

INTELLECTUAL PROPERTY RIGHTS AND RURAL DEVELOPMENT: HOW DO GEOGRAPHICAL INDICATIONS BENEFIT RURAL POPULATIONS IN INDIA

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ABSTRACT

Intellectual property is a creation of the mind and intellect of an individual. At present, there are various kinds of Intellectual Property Rights granted for the protection and promotion of intellectual property, amongst which “Geographical Indications” is one such category of IPR protection, that is commonly known as “GI.” Geographical Indications usually indicate an association between a particular geographical area and the characteristics, quality, or reputation of a product traditionally originating from that area. It is an essential tool for local manufacturers to succeed in global markets and create value for rural populations at the international level through GI-protected products deeply rooted in the culture and tradition of the particular geographical area. In the context of development, this paper aims to raise awareness about the importance of geographical indication by highlighting its application and contribution towards the advancement of rural or underprivileged areas. Moreover, it also focuses on the various aspects and benefits of GIs in promoting rural development in India.

Keywords: Intellectual Property Rights, Geographical Indications, Protection, Traditional Products, Rural Development.

INTRODUCTION

Intellectual Property Rights or IPRs is a collection of rights that offers legal protection to the creations of the intellect of a person, a group, or an organisation. It is created by the incorporation of information and intangible assets that are capable of multiplying numerous times at different locations in the world.¹ IPRs can be broadly classified into two categories depending upon the case of understanding and type of use *i.e.*, “Industrial Property Rights and Copyright.” Industrial Property Rights refer to the exclusive rights over matters that are economically useful for industries and commerce. The category of ‘Geographical

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¹ Rakesh Kumar, ‘Intellectual property Rights in India: Legal Analysis, Status and Strategies’ (2020) 9(3) IJSS <<https://ndpublisher.in/admin/issues/IJSSv9n3e.pdf>> accessed 05 June 2023

Indications' is covered under Industrial Property Rights. In general terms, Geographical Indication or GI is a kind of intellectual property protection that identifies goods or products within a specific geographical area. It signifies the link between the traditional product and the geographical area so that the product derives its qualities from that particular geographical region. This association serves to inform the consumers about certain important characteristics which should be material to the product and its place of origin.²

GIs have been given the status of intellectual property, since the product's association with a particular place, increases its commercial value. Most of the products and services we use today are protected by Intellectual Property Rights because doing so encourages people to practically develop their ideas which boosts both the economy and the quality of life. Since brand recognition is a dominant feature of marketing, the geographical indication is the character that conveys information about the origin of a product. Thus, Geographical indication is a key factor in the development of rural areas which can effectively promote commercial and economic interests by providing legal protection and strengthening local culture by marketing the products and services at the global level. According to some estimates, India has several traditional products in its coffer that may be entitled to GI protection, but there is a need to spread awareness about such products in order to expand their reach. In addition, GIscan even leads to the creation of traditional hotspots, such as cultural tourism, which also contributes to the development of rural areas in terms of job opportunities and tourism.³

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WHAT IS GEOGRAPHICAL INDICATION?

*“Geographical Indication or GI is a sign used on goods and products which have a particular geographical origin and possess certain qualities as a result of traditional, natural or human factors, because of that origin.”*⁴A GI typically indicates the geographical area from where the product originated which represents a collective asset that is linked to the local heritage of that place.⁵The concept of “geographical indications” has been defined in the TRIPS

² Divya N. D and Dr Anoop K. K, 'Rural Development through Geographical Indication' (2018) 119(16)IJPAM <<https://acadpubl.eu/hub/2018-119-16/1/134.pdf>> accessed 05 June 2023

³ Kumari Youkta and Shreya Nupur, 'Issues and Challenges of Geographical Indication in India' (2020) 6(10) EPRAIJMR <https://eprajournals.com/jpanel/upload/641pm_23.EPRA%20JOURNALS%20-5323.pdf> accessed 05 June 2023

⁴ 'What is Geographical Indication' (WIPO) <https://www.wipo.int/geo_indications/en/faq_geographicalindications.html> accessed 06 June 2023

⁵ 'Geographical Indications' (Food and Agriculture Organization of the United Nations) <<https://www.fao.org/geographical-indications/en>> accessed 06 June 2023.

Agreement as “indications which identify a good as originating in the territory of a Member or a region in that territory, where a given quality, reputation or other characteristics of the good is essentially attributable to its geographical origin”.⁶India, being a signatory of the TRIPS Agreement enacted the Geographical Indications of Goods (Registration and Protection) Act in 1999, which also defines the term “geographical indication” as “an indication which identifies such goods as agricultural goods, natural goods or manufactured goods as originating, or manufactured in the territory of a country, or a region or locality in that territory, where a given quality, reputation or another characteristic of such goods is essentially attributable to its geographical origin and in the case where such goods are manufactured goods one of the activities of either the production or of processing or preparation of the goods concerned takes place in such territory, region or locality, as the case may be.”⁷

Similar to any other Intellectual property, a Geographical indication is also considered an intangible asset that legally protects the rights related to the cultivation, sale or manufacturing of the traditional product. But to be recognized as a GI, the GI sign should relate to a good or product that must originate from a particular geographical locality; and such good or product must have a reputation or some other kinds of characteristics associated with the place of its origin. The primary function of Geographical Indications is to identify the source of a good, which is related to its quality. The laws relating to “GIs” covers a wide range of products such as agricultural, textiles, foodstuff, handicrafts, and manufactured products. The legal protection under the GI Act can be claimed if any product is traditionally related to a specific geographical.⁸At present, there are hundreds of registered GI-protected goods and products in India, for example, Kashmir Pashmina, Kolhapuri Chappal, etc. However, apart from the quality or characteristics of the products, GIs also consider certain other factors that were involved in the production process to make them easily available and accessible in the market for customers.⁹In addition, Geographical Indications act as a marketing tool by passing information about traditional products in the global market which helps to gain large-scale popularity. Moreover, it also helps to generate higher revenues and export earnings for rural populations, which include local manufacturers, artists, weavers, etc. Therefore, GIs can

⁶Agreement on Trade-Related Aspects of Intellectual Property Rights as Amended by the 2005 Protocol, Art 22(1)

⁷The Geographical Indications of Goods (Registration and Protection) Act 1999, s2(1)(e)

⁸Amikar Parwar, ‘Importance of Geographical Indication in the Growing IPR World’ (2009) SSRN <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1444419#> accessed 06 June 2023

⁹Supra note 2 at 2.

make a constructive contribution to rural development, by preserving the natural diversity, the quality of products and local job enhancement.

HOW DO GEOGRAPHICAL INDICATIONS CONTRIBUTE TOWARD RURAL DEVELOPMENT IN INDIA?

India, being a developing nation, has a significant rural population and therefore, rural development constitutes a major factor in the advancement and growth of such nations to enable them to compete globally. Due to its vibrant culture and richness of traditional knowledge and products particularly among the rural populations, India has today emerged as a centre of attraction to people all around the world. These traditional products indicate some special characteristics which are unique and distinctive to a particular local area or region and are thus considered by many as valuable and intriguing. So, to protect and preserve the richness of such traditional products, GI plays a vital role by highlighting the geographical identity of the traditional product as an important tool to attract the masses, which would result in the development of rural regions.¹⁰

According to some studies, Geographical Indications have a significant contribution to the promotion of economic opportunities and development in rural areas. For instance, the licence to utilize GIs usually lies with the local producers and since GI products are sold at a slightly premium price, therefore, all the additional income generated as a result of the GI also adds to the profits of such producers, thereby contributing towards sustainable development and creation of employment. Also, the local producers have the privilege to directly sell their products to the end consumers, which ensures a much higher profit than those producers who sell their products to intermediaries or companies instead of the consumers directly. Further, offering protection to the rural populations of that geographical region in terms of increased income and employment could potentially prevent migrations of masses from rural regions to urban regions in search of social and economic security.¹¹

In addition to these, Geographical Indications also have a crucial impact in the field of art, culinary science and tourism, which may lead to the enhancement of rural areas not only in terms of a higher standard of living and job opportunities but also by promoting and

¹⁰Saif Ali, 'Role of Geographical Indication in the Realm of Sustainable Rural Development of Indian Traditional Knowledge Holders' (StuDocu 2019-2020) <<https://www.studocu.com/in/document/galgotias-university/intellectual-property-rights/role-of-geographical-indication-in-the-realm-of-sustainable-rural-development-of/11610489>> accessed 07 June 2023

¹¹*Ibid*

protecting the traditional products of a particular geographical region. However, it must be noted that simply developing a GI for any product would not contribute towards the development of rural areas, certain conditions must be fulfilled according to the pattern of the specific GI scheme. Moreover, the integration of human skills and art is equally important, especially in traditional handicraft products. Tamil Nadu's Kanchivaram Silk Sarees and Assam's Muga Silk Sarees are some popular examples of traditional GI products involving skilled man labour.¹²

Hence, the contribution of geographical indication in rural development can be briefly categorized into the following aspects:-

Social and Economic Aspects: The world today has witnessed an increase in demand for the manufacturing of GI-protected products simply due to their quality, originality and uniqueness. This rising demand has therefore resulted in the promotion of economic activities in rural areas and has become a major source of income for a majority of the inhabitants. It has also created several job opportunities which not only elevated the standard of living and social status of the inhabitants but also prevented mass migration to urban areas. Moreover, with the help of GI protection, it is easier for local manufacturers to enhance the reputation of their traditional products and distinguish them from similar kinds of products available in the markets. However, since the GI products are distinctive and essentially attributable to their geographical origin, local producers are required to ensure a specific standard and quality level, due to which such products are usually sold at a premium price in comparison to regular goods of similar nature. Hence, GIs are indeed an important factor in the social and economic development of rural areas in India.

Consumer's Aspect: One of the striking features of Geographical Indications is to provide consumers with the necessary information regarding the characteristics, quality and distinctiveness of the products having GI protection as it may encourage and enable them to make better buying choices for their needs and demand. By supplying the necessary information about the geographical origin of the resources along with the traditional knowledge and process involved in the making of the end product, consumers get a better

¹²Naresh Kumar Vats, 'Geographical Indication-The Factors of Rural Development and Strengthening Economy'(2016)21 JIPR <[https://nopr.niscpr.res.in/bitstream/123456789/39706/1/JIPR%2021\(5-6\)%20347-354.pdf](https://nopr.niscpr.res.in/bitstream/123456789/39706/1/JIPR%2021(5-6)%20347-354.pdf)>accessed 08 June 2023

understanding of the particular GI product in terms of its originality, safety, features, and quality.

Producer's Aspect: Since local manufacturers or producers usually suffer significant losses in business when their sales are reduced or the reputation of their product is damaged, GI protection plays a very essential role to sustain the income of these producers by fulfilling the needs of conscious and demanding consumers. Further, GI products generate much higher profits as they can be directly advertised to end consumers without the involvement of intermediaries or large companies.¹³

Therefore, it can be said that GIs not only promotes sustainable rural development but also preserves the rich culture and traditional knowledge as well.

CASE STUDY – POCHAMPALLY WEAVERS VILLAGE

Pochampally village is a small town located in Telangana's Nalgonda District, which is a popular handloom hub renowned for its handwoven silk, cotton fibres, Ikat tie and dye designs. *"Ikat is a traditional technique which results in a streaky effect, created by dyeing and tying a length of yarn before weaving."* Pochampally Ikat tie and dye silk sarees have been granted Intellectual Property Rights Protection in the year 2005 under the 'Geographical Indications' category. In fact, it is the "first traditional Indian handicraft" to receive this status. Over a period of time, Pochampally village has emerged as a manufacturing hub of Ikat tie and dye silk sarees. Many people from Pochampally and its nearby villages are now actively engaged in this business and have therefore gained global recognition among the masses. This recognition has not only led to the economic growth and development of the manufacturers or producers of Pochampally village but has also benefitted the whole geographical region by generating economic benefits for other sectors of the area as well. For instance, the rise in tourism activities in the area as a result of the GI has led to a substantial increase in income and employment opportunities for the populations involved in other sectors which include hotels and accommodation services, transport, gift shops, restaurants, and many more.¹⁴

¹³ *Supra* note 2 at 2

¹⁴ 'Pochampally Weavers Village' (Indian Trust for Rural Heritage and Development) <<https://www.itrhd.com/projects1.asp?catid=1&subcatid=12>> accessed 09 June 2023

Hence, Geographical Indication is indeed a powerful tool for the development of rural populations that enables developing countries like India to grasp and support traditional products within their domain.

CONCLUSION

In a nutshell, geographical indication indeed helps to establish a connection between a particular product and the area from where it originated. GIs certify the quality and character of the product due to its geography which ultimately attracts the consumer who is ready to pay the desired amount for the product. The majority of the GI product recipients are found in rural areas, which generates more income and employment opportunities. Well-developed promotion and marketing strategies lead to improved economic activities in rural areas, which in turn boosts GI production. As a matter of fact, most of the geographical regions are surrounded by rural areas which creates more opportunities for rural development. Geographical Indications benefit rural populations by sustaining their economic activities and raising their living standards. In short, they provide legal protection to the local culture and help in the marketing of traditional products at the global level, which simultaneously generates sustainable employment opportunities and rural economic development. The traditional products and creative industries based on GIs are national assets that are constantly renewing as a result of changes and advancements in society. Therefore, it is right to conclude that geographical indications play a vital role in the promotion of rural development by benefitting the rural or local populations in India.