No
- If yes, how they can contaminate the ground and water source? Why?

2.5 About water management

Questions	Answer notes
- Where do you get water for irrigation?	
- How do you irrigate litchi? (for example what kind of machine you use,...)	
- Do you have any test or treatment of water before irrigating? (1 is Yes, so what is that? 0 is No)	
- Are you noticed anything about the use of water for irrigation? (1 is Yes - by whom? 0 is No)	
- When do you irrigate litchi (which month and at what time in a day)?	
- Is there any contamination in the water used for irrigation? (1 is yes - what is that?; 0 is no - how do you assure; 99 is no idea)	

2.6 About fertilizers and additive used for litchi production

- Ask to fill out the table:

Types of fertilizers & additive used	Place of purchase (if fertilizers &/or additive are made by growers, then write "99")	Are sellers certified? (ask for stuffs made by farmers also) (Yes/No)	Mechanism/conditions for purchasing & transaction (for example, any contract, assurance,...)

- Ask to fill out the table:

Types of fertilizers & additive used	Application methods were recommended by whom? (1. By experiences; 2. By regulation; 3. By sellers; 99. Others -please ask for detail)

2.7 What types of chemicals (including pesticides) do you use for litchi production?

Types of chemicals	Purpose of use? (<i>might be for pesticide, fostering flowering,...</i>)	Where do you buy? (<i>name, address, phone number of sellers if possible</i>)	Are sellers certified? (1-Yes; 0-No; 99-Not sure)	How do you use the chemicals for production (1-recommended by regulation; 2-recommended by sellers; 3-recommended by marks on chemical products; 4-By experiences - please detail; 99-others - please details)

2.8 Do you have any requirement from buyers/ associations for the use of chemicals? 1 – Yes; 0. No

If "Yes", please fill ask for filling out the table below:

Types of chemicals	People (buyers, others)/ Organizations who request the way of use of chemical	Detail of the requirement	Why you should follow the requirements?

2.9 Please describe extension services you use for litchi production

Types of extension services	How many time you use a year	What is the service about?	How do you think of its applicability to your production? (1 is not applicable; 2 is a little bit applicable; 3 is fairly well applicable; 4 is extremely applicable)

3. Harvest and post harvest handling

3.1 Please describe how you do harvesting litchi	
3.2 Harvesting methods (might be by hand, or others...)	
3.3 Who are the workers (yourselves, hired workers, or others). How do workers get trained about properly handling?	
3.4 How to determine the time of right harvesting?	
3.5 The time of harvesting in the harvest day	
3.6 The time to sell products after harvesting (hours)	
3.7 Do you categorise litchi before or after harvesting? (1 is before; 2 is after; 3 is both; 99 is others - please ask for detail)	
3.8 If you categorize the litchi, please describe how you do that? What are the criteria for the categorizing?	
3.9 How do you store product after harvesting?	
3.10 Are you requested by buyers/associations about harvesting and post harvet handling? (Yes/No). If "Yes", please detail, and why you must follow the requirement?	

4. Selling products

4.1 Ask for filling table below:

Types of buyers	Numbers of each types of buyer	Quantities sold each year	The procedure to sell products	How is the price determined?	Forward contract or not (1 is Yes, 0 is No)	Detail the contract (<i>the main points/ the enforcement mechanism if having contract</i>)	Rate of deduction (sometimes the sellers are asked to deduct the real quantities sold)	Who in charge of transporting	Detail of transporting conditions (means of transport. Preservation during transpot.)

4.2 Please describe how do you promote your product to buyers?

4.3 If you are in any type of association/ organization (farmers association for example,..), please describe what the association has supported you in Marketing products!

Types of association/ organization	Types of support for your marketing of litchi	How do you find the supportiveness they provide you? (<i>1 is totally not supportive; 2 is a little bit supportive; 3 is fairly well supportive; 4 is extremely supportive</i>)	What is your roles or obligation in the organization?

5. About the use of GI for production and marketing of litchi

5.1 How do you think of the meaning of the name "Luc Ngan Thieu litchi" for your business?

5.2 How can you tell people about the differences of Luc Ngan Thieu litchi from other types of litchi in Bac Giang?

5.3 Why buyers chose to purchase Luc Ngan Thieu litchi?

5.4 How do you do to make sure that buyers will recognize your Luc Ngan Thieu litchi?

5.5 Have you heard about geographical indication (GI) for Luc Ngan Thieu litchi? (Yes/No)

5.6 If you heard about GI for Luc Ngan Thieu litchi, please describe your knowledge about it?

5.7 If you know about GI for Luc Ngan Thieu litchi, how do you think of its current contributions to your litchi business? (how it is contributing to your business success?)

5.8 If you know about GI for Luc Ngan Thieu litchi, how do you evaluate its meaning for your litchi business? (1 is not meaningful; 2 is a little bit meaningful; 3 is fairly well meaningful; 4 is extremely meaningful)

5.9 Do you have GI certificate? (1 is Yes; 2 is No)

5.10 If you have GI certificate, how have you been changing the production practice for correspondence with GI scheme?

5.11 How do you see the thought of buyers (collectors/ traders/ consumers) about the importance of GI certificate you have?

Types of buyers	Your feelings about buyers' preferences of GI certificate you have (1 is totally not important; 2 is a little bit important; 3 is fairly important; 4 is extremely important)	Why they do care / do not care about GI certificate that much?
Ultimate consumers		
Traders for domestic market (to the South of Vietnam)		
Traders for Chinese market		

5.12 How do you collaborate with other **individuals, stakeholders, organizations, institutions** (I call it **collaboration units**) to take advantages of GI certificate for your litchi business?

Types of collaboration units	Details of collaboration (how the collaboration is formed? What is your role and obligation, what are the benefits from the collaboration? What is the collaboration unit's benefit and duty?)	How do you think of the meaningfulness of the collaboration for the success of using GI for you business? (1 is not meaningful; 2 is a little bit meaningful; 3 is fairly meaningful; 4 is extremely meaningful)
Seed plant providers		
Fertilizers providers		
Chemical providers		
Collectors for domestic market		
Collectors/ traders for Chinese market		
Collectors/ traders for Thai market		
Collectors/ traders for Japanese market		

Collectors/ traders for other markets (detail..)		
Other 1 (who?....)		
Other 2 (who?....)		
Farmers association		
Farmers' cooperative		

5.13 How do you think of difficulties / limitations of using GI as a marketing tool for your litchi business?		
Types of difficulties and/or limitations	Describe in detail	Reasons for difficulties/ limitations

5.14 How do you think of future benefits of GI for your litchi business? (how will it contribute to your business?)

Thank you very much!

4. QUESTIONS FOR OFFICERS AND GROUP DISCUSSION – GI AS A DIFFERENTIATION TOOL FOR AGRICULTURAL PRODUCTS IN VIETNAM

Date & Time:

Interviewer/ Group discussion:

Questionnaire NO:

1/ How do you describe some key characteristics of Luc Ngan Thieu lychee that is different from other types of lychee?

- 2/ How do you define natural factors that contribute to the formation of the product's key characteristics?
- 3/ How do you define cultural and human factors that contribute to the formation of the product's key characteristics?
- 4/ How are the product characteristics and the factors mentioned above compiled in the GI project in 2008?
- 5/ How do you involve in the process of identifying the characteristics and factors mentioned above?
- 6/ What are limitations of defining the product characteristics, the factors contributing to the product characteristics?
- 7/ How can you describe the rules of production practices for Luc Ngan Thieu lychee?
- 8/ What are the key factors in the rules of the production practice?
- 9/ How the production rule is enforced?
- 10/ What is the role of you in the production system in general and in enforcing the production rule?
- 11/ How can you evaluate the practical implementation of the production rule in reality?
- 12/ How can you describe shortcoming and limitation of implementation of the production rule?
- 13/ What are the reasons for the limitation of the implementation of the production rule?
- 14/ How do you evaluate the situation of market for Luc Ngan Thieu lychee?
- 15/ How can you define the structure of the market for the product?
- 16/ How can you define and evaluate significant collectors/ traders of the product at Luc Ngan district?
- 17/ How can you describe significant problems in the marketing of the product?
- 18/ What are the main issues leading to the problems with marketing of the product?
- 19/ What is your role in marketing of the product?
- 20/ How do you evaluate the use of GI marks in the market?
- 21/ How do you evaluate the verification system for the marketing of the product?
- 22/ How do you think of the meaning of GI for the production and marketing of the product?
- 23/ How do you see extended effects of the GI to other economic sectors in the region?
- 24/ How do you evaluate the trend in the production of the product?
- 25/ What are the main causes of the trend of the production and market of the product?
- 26/ What should be done in the future for taking advantage of the GI for the product?
- 27/ In general how do you think that GI marks help to differentiate Luc Ngan Thieu lychee in the market?
- 28/ How do you define and evaluate factors that lead to limitation of the marks in differentiating the product in the market?

Thank you very much!

5. QUESTIONNAIRE TO LEADER OF GI GROUP - PUBLIC INVOLVEMENT IN OPERATIONAL PHASE OF GI IN JAPAN

I/ General information

- 1/ What is the number of producers in the GI group?
- 2/ What is the smallest and largest size of farmers (production area) in the GI group?
- 3/ What is the most common size of farmers in the GI group?
- 4/ What is the sale amount (kilogram/ tons) per year?

II/ Controlling system in production and processing

Production and processing methods (technique)

- 1/ Can you describe the cultural aspects or artisan work in production methods of producing and processing the GI product?

Aspect of Production/ processing techniques	Time periods	Special skills/ know- how	Other remarks

2/ Please describe the *enforcement measures (or mechanism)* used to assure the compliance of farmers with the agreed production/processing technique?

Ways of enforcement	Mechanism/ Procedures	Why farmers must comply with the enforcement?	Sanction to not complying with the enforcement

3/ Please describe the intervention of state in the *enforcement/ or encouragement* of the compliance of farmers with the agreed production/processing technique?

3.1/ Please describe any task that state do (or support) in enforcing/ or encouraging the compliance of farmers with the agreed production/processing technique?

- What are the activities the state performs in the enforcing/encouraging? (might be training farmers in self controlling, ..)?
- How can the frequency of intervention of state in the enforcing/encouraging be quantified? (for example, they come to the field to observe the production once a week,...)?
- Please describe the usefulness of the state intervention in terms of fostering the enforcement of agreed production/processing technique?

3.2 If the state has tasks/roles in enforcing/encouraging the compliance, please describe the representative of state in the tasks?

Please describe the public entity that intervenes in the production rule enforcing/encouraging?

Please describe the tasks of the authority personnel in the intervention to the enforcing/encouraging production rule? (for example, he/she observes farmers producing GI product,..)

Please describe the duty/ position of the authority personnel in the farmer group?

Does the authority personnel get paid from the farmer group for doing his task of intervening in the production control?

4/ What are the *potential and causes* of losses/ damages of production techniques?

Potential of losses/ damages	Causes	Potential effects of the losses/ damages	Other remarks

5/ Please describe the *mechanism* used to cope with losses/ damages of production techniques?

Actual losses/ damages	Causes	Quantification: area, amount, value	How the losses/ damages were coped with? (Please describe the procedure)

6/ Please describe intervention of state in case of having losses/ damages of the agreed production technique?

What are the activities done by the state?

What is the quantification of the activities (in terms of funding, frequencies,...)?

The extraction and use of local natural resources in the production/processing

7/ Please describe the rules of the extraction and use of local natural resources used in production of the GI product?

What are the local natural resources used in the production of the product?

What are the significant rules applied in the extraction and use of the local natural resources in the production of the GI product?

8/ Can you describe the potential of misuse of local natural resources in production of the GI product?

Types of misuse of local natural resources	Causes	Effects of the misuses	Inabilities of farmer group in coping with the problems

9/ Please describe the measures used to cope with the misuse of local natural resource in the production of the GI product?

Types of misuse of local natural resources	Measure to cope with the misuse	Roles and actions of farmers	Actions of farmer group

10/ Please describe the intervention of state in coping with the misuse of local natural resources in production of the GI product?

Types of misuse of local natural resources	Actions from the state	Technical and other supports from the state	Significance of usefulness from the state involvement

III/ In the marketing of the GI product

In promoting GI product

1/ Please describe marketing strategies used in promoting the GI product to the market?

Strategies/ Promotion	Objectives/ target audiences	Task of farmer and farmer group	Weakness of farmers and farmer group

2/ Please describe the roles/ activities performed by the state in the promotional strategies?

Strategies/ Promotion	Roles/ activities of the state (for example, <i>designing the strategies</i>)	Why is the involvement of the state	The significance of the state intervention (<i>quantification if possible..</i>)

3/ Please describe the representative of state in the intervention in the promotional strategies?
What is the public entity? (for example, extension body, municipal authorities,...)

Please describe the working duty/position of the state personnel in the promotional strategies?

What is the amount of time the state personnel work together with farmer group in developing and implementing the promotional strategies (*for example, full time, 80% of his working time, etc..*)

Please describe the significance that the state personnel create in the promotional strategies (*for example, what he/she really help to achieve the success of the promotion?*)

In selling the GI product

4/ Please describe the marketing channels through which the GI product is sold?

Marketing channels	Product circulation procedure	How the selling price is determined?	Who and where is the accreditation in the circulation procedure?	Percentage of sales in total
For example, channel 1: direct selling				

5/ Please describe the roles/ tasks performed by and difficulties faced by farmer group in different marketing channels

Marketing channels	Roles/ tasks performed by farmer group	Difficulties/ challenges faced by the farmer group	What is the weakness of farmer group?
For example, channel 1: direct selling			

6/ Please describe the roles/ tasks of state involvement in the selling of the GI product?

Marketing channels	Roles/ tasks performed by the state	Reason why the roles/ tasks of the state are needed	Trajectory without the involvement of the state
For example, channel 1: direct selling			

7/ Please describe the representative of state in the intervention in the selling of the GI product?
What is the public entity? (for example, extension body, municipal authorities,...)

Please describe the working duty/position of the state personnel in the selling of the product?
What is the amount of time the state personnel work together with farmer group in developing and implementing the selling program (*for example, full time, 80% of his working time, etc..*)

Please describe the significance that the state personnel create in the selling program (*for example, what he/she really help to achieve the success of the program?*)

IV/ In the use of GI labels

1/ Please describe the rules for use of GI labels

What entity from which the labels are issued?	Who are entitled of use of the labels?	The conditions of not entitled of use of the labels?

2/ Please describe the use of GI label in the circulation of product in the marketing channels?

Marketing channels	Circulation of the GI product	The circulation stage that Gi label is attached to the product	Problems with the use of labels in the marketing channels
For example, channel 1: direct selling			

3/ Please describe problems with the use of GI labels in marketing of GI product

The problems of label use	Why is the problem?	Who makes the problem?	What is the quantification of the problem? (<i>for example, percentage of sale amount, ...</i>)
<i>For example, the use of fake labels</i>			

4/ Please describe the measure used to cope with the misuse of the GI label?

Types of misuse of labels	Measure for coping with the misuse	Procedure of coping with the misuse	The difficulties faced by the farmer group
<i>Free-riding (fake labels)</i>			
<i>Infringement of labels</i>			

5/ Please describe the involvement of state in the use of the GI labels?

Stage of the label use	Roles/ tasks performed by the state	Technical and other types of support from the state	Quantification of state involvement (<i>frequency of check, percentage of cost, etc,...</i>)	Authority entity representative from the state (what is the entity?)
In the label issuing stage				
In the attachment of the labels				
In the after-attachment of the labels				

6/ Please describe the roles/ tasks performed by the state in support for coping with the misuse of the GI labels in the marketing of the GI product?

Types of misuse of labels	Roles/ tasks of state in coping with the misuse	Quantification of the involvement of the state (<i>frequency, percentage of cost incurred,...</i>)	Relationship between the state and farmer group in coping with the misuse (<i>for example, support cost of suing the fraudulence people to the court</i>)
<i>Free-riding (fake labels)</i>			

<i>Infringement of labels</i>			

V/ In collective actions and coordination

1/ Please describe any conflict among producers occurred during the process of complying with the production/ processing of the GI product?

Types of conflicts	Causes of conflicts	Frequency (1 for not available – 5 for very often)	Significance of conflict (<i>percentage, amount of sales,..</i>)

2/ Please describe measure used to cope with the conflict among producers?

Types of conflicts	Measure to cope with the conflicts	Procedure of coping with the conflict	Actual outcome of coping with the conflict

3/ Please describe the involvement of the state in the process of coping with the conflict among producers?

Types of conflicts	Position of the state (mediator/ judge/...)	Other types involvement/support from the state to cope with the conflicts	Actual outcome of the involvement in coping with the conflict (<i>any quantification if any</i>)

4/ Please describe any (potential of) opportunist behaviors that producers can exert as they are entitled to the use of GI?

Actions of opportunist behavior	The cause of the actions	How often is the action (1 for not available, 5 for very often)	The signification of the action (<i>for example percentage of sale, etc.</i>)
<i>For example, use modern production methods instead of traditional one</i>			

<i>Selling products made from the external GI production area, etc.</i>			
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5/ Please describe the measure used to cope with the opportunist behavior of producers?

Actions of opportunist behavior	Measure used to cope with the actions	Procedures of coping with the action (<i>for example, how to identify/ justify/ sanction, ...</i>)	The difficulties faced by the farmer group in coping with the opportunist behavior
<i>For example, use modern production methods instead of traditional one</i>			
<i>Selling products made from the external GI production area, etc.</i>			

6/ Please describe the intervention of the state in the process of coping with the opportunist behavior of GI producers?

Actions of opportunist behavior	Position of state while involving the process of coping with the action (<i>judge/ quality verification, ..</i>)	Specific activities/ support that represent the state involvement	The quantification of significance of the involvement (<i>cost percentage, amount of training provided, etc., ..</i>)
<i>For example, use modern production methods instead of traditional one</i>			
<i>Selling products made from the external GI production area, etc.</i>			

7/ Please describe the public entity that involve in the process of coping with the opportunist behavior of GI producers?

What is the entity?

What is the position and duty of the public personnel the farmer group?

What is the working time of the public personnel in supporting the farmer group? (*full time, or a percentage of working time*)

Who pay him/her for his/ her work with coping with the opportunist behavior of GI producers?

8/ Please describe any issues/ difficulties faced by producer/ producer group in the coordination with trading partners in the value chain of the GI product?

Types of issues/ problems	Causes of the problems	Significance of the problem (<i>percentage of sale, etc., ...</i>)	The weakness of the producer/ producer group
<i>Traders exert power on price decision, for example</i>			

9/ Please describe any intervention of state in coping with the problems/issues in the coordination between farmer/ farmer group and trading stakeholders in the GI product value chain?

Types of issues/problems	Position of state in coping with the issues	Specific actions and procedure taken by the state in coping with the issues	Significance of state involvement in coping with the issues (<i>reduce conflict/ increased trust, etc., ..</i>)
<i>Traders exert power on price decision, for example</i>			

10/ Please describe the public entity/ personnel representing the state in the involvement to the process of coping with the problem of coordination?

What is the public entity?

How much time does the public personnel use for involving in the coping with the issues of coordination? (*full time, a extent of working time, ..*)

11/ Please describe the involvement of the state in constructing and fostering the coordination of stakeholders in the GI product value chain?

Actions/ program	Specific activities and procedure	Tasks done by the farmer group	Significance of state involvement in the program/action
<i>Organizing awareness raising campaign of GI trading</i>			

VI/ Free-riding of GI name and labels

1/ Please describe any actions of free-riding of GI name and labels in the market

Types of free-riding/ fraudulence	Causes and ease of actions	Significance of the fraudulence (<i>percentage of sales,..</i>)	Weakness of GI farmer/ farmer group in coping with the fraudulence
<i>Farmers from outside GI area use fake GI labels</i>			

2/ Please describe the measure used to cope with the fraudulence of use of GI from external GI group?

Types of free-riding/ fraudulence	Measure to cope with the fraudulence	Specific actions/ procedure	Significance of any actual action (<i>quantify for the last addressing of fraudulence</i>)
<i>Farmers from outside GI area use fake GI labels</i>			

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3/ Please describe the intervention of state in the process of coping with the fraudulence/ free-riding?

Types of free-riding/ fraudulence	Position of state in the process of coping with the fraudulence	Specific actions/ procedure of involvement	Significance of any actual action (quantify for the last addressing of fraudulence)
<i>Farmers from outside GI area use fake GI labels</i>			

4/ Please describe the public entities of the state involving in the process of coping with the fraudulence of GI name and labels

Specific public entities	Position in coping with the fraudulence	Actions taken in coping with the fraudulence	Specific fraudulence addressed
<i>Agricultural department of municipal, for example</i>			

Thank you very much!

6. QUESTIONNAIRE FOR PUBLIC PERSONNEL - PUBLIC INVOLVEMENT IN OPERATIONAL PHASE OF GI IN JAPAN

I/ General information

- 1/ What is the name of the public entity that you are working for?
- 2/ What is the main functions of the public entity that you are working for?
- 3/ What is your roles/ responsibilities in the public entity that you are working for?
- 4/ What is your major of specialty?
- 5/ How much time do you work for the GI system compared to your full working time recently?
- 6/ Who pay for you for your time working with GI system?

7/ To what extent does your current day-by-day work in the geographical indications (GI) system relate to your major of specialty? (1 is not related, 5 is extremely related)

8/ Please describe what you have been trained/learning to be compatible with the conception/operation of the GI system?

Learning/training programs/courses	Training providers/ sources of training/ learning	Knowledge/ skills acquired	The compatibilities with the GI concept/ operation (<i>please show any example/ demonstration</i>)

9/ Please describe your roles/ responsibilities in working with/ supporting the GI system?

Roles	Description of responsibilities/ activities	Why are your roles needed?	Expected results/ outcomes of your performance?

II/ Your work/ support for sustaining traditional production/ processing methods in GI system

1/ Please describe activities you perform in order to assure that the *cultural aspects/ artisan work in production method of GI product is sustained* in the actual production system in the GI area?

Activities description	Aspects of production methods (<i>cultural aspects or artisan work</i>) to be sustained	Why are your roles needed?	Please provide any quantification for the last year or recently (<i>for example, organizing 10 training courses for farmers, etc.</i>)	To what extent the activities are enforcement focus or encouragement focus to producers/processors? (<i>1a for not enforcement, 5a for absolutely enforcement; 1b for no encouragement, 5b for absolutely encouragement</i>)

2/ Please describe the (potential of) activities that GI producers can do that harm/break the cultural aspect/ artisan work in the agreed production/ processing methods of GI product?

Harming activities by producers	Aspects of production methods (<i>cultural aspects or artisan work</i>) that can be harmed/ broken	Why producers are doing the harming activities?	Please provide any quantification for the last year or recently (<i>for example, modern production technique was applied in production area of 30ha, etc.</i>)

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3/ Please describe actions you did to stop the harming activities done producers to the cultural aspects/ artisan work in GI production methods?

Harming activities by producers	Actions performed by you (state) to stop the harming activities	What is the weakness of farmers group in addressing the harming activities? (<i>for example, they do not understand GI so they don't have ability to identify the harming</i>)	Please describe the procedure of the process of addressing/ coping with the harming activities

4/ Please describe activities you perform in order to assure that GI producers always do the right things in *extracting and using local natural resources in actual production of the GI product?*

Activities description	Aspects of right extraction and use of local natural resources to be protected	Why are your roles needed?	Please provide any quantification for the last year or recently (<i>for example, organizing 10 training courses for farmers, etc.</i>)

5/ Please describe the wrong activities (misuse) that producers/ processors do that break the rule of extracting and using the local natural resources in production/ processing of GI product?

Wrong activities (misuses) description	Why the producers/ processors conduct the misuses?	What is the weakness of GI group in coping with the misuses?	Please provide any quantification for the last year or recently (<i>for example, 10ha of production area used prohibited fertilizers, etc.</i>)

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6/ Please describe actions you took to cope with the misuses (by producers/ processors) of the rules of extracting and using the local resources in producing GI product?

Wrong activities (misuses) description	Actions taken by you to cope with the misuses	Please describe the procedure of the action	Please provide any quantification for the last year or recently (for example, 10ha of production area that used prohibited fertilizers was rejected from GI certification for one year, etc.)

III/ Works in promotion of GI product

1/ Please describe promotional activities/ programs for GI product that you involve in?

Promotional programs/ activities	Who is the target audience of the programs/ activities?	What is your role/responsibility in the programs? (for example, designer, etc.)	Why is your role/ responsibility?

2/ Please give some examples of promotional activities that you involved last year/ most recently?

Promotional programs/ activities	Description of your activities (clear procedure if any) during the promotions	What is the weakness of GI farmer group in promoting GI product?	Quantification of your involvement as state representative (for example, 10 billion Japanese Yen was subsidized organizing the trade promotion, etc.)

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3/ Please describe your actions in developing marketing channels/ strategies for selling GI product?

Marketing strategies/ channels	Your roles/ responsibilities (<i>for example, the facilitator of contract arrangement</i>)	Specific actions taken by you	Weakness of farmer groups in participate in the marketing strategies

4/ Please describe some quantification of your involvement in the selling of the GI product as a state representative

Marketing strategies/ channels/ activities	Numbers of workload (<i>for example 10 meetings for contract arrangement</i>)	Quantification of any technical support (<i>for example, organize 10 seminars for traceability in the value chain</i>)	Quantification of funding support

IV/ Involvement in sustaining the rules of use of GI labels

1/ Please describe the rules for use of GI labels

What entity from which the labels are issued?	Who are entitled of use of the labels?	The conditions of not entitled of use of the labels?

2/ Please describe the use of GI label in the circulation of product in the marketing channels?

Marketing channels	Circulation of the GI product	The circulation stage that Gi label is attached to the product
For example, channel 1: direct selling		

3/ Please describe problems with the use of GI labels in marketing of GI product

The problems of label use	Why is the problem?	Who makes the problem?	What is the quantification of the problem? (for example, percentage of sale amount, ...)
For example, the use of fake labels			

4/ Please describe your involvement in the use of the GI labels?

Stage of the label use	Roles/ tasks performed by the state (you)	Technical and other types of support from the state	Quantification of state involvement (frequency of check, percentage of cost, etc,...)
In the label issuing stage			
In the attachment of the labels			
In the after-attachment of the labels			

5/ Please describe the measure used to cope with the misuse of the GI label?

Types of misuse of labels	Measure for coping with the misuse	Procedure of coping with the misuse	The difficulties faced by the farmer group
Free-riding (fake labels)			
Infringement of labels			

6/ Please describe the roles/ tasks performed by the state (*by you*) in support for coping with the misuse of the GI labels in the marketing of the GI product?

Types of misuse of labels	Roles/ tasks of state in coping with the misuse	Quantification of the involvement of the state (frequency, percentage of cost incurred,...)	Relationship between the state and farmer group in coping with the misuse (for example, support cost of suing the fraudulence people to the court)
Free-riding (fake labels)			
Infringement of labels			

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V/ Work in fostering collective actions and coordination in GI value chain

1/ Please describe any conflict among producers occurred during the process of complying with the production/ processing of the GI product?

Types of conflicts	Causes of conflicts	Frequency (1 for not available – 5 for very often)	Significance of conflict (percentage, amount of sales,..)

2/ Please describe measure used to cope with the conflict among producers?

Types of conflicts	Measure to cope with the conflicts	Procedure of coping with the conflict	Actual outcome of coping with the conflict

3/ Please describe the actions taken by you in the process of coping with the conflict among producers?

Types of conflicts	Position of you (mediator/ judge/...)	Specific actions and procedure taken by you	Actual outcome of the involvement in coping with the conflict (<i>any quantification if any</i>)

4/ Please describe any (potential of) opportunist behaviors that GI producers can exert in the production of GI product?

Actions of opportunist behavior	The cause of the actions	How often is the action (1 for not available, 5 for very often)	The signification of the action (for example percentage of sale, etc.)
<i>For example, use modern production methods instead of traditional one</i>			
<i>Selling products made from the external GI production area, etc.</i>			

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5/ Please describe the measure used to cope with the opportunist behavior of producers?

Actions of opportunist behavior	Measure used to cope with the actions	Procedures of coping with the action (for example, how to identify/ justify/ sanction, ...)	The difficulties faced by the farmer group in coping with the opportunist behavior
<i>For example, use modern production methods instead of traditional one</i>			
<i>Selling products made from the external GI production area, etc.</i>			

6/ Please describe the actions taken by you in the process of coping with the opportunist behavior of GI producers?

Actions of opportunist behavior	Position of state (you) while involving the process of coping with the action (<i>judge/ quality verification, ...</i>)	Specific activities/ supports and procedure that you used to cope with problems	The quantification of significance of the involvement (<i>cost percentage, amount of training provided, etc., ...</i>)
<i>For example, use modern production methods instead of traditional one</i>			
<i>Selling products made from the external GI production area, etc.</i>			

7/ Please describe any issues/ difficulties faced by producer/ producer group in the coordination with trading partners in the value chain of the GI product?

Types of issues/ problems	Causes of the problems	Significance of the problem (percentage of sale, etc., ...)	The weakness of the producer/ producer group
<i>For example, traders exert power on price decision</i>			

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8/ Please describe any intervention of state in coping with the problems/issues in the coordination between farmer/ farmer group and trading stakeholders in the GI product value chain?

Types of issues/ problems	Position of state in coping with the issues	Specific actions and procedure taken by the state in coping with the issues	Significance of state involvement in coping with the issues (reduce conflict/ increased trust, etc., ..)
Traders exert power on price decision, for example			

9/ Please describe the involvement of the state (*actions taken by you*) in constructing and fostering the coordination of stakeholders in the GI product value chain?

Actions/ programs	Specific activities and procedure	Tasks done by the farmer group	Significance of state involvement in the program/action
Organizing awareness raising campaign of GI trading			

VI/ Work in coping with free-riding and fraudulence of use of GI name and labels

1/ Please describe any actions of free-riding of GI name and labels in the market

Types of free-riding/ fraudulence	Causes and ease of actions	Significance of the fraudulence (percentage of sales,..)	Weakness of GI farmer/ farmer group in coping with the fraudulence
Farmers from outside GI area use fake GI labels			

2/ Please describe the measure used to cope with the fraudulence of use of GI from external GI group?

Types of free-riding/ fraudulence	Measure to cope with the fraudulence	Specific actions/ procedure	Significance of any actual action (quantify for the last addressing of fraudulence)
Farmers from outside GI area use fake GI labels			

3/ Please describe the intervention of state (*actions taken by you*) in the process of coping with the fraudulence/ free-riding?

Types of free-riding/ fraudulence	Position of state in the process of coping with the fraudulence	Specific actions/ procedure of involvement	Significance of any actual action (quantify for the last addressing of fraudulence)
Farmers from outside GI area use fake GI labels			

Thank you very much!

7. QUESTIONNAIRE TO FARMERS - PUBLIC INVOLVEMENT IN OPERATIONAL PHASE OF GI IN JAPAN

I/ General information

- 1/ Can I have your name? (optional)
- 2/ How many main labors in your family?
- 3/ What is your total agricultural land area?
- 4/ What is the land area of GI product?
- 5/ What is the production GI product you made in the last season?
- 6/ What is the sales of GI product you gained in the last season?
- 7/ Do you produce any GI-similar product? Yes/ No
 If "yes", What is the production area?
 What is the sale of GI-similar product in the last season?

II/ Production and process of GI product

1/ Please describe the cultural aspects/ or artisan work that you know in the production of the GI product?

Stages of production/ processing	Artisan work/ cultural aspects (the cultural uniqueness)	Why are the artisan work/ cultural aspects?	Other salience/ significance of the artisan work and quantification (if any), for example, <i>it takes 10 months of fermenting in the cold water</i>

2/ Please describe any missing points in the code of practice (CoP) of GI production/ processing that you think culturally important for producing/ processing of the GI product?

The missing points	What is the effect possibly caused by the missing?	Why is the missing?	How much do you think that the missing could alter the quality of product compared to the traditional original? (for example, 10%)

3/ Please describe *the enforcement/ encouragement mechanism* used to assure your compliance with the CoP of production/ processing of the GI product?

Enforcement/ Encouragement mechanism	Please detail activities/ procedure of the enforcement/ encouragement <i>with quantification (if any for the fact)</i>	What actions done by the GI farmer group? Please provide with quantification (if any for the fact)	What actions taken by personnel from state? <i>Please provide with quantification also (if any for the fact)</i>

4/ Please describe wrong actions taken by some producers that can adversely affect the cultural aspects/ artisan work in production/ processing of the GI product?

Wrong actions (misconduct) description/ procedure	Why some producers do the misconduct?	What and how cultural aspects/ artisan work can be broken?	Please provide some quantification of fact (for example, <i>10 ha of production applied modern methods in producing the GI product</i>)

5/ Please describe actions taken by GI farmer group and state to cope with the misconduct of production/ processing methods?

Wrong actions (misconduct) description/ procedure	Actions/ measure used to cope with the misconduct? <i>Please describe the procedure and provide quantification (if any)</i>	What does the GI farmer group do in the procedure of coping with the misconduct? <i>Please provide with quantification (if any)</i>	What does the state/ state personnel do in the actions/ procedure of coping with the misconduct? <i>Please provide with quantification (if any)</i>

6/ Please describe rules of extracting/ using the local natural resources and raw materials for production/ processing of the GI product?

Types of local natural resources/ raw materials used in production/ processing of the GI product	Description of rules of use of local natural resources/ raw materials	Please provide with quantification in the rules (if any), <i>for example 90% of raw materials should be from the GI production area</i>	Please provide with any other important information

7/ Please describe the *enforcement/ encouragement* used to assure the compliance of farmers/ producers with the rules of extracting/ using the local natural resource/ raw materials in the production/ processing of GI product?

Ways of enforcement/ encouragement (<i>Please describe the procedure</i>)	Please provide with quantification, if any (<i>for example, each year 10 trainings on how to use organic fertilizer were provided</i>)	Please describe the roles/ activities taken by the GI producer group in the procedure	Please describe support/ actions performed by the state (state personnel) in the procedure (<i>please provide with quantification, if any</i>)

8/ Please describe some misconduct taken by some producers/ processors that breaks the rules of extracting/ using local natural resources/ materials in production/ processing of the GI product?

Examples misconduct taken by some producers	Please describe the procedure of the misconduct (if any)	Please provide with quantification, if any (<i>for example, about 10 ha of production area applied prohibited fertilizer last season</i>)	To what extent the misconduct could reduce the quality of the GI product?

9/ Please describe measures used to cope with the misconduct of producers/ processors in extracting/ using local natural resources/ raw materials in production/ processing of the GI product?

Examples misconduct taken by some producers	Actions and procedure of actions to cope with the misconduct (please provide with qualification, if any; for example, 10 ha of production area has been forced out of the GI area due to using prohibited fertilizer)	Please describe roles/ activities taken by GI group (please provide with quantification, if any)	Please describe roles/ activities taken by state/ state personnel in the procedure (please provide with quantification, if any)

III/ Marketing of the GI product

1/ Please describe how you promote your GI product to the market/ buyers?

Ways of promotion	Procedures of promotion and quantification of promotion (if any)	What is your weakness in conducting of the promotion?	What are actions taken by the GI group/ state to help you with the promotion? (Please provide with quantification, if any)

2/ Please describe how they sell the GI product?

Types of buyers	Proportion of sales (%)	The procedure of sale, and where does the product go next after the sale?	How the price and quality are determined?

3/ Please describe some difficulties/ issues you face while selling GI product?

Difficulties/ problems in selling the product	What are the reasons of the issues	Your weakness in coping with the issues	How does the GI group and state help you with the sale? (Please provide with quantification, if any)

IV/ The use of GI labels

1/ Please describe the rules for the use of the GI labels?

Where are you provided with (buying) the GI labels? How much does the label cost you?	What is the procedure of getting the GI labels	What are the crucial conditions of being granted (or eligible to the use of) the GI labels?	Please provide with quantification of your being granted GI labels (for example, 10,000 labels were granted to you last year)

2/ Please describe how you use of GI label?

When do you attach the GI labels to the product? (during the period from production/processing to sale of product)	How do you attach the labels to the product/ package of the product? (for example, by machine or by hand, ...)	Please describe any problem with the use of the GI labels and the reason for the problem! (Please provide with quantification, if any)	What do you think of the usefulness of the use of the GI labels for your business of GI product? (1 for “extremely not useful”, 5 for “extremely useful”)

3/ Please describe actions taken by the GI group and the state in assisting you with the you of the GI labels?

Description of the supporting activities	Why is the support, and what is the quantification of the support? (if any)	What are the roles/ activities done by the GI group? (Please provide with quantification, if any)	What are the roles/ activities done by the state/ state representative? (Please provide with quantification, if any)

4/ Please describe some misuse of the GI label taken by some producers/processors/traders you know

Types of the misuse	Why is the misuse?	Who makes the problem?	What is the quantification of the problem? (for example, percentage of sale amount, ...)
For example, the use of fake labels			

5/ Please describe the measure used to cope with the misuse of the GI label?

Types of misuse of labels	Measure for/procedure of coping with the misuse	Roles/actions of GI group?	Roles/actions taken by the state/ state personnel. (Please provide with quantification, if any)
Free-riding (fake labels)			
Infringement of labels			

V/ Collective action and coordination

1/ Please describe any conflict among producers occurred during the process of complying with the production/ processing of the GI product?

Description of conflicts	Causes of conflicts	Frequency (1 for not available – 5 for very often)	Significance of conflict (percentage, amount of sales,..)

2/ Please describe measure used to cope with the conflict among producers?

Types of conflicts	Measure and procedure to cope with the conflicts	Roles of GI group (please provide with quantification, if any)	Roles/actions taken by the state/ state personnel (Please provide with quantification, if any)

3/ Please describe any (potential of) opportunist behaviors that producers can exert as they are entitled to the use of GI?

Actions of opportunist behavior	The cause of the actions	How often is the action (1 for not available, 5 for very often)	The signification of the action (for example percentage of sale, etc.)
For example, use modern production methods instead of traditional one			
Selling products made from the external GI production area, etc.			

4/ Please describe the measure used to cope with the opportunist behavior of producers/ processors?

Actions of opportunist behavior	Measure/procedures used to cope with the actions. (please provide with qualification, if any)	Roles/ actions taken by GI group in coping with the issues (please provide with quantification, if any)	The difficulties faced by the farmer group in coping with the opportunist behavior	Roles/ actions taken by the state/ state personnel in coping with the issues (please provide quantification, if any)
For example, use modern production methods instead of traditional one				
Selling products made from the external GI production area, etc.				

5/ Please describe any issues/ difficulties faced by you in the coordination with trading partners in the value chain of the GI product?

Types of issues/ problems	Causes of the problems	Significance of the problem (percentage of sale, etc., ...)	The weakness of you in the coordination
Traders exert power on price decision, for example			

6/ Please describe support that GI group and the state provide to you in coping with the coordinating issues?

Types of issues/ problems	Measures/ procedure of coping with the issues. (Please provide quantification, if any)	Roles/ actions taken by GI group. (Please provide quantification, if any)	The weakness of the producer/ producer group	Roles/ actions taken by the state/ state personnel in coping with the issue. (Please provide quantification, if any)
Traders exert power on price decision, for example				

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VI/ Free-riding of GI name and labels

1/ Please describe any actions of free-riding of GI name and labels in the market

Types of free-riding/ fraudulence	Causes and ease of actions	Significance of the fraudulence (percentage of sales,..)	Weakness of you and farmer group in coping with the fraudulence
Farmers from outside GI area use fake GI labels			

2/ Please describe the measure used to cope with the fraudulence of use of GI from external GI group?

Types of free-riding/ fraudulence	Measure/ procedure to cope with the fraudulence (please provide quantification, if any)	Roles/ actions taken by GI group. (Please provide quantification, if any)	Roles/ actions taken by the state/ state personnel. (please provide quantification, if any)
Farmers from outside GI area use fake GI labels			

Thank you very much!