# **Implementation of Indonesian Government Policy in Improving the Quality of Geographical Indication Products**

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**Abstract:** In the era of globalization and free trade, one of the most important in Intellectual Property is geographical indications (GI) which can be said to be "GI is the new oil" in capturing food market share in the world. The important role of the government, which is very much needed in improving, marketing, and supporting the results of geographical indication products, is the key to the success of a product that is in the name of the country in the eyes of the world and national markets and can survive it. Appropriate policies are needed for the welfare of the people who carry out GI product businesses. Moreover, that they can continue to produce goods of reputation, character, and quality which have been produced for generations in that area. Bearing in mind that, in the field of support, several regional governments still do not understand and include work programs on the potential of geographical indication products as superior products in their respective regions.

The aim of this research is to examine and analyze the role of the government in carrying out strategic approaches to registration, commercialization, and law enforcement for the Geographical Indication Protection Community (GIPS). This research uses a qualitative approach, where data collection is carried out through Focus Group Discussion (FGD) activities. This data collection involves stakeholders such as: regulators, academics, geographical indication experts both within the country and abroad, international institutions that handle geographical indications, and MPIG. Technical analysis was carried out using the NVivo. The result shows that: (i). Local/regional governments have not played an important role in creating awareness among local communities about certain GI products. This is demonstrated through the existence of regulatory diversification; (ii). Implementation of government policies in improving GI products is still not optimal. This requires several strategies that can be implemented in relation to GI product branding; and (iii). Cooperation between the central and local governments and related agencies is part of realizing stakeholder synergy regarding the implementation of GI, socializing the government's role in conducting outreach through several programs aimed at increasing public awareness.

Keywords: Public Policy, Geographical Indications, Export, Agriculture

#### Introduction

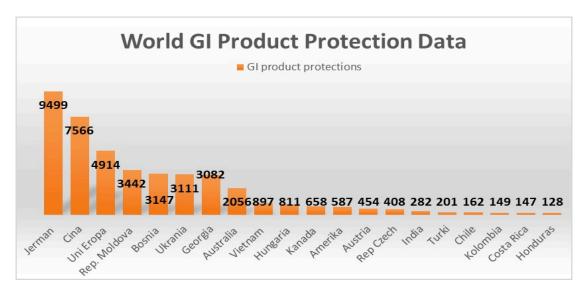
Since the enactment of Law Number 20 of 2016 concerning Brands and Geographical Indications, government activities in providing protection for Geographical Indication (GI) products have not yet been seen. There is also no seriousness from the government to increase the potential for these GI products to be marketed internationally. This includes GI products that have met the requirements to be given a GI certificate by the Geographical Indication Protection Society (MPIG), such as farmers who are GI product activists spread across various regions in Indonesia. In fact, in several previous studies, the potential of these GI products can stimulate the national and regional economy (see among others: Creditt, 2009; Cei, 2018a, 2018b; Chilla, 2020; Clodoveo, 2021; Rahmah, 2017; Miranda, 2019; Sitepu, 2018; Hananto & Prananda, 2019; and Djulaeka, 2012). In line with this, the government, through the Directorate General of Intellectual Property (DJKI), Ministry of Law and Human Rights, has declared 2019 as the year of Geographical Indications.

Indonesia currently has more than 124 GI-certified products; both in the agricultural and non-food sectors, registered with DJKI, Ministry of Law and Human Rights of the Republic of Indonesia (DJKI, 2023). The types of products that have been registered are specialty coffee (such as Kintamani Arabica Coffee, Gayo Coffee, Toraja Coffee, Bajawa Coffee, Bali Pupuan Robusta), spices (such as Muntok White Pepper and Siau Nutmeg), Rice (such as Adan Krayan and Pandawangi), Weaving (such as Sikka Ikat weaving), Crafts (such as Celuk Perak Crafts, Bali), and many more. Without a doubt, with Indonesia's biodiversity and rich cultural heritage, there are many more potential natural products waiting to be registered. Through DJKI, GI products will have the Indonesian national GI logo, which can then be introduced to wider stakeholders including the general public. So that the public will understand and respect GI Indonesia products, in various market segments, by including the GI logo on every package/packaging marketed (AriseplusIndonesia, 2021).

As stated by the World Intellectual Property Organization (WIPO) in the Global Innovation Index, Indonesia is ranked 87th out of 132 countries in terms of IP protection (WIPO, 2021). IP protection can significantly contribute to a country's national development and economic growth (see among others: Creditt, 2009; Cei, 2018a; Chilla, 2020; and Clodoveo, 2021). In particular, IP has a significant role in increasing national economic growth through the development of industries based on human creativity, or also known as the concept of creative economy (see Rahmah, 2017; Miranda, 2019; Sitepu, 2018; and Hananto & Prananda, 2019). In 2021, IP contribute to increasing economic growth, which grow by 5.31% in 2021 (BPS, 2022). Therefore, IP protection must of course be improved, especially for the unique IP potentials that only the Indonesian nation has, especially Geographical Indications.

Based on data received by WIPO, from a total of 91 national and regional authorities, it is shown that 58,400 GI products are registered, which of course will be protected in the coming years (WIPO, 2021). Of the 58,400 IG certificates valid starting in 2022, upper-middle-income countries account for 46.3% of the world's total population, followed by high-income groups (43.1%) and lower-middle-income groups (10.6%). In terms of regional distribution, the European region has the largest GI at 53.1%, followed by the Asian region (36.3%), the Latin American and Caribbean region (4.3%), the Oceania region (3.6%), the North American region (2.6%), and the African region (0.1%) (WIPO, 2023). Currently, WIPO is adding GI registration for the European Union (EU) region regionally and giving birth to the Lisbon Agreement system to get more protection in the European Union region. This is done through an agreement; whether bilateral, plurilateral, or multilateral cooperation, which has the potential to attract member countries to continue to register through WIPO.

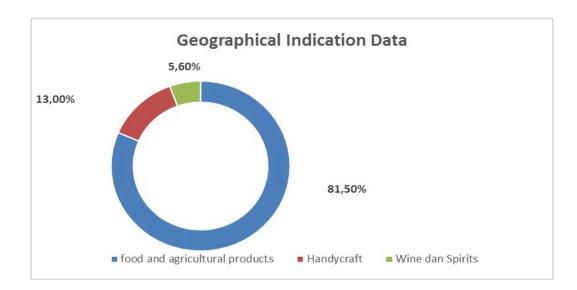
WIPO has for the first time compiled and reported world GI data (from 54 member countries) which covers a large number (especially the protection of geographical indications) within the scope of national/regional authorities (WIPO, 2017). Even though the data obtained is incomplete and only partial, this is a good initiative as a first step in creating more comprehensive and accurate data regarding GI in the world (which is increasing every year) and has an economic impact on each country.



#### **Diagram 1. World GI Product Protection Data**

The statistical data above shows that the highest ranking in terms of GI product protection is Germany. In these statistics, Germany ranked first with the number of GI registrations of 9,499 and in second place was China with 7,566 and followed by the European Union with 4,914 (WIPO, 2017).

Indonesia has recognized European Geographical Indications (GI), namely Parmesan Cheese and Champagne, meanwhile, of the many Indonesian GI products that have been registered in the European Union, only Gayo coffee has been accepted (Oegroseno, 2023). The thing that creates obstacles for Indonesia to add to the list of IG products in Europe is that quality cannot be guaranteed 100%. Therefore, MPIG itself must maintain the sustainability of the quality of these products. Until now, Indonesian GI products exported to Europe are still very minimal.



# Diagram 2. Geographical Indication Intellectual Property Statistical Data Indonesia Country 2021

Source: WIPO Statistic Database (2023)

From the diagram above, it can be seen that the GI statistical data for food and agricultural products has the highest percentage of all Indonesian GI products, namely 81.50%. It is easy to understand because these products are related to primary food and culinary needs in each region. Handycraft products were in second place at 13.00% and third was Wine and Spirit products with a percentage of 5.60%. However, Wine and Spirits products are dominated by IG from Europe and Latin America (WIPO, 2023). Agriculture is a vital sector for global growth and food security, but faces many challenges, not least climate change. This dynamic is particularly important for developing and least developed countries (LDCs), where the agricultural sector is the largest source of employment as well as a foreign exchange earner and supplier of raw materials for local intellectual property-related industries that impact gastronomic tourism.

However, Indonesian agricultural products are always less competitive than imported products, so it is important to increase the competitiveness of local agricultural products by promoting GI. GI products will be the best mechanism because they allow producers to gain a competitive advantage by achieving market recognition, and premium product excellence for their products in the market by creating characteristic features or rarity, differentiating their products from those produced elsewhere, as well as obtaining legal protection. Therefore, GI is recognized as a qualification strategy that emphasizes the socio-cultural area where agricultural products are produced, so that GI will guarantee local agricultural development.

Several regions in Indonesia have started to use GI products a lot, but it is still a shame that the users of this product are mostly food lovers from abroad, such as France, which has promoted in its country, namely Amed

Balinese salt for use in daily food, Muntok white pepper from Bangka Belitung and Coffee. Gayo Aceh which has been used in Spain and even the Netherlands as well as other GI products which have been circulated abroad by communities. The protection for GI Products in Indonesia currently registered with the DJKI is as follows (dgip.go.id, 2023):

Geographical Indication Product Category	Domestic 109	International 15	Total
Agriculture	84	5	
Forestry	1	-	
Fisheries & Marine	6	-	
Poultry & Dairy Products	1	3	124
Wine/ Spirit/Whisky	-	6	
Handycrafts	17	1	

**Table 1. Geographical Indication Protection Data throughout Indonesia** 

Source: DJKI (2023)

From the statistical data above, it is clear that Indonesia still has relatively low levels of GI protection compared to European countries and Chinese countries. Meanwhile, Indonesia is known for its extraordinary natural products but cannot compete internationally. This requires a national strategy to mobilize all domestic sectors. Considering that Indonesia is still in negotiations with the European Union regarding the exchange of GI products and only Gayo Coffee has been included in the European list and has only been registered in the form of raw beans (green beans).

GI is a sign used on products that have a certain geographical origin and affects the quality or reputation due to geographical origin (WIPO, 2021), GI is a form of industrial property as part of intellectual property. The term Intellectual Property itself, broadly refers to the creation of human thought patterns that protect the interests of the creator by giving ownership rights to his creation and other parts that can also be utilized in the agricultural industry and all manufacturing or natural products, including grains, tobacco leaves, fruit, livestock, mineral water, flowers or flour. Based on the description above, this research aims to analyze and examine the government's role in formulating a registration, commercialization and law enforcement approach strategy for GIPS, so that GI products achieve their goal, namely increasing community prosperity.

# **Theoretical Background**

## Sustainable Theory of Premium Quality of GI Products

In practice, GI products are based on human factors which have been recognized for generations. Knowledge is required to produce products and quality to maintain the reputation of GI products. Apart from that, support in protecting GI's to enjoy the economic benefits of existing GI potentials is a form of government appreciation and recognition for the success of GI owners themselves (Siti, 2018). With experienced production methods, GI products are marketed in the local market so that they can appreciate the products of their respective regions.

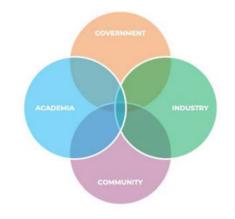
Therefore, GI has a very big role in remaining sustainable for economic development which aims to build an increase in welfare for the people who own GI. Roger et al. (2008) stated that the main concept of sustainable development refers to the relationship between economic development and environmental quality and ongoing social equality. This is reinforced by Turner (1988) that sustainable development is the growth of per capita income without reducing the supply of assets and the quality and quantity of existing environmental assets. Sustainable development is sustainable growth that intersects with per capita income without reducing the supply of assets and the quality and quantity of environmental assets. Several theories that can be used in this writing include concepts that are also used in sustainable development according to Hariss & Roachs (2018), focusing on: (i). Social equality; (ii). Economic sufficiency; and (iii) Environmental resilience. However, he agrees with the Collaborative Governance model which can be used in strategic road maps for national plans. Where the collaborative governance model by Ansell & Gash (2007) is a model that explains comprehensively, completely and is in line with the flow between the Governance model can outline the dimensions of the collaborative governance model in concept and operation. Of course, this dimension is described using factors and indicators from each instrument.

#### **Marketing Geographical Indication Products From Local to Global**

In improving people's welfare, of course the state's role is to guarantee or create jobs for its people. Of course, the role of the state to guarantee that it fully provides all the needs of its people and cannot be delegated to anyone (Tjip Ismail, 2007). This aims to raise the potential for the development of origin-based products based on the characteristics produced from natural resources which have natural uniqueness such as climate conditions, soil characteristics, and local plant varieties, as well as history and culture by prioritizing local traditional skills and knowledge. So, GI products promote the role of producers in the value chain because of the community's role in sustainable development for local communities. Increasing international competition has raised concerns that local products with their unique character and history will be pushed aside by global competitors who have standards.

However, in this context, local areas, where agricultural food production systems utilize intangible features related to cultural, historical, and traditional knowledge that cannot be imitated elsewhere. It has experienced participation in the global market with significant progress in terms of long-term sustainable development. In Europe, relevant support comes from GI quality schemes, which offer protection and assessment of the authenticity of high-quality agri-food products (Ramondi, et al., 2020). GI is a sign used on agricultural food products to show their uniqueness (characteristics, reputation and quality) basically through GI or exclusively resulting from the specific characteristics of the region.

Efforts to improve the regional economy can be generated through the quadruple helix model approach in developing and controlling GI products, namely by increasing the productivity of GI products by increasing the number/quantity of products and the quality of products that have high competitiveness. The community element in the collaboration process between actors is able to provide input to other stakeholders so that the collaboration process becomes more open and can be bottom-up. In addition, communities based on local culture/wisdom in carrying out daily regional cooperation can be a driving factor in implementing the collaboration process.



#### Figure 1. The Quadruple Helix Collaborative Approach

Source: Grip (2020)

In relation to GIPS control in a region, collaboration between actors can be carried out through a quadruple helix collaboration approach involving government actors, universities, business actors and the community in developing GI products. With the quadruple helix model approach, it can be found that the elements involved in collaboration can complement each other and support efforts to develop GIPS and IG products in national and global markets. Awareness of the importance of GI protection in the context of international trade places GI products as export commodities and carriers of economic benefits for local communities. This can be seen and acknowledged that there is still a lot of potential for GI to go global, so that it has become a momentum for the protection of Origin Applications (Miranda, 2006) which doesn't developed and registered for protection in Indonesia and abroad to make GI products a global market share, one of which is coffee. which is the third coffee-producing country in the world.

As stated by the Minister of Tourism and Creative Economy, from existing data, Indonesian coffee production in 2022/2023 will be 11.85 million bags. Per year, Indonesia can produce an average of 800,000 tons of coffee. Apart from that, in 2022, the value of Indonesian coffee exports abroad will reach 1.15 billion US dollars, or the fifth largest in the world. (Kompas.com) So it can be said that sustainability has its own economic, social, and environmental components. GI can play an important role in terms of sustainability, including in the circular economy where sustainable practices can be included in GI product specifications.

#### **Previous Research**

Prior to this research, several studies had been carried out that were relevant to improving the quality of geographical indication products nationally. In particular, there has been no research related to the implementation of government policy in improving the quality of geographical indication products nationally using descriptive qualitative methods and the quadruple helix model approach in developing and controlling GI products and collaborating using collaborative governance theory as proposed by Morse & Stephens (2012). In particular, efforts to optimize the role of central and regional governments as important actors in implementing government policies, and communication patterns between actors that handle different scopes of collaboration and mutual agreements in improving the quality of geographical indication products. The difference between previous research and this research is that it differs from the concentration of the study as the author stated above and has never been studied by anyone else. Previous research was more on legal concepts or levels, among others: Gabor (2018); Martin (2021); Yusita (2019); Martin (2021); Djulaeka (2012); and Sasongko (2010).

#### **Research Methods**

This research was designed using a qualitative approach. According to Bandur (2019), qualitative research contains 3 main elements that are usually carried out, namely: (i) Exploration of individual experiences to develop new theories; (ii) Exploration of community culture; and (iii) Exploring individual explanations to tell someone's story. Qualitative research is research that is managed by referring to theory, then tested based on the empirical data collected. Researchers try to photograph the conditions and events that are the focus of attention and then describe them as they really are. A qualitative approach was carried out using coding technique analysis with data collection techniques through Focus Group Discussion (FGD). Therefore, the truth of research results is influenced by knowledge, experience, perception, and the level of interest of experts/stakeholders as rational objects. Meanwhile, the results of in-depth discussions are analyzed by searching, finding, and describing patterns found based on reality in society, starting from the micro level to the macro level, from patterns moving towards the ideal (see also Moleong, 2015).

Secondary data in this research was obtained from government agencies, GI experts; both domestic and foreign, GIPS, academics, and international institutions that handle the GI involved or other sources that can be accounted for. Besides that, through reviewing several other countries' policies, including: France, the United States, Thailand, and Cambodia. Primary data in this research was obtained through discussions with relevant sources/agencies through Focus Group Discussions. Data collection techniques are the methods used by researchers to obtain data used to achieve research goals and objectives.

#### Analysis Results and Discussion

#### **Description of Research Objects**

Indonesia is the country with the fastest growth and is an active country in protecting GI products in the ASEAN region. This is proven by the appointment of Indonesia as the administration of ASEAN GI data in the general online GI platform of ASEAN Member Countries. This aims to make information on all GIs registered in the ASEAN region widely available and easily accessible to all interested stakeholders. Even though in the ASEAN Geographical Indication data, Indonesia still has not registered many GI products, while Thailand is ahead in protecting GI with 114 products, Vietnam 95 products, Indonesia 92 products, Malaysia 88 products, and Cambodia 5 products (ASEAN GI Database, 2023).

Based on its advantages in the agricultural sector, Indonesia actually has more than enough natural resources and agricultural commodities to develop agricultural businesses. However, Indonesia still faces problems in developing agriculture due to bad weather conditions, natural disasters, crop failures, economic and financial crises, dependent agricultural systems, and government policies (Rahmah, 2006). Until now, Indonesian agriculture is characterized by low and declining productivity, poor access to markets and information, environmental degradation, and vulnerability to unpredictable climate change, pest attacks or late rainy seasons, floods, and other natural disasters that cause crop failure. the inevitable. Falling productivity is pushing staples largely out of Thailand, Vietnam, India, China, and the Philippines. Imports increase every year and Indonesia is among the countries that import large amounts of basic food ingredients (Bramasta, 2021).

The European Union supports ASEAN regional integration and the vision of the ASEAN economic community (AEC) in 2025 through policy dialogue, by funding programs and providing technical assistance. Intellectual property protection is important for growth and development. GI protection is economically and culturally important because it helps create value for local communities through products that are deeply rooted in tradition. cultural and geographical. In addition, GI helps support rural development, contributes to job creation, encourages biodiversity conservation, defends rural areas, which then contributes to the socio-economic development of a country.

GI products have been used in India with various products including Basmati rice, Darjeeling tea, Kangra tea, Alphonso Mango, Alleppey Green Cardamon, Coorg Cardamon (Panda, 2016) This study confirms the significant positive effect of GI prices regardless of product type, region origin and has also been registered and long since it was formed. With IG registration substantially increases the price of the product in market share. IG products are a source of regional income that has enormous potential for sustainable development. The European Union (EU) prioritizes GI protection in the EU's bilateral Free Trade Agreement (FTA) forum in influencing the export of GI products, especially cheese products (Curzi & Huysmans, 2021). Furthermore, a study conducted by Rahmah (2017) found something similar GI products were an alternative to improving the economy.

Currently, the Geographical Indications Protection Society (GIPS) faces a number of barriers to trade in international trade. In the field of intellectual property the main challenge for GIPS, especially in developing countries, is related to the use of IP. There is a lack of easily accessible information and tools for effective management and commercialization of GIPS's IP assets. To reduce barriers and increase GIPS's competitiveness, the Indonesian economy must facilitate GIPS's capacity to build effective IP management and commercialization.

## Legal Aspects of Geographical Indication Protection Society (GIPS)

In Indonesia, the development of the GI legal framework is rooted in Law number 14 of 1997 concerning Amendments to Law number 19 of 1992 concerning brands. Points regarding geographical indications are only listed in 3 articles, namely articles 79A, 79B and 79C which regulate the scope, protection, lawsuits and requirements for inspection officers. The regulations on geographical indications in the Trademark Law have not changed even though they have been replaced by Law number 15 of 2001. Significant differences in the regulation of geographical indications are reflected in the new law, namely Law number 20 of 2016 concerning Brands and Geographical Indications. In the new law, there are 17 articles regarding geographical indications which are stated in 5 chapters.

The description above shows that there have been crucial developments in the regulation of Geographical Indications, but this does not have a direct impact on the protection of Geographical Indications either before or after product registration. The Geographical Indications Protection Society (GIPS) is an institution that represents communities in certain geographic areas that sell goods and/or products in the form of natural resources, handicrafts or industrial products. GI products have a very important role in the image, price, and authenticity of the region which is of course well known in international trade.

GIPS has an important role in maintaining the quality and reputation of Geographical Indication products, as well as increasing the economic value of these products. The existence of an GIPS is one of the requirements needed for registering a geographical indication in order to obtain legal protection. The legal aspects of GIPS are aspects related to the protection, registration, management and enforcement of rights to geographical indications owned by communities in certain areas. Geographical indication as a product and GIPS as an activist institution that has a role related to the origin and preservation of the characteristics of the Geographical Indications product. There are several reasons why Geographical Indications must be protected, first, Geographical Indications are important because they identify the source or origin of the product. Second, Geographical Indication indicates the quality of a product with origin from a region or region that provides quality, reputation or other essential characteristics that can

be attributed to its geographical origin. Third, GI can present business interests because it guarantees the authenticity of goods that are characteristic of a particular region (Moten, 2006).

#### **Development of the International Geographical Indications Protection Society**

The origins of intellectual property protection in the field of Geographical Indications began in the 14th century in France. At the end of year celebrations, the French ruler at that time, Charlemagne, ordered cheeses to be brought to the Palace at Aix la Chapelle. This order marked that quality cheese made by the people could be served at the palace. In 1411, the people of Roquefort were awarded a Royal Charter by King Charles-VI for the superior quality of their cheese. As a result, Requefort village is the only village that can produce Requefort cheese. The awarding of this charter was an important momentum for the protection of the first Appellation of Origin (Miranda, 2006).

With the increase in international trade, of course, regulations regarding Geographical Indications began to be formed in agreements between nations (Multilateral) as Industrial Property Rights, namely in the Paris Convention on the Protection of Industrial Property Rights 1883 (Miranda, 2006). Then, continued with the 1891 Madrid Agreement concerning the Elimination of Counterfeit or Deceptive Indications of Origin of Goods, and the 1989 Madrid Protocol concerning the International Registration of Marks and there is also the 1947 General Agreement on Tariffs and Trade and the 1958 Lisbon Agreement concerning the Protection of Designations of Origin and their international registration (Ahmad, 2018).

The world's first registered geographical indication was in the wine sector and focused on the boundaries of a particular region (delineation) or the location where the wine was produced, terroir. Historically, traded wines were better quality wines that could survive long-distance travel without substantial loss of characteristics, such as taste, and which were priced higher to cover transportation costs. In the 18th century, Port Wine from Portugal and Chianti Wine in Italy were among the first to receive official Geographical Indication status (along with Tokay wine from Hungary). In both cases, the Geographical Indication (terroir) is then extended to a wider area. It could be said that the first geographical indication in history was the description of Burgundy wine in the 15th century, and its development seems to have been the most powerful. The first introduction of the more complicated geographical indication specifications as we know them today was probably the depiction of Champagne, the "Appellations d'OrigineAO" /first appellation of origin in France, in the early 20th century (Meloni & Swinnen, 2018).

The dynamics of the world GIPS continue, in 2003 the International Geographical Indications Group (IGIG) organization was formed as a global forum for MPIG, the organization was founded by several GIPS organizations (Geographical Indication Protection Society) from various countries, such as ECOF (European Consortium for Origin Foodstuffs), COPA (Consortium for the Protection of Appellations of Origin), oriGIn (Organization for an International Geographical Indications Network), and others. From several GIPS organizations, we can see several similarities in goals and functions, namely: maintaining the quality, reputation and characteristics of the Geographical Indication products they represent, providing information and education to consumers and the public about Geographical Indication products and their benefits.

The development of Geographical Indications as part of intellectual property law has gone through several stages, which were built on previous traditions to protect the integrity and reputation of products related to certain regions, regulations regarding Geographical Indications began to be formed in agreements between nations (Multilateral): (i). Paris Convention (Paris Convention for the Protection of Industrial Property); (ii). Madrid Agreement (Madrid Agreement 1891 False Indication and Border Of Measures); (iii). Lisbon Agreement (Lisbon Agreement for the Protection of Appellations of Origin and their International Registration 1958); (iv). TRIPS Agreement (Trade Related Aspects of Intellectual Property Rights); (v). TRIPs were signed at the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) in 1994.

#### Analysis Results and Discussion

#### Focus Group Discussion (FGD) Result

Before discussing the results of the FGD, we will first explain the characteristics of the informants which are divided into 5 (five) categories to simplify the coding process. The following is Table 2. which shows the classification of informant categories:

No.	Informant	Informant Position and Institution		Informant Position and Institution C	
1	Kurniawan Telaumbanua, SH., M.Hum	Director of Merk and GI, DJKI	Regulator		
2	Dr. Freddy Haris, S.H., LL.M	GI Expert Trisakti University	CI E		
3 Giovanni Galanti		GI Expert Arise+ Indonesia	GI Expert		
4	Prof. Muhammad Zilal Hamzah, Ph.D	Academician/	Academician		
5	Prof. Eleonora Sofilda., M.Si.	Trisakti University	Academician		
6	Rafki Hariska, SKM	Chairman/GIPS	Operator		
7 Audrey Aubard		drey Aubard Manager/ French Federation of Industrial & Craft Geographical Indication			
8	Massimo Vittori	Managing Director/OrIGin	Association		

**Table 2. Categorization of Informants** 

Source: Author

The following is an aggregate coding hierarchy to see which nodes are the most dominant (or have the highest number of coding activities) from all informants. In aggregate, there are at least 18 nodes with the highest hierarchy, as follows:

No.	Nodes	Ref.	Files Coded	Max. Value	Share
1	GI - Economic Performance	6	3	8	75%
2	Product Quality	5	3	8	63%
3	Specialize Area	5	3	8	63%
4	Certification	5	3	8	63%
5	Restricted Product Claim	4	3	8	50%
6	Socialization	4	3	8	50%
6	Administrative Ease	3	3	8	38%
7	HR Quality	3	2	8	38%
8	Increasing the Welfare of MSMEs	3	2	8	38%
9	Product Diversification	3	2	8	38%
10	Market Segmentation	3	3	8	38%
11	Promotion Coaching	3	3	8	38%
12	Legality	3	2	8	38%
13	GI Product Performance	3	2	8	38%
14	GI Literature Overview	2	3	8	13%
15	Demand	2	3	8	13%
16	Market Structure > Price	2	3	8	13%
17	Packaging > Price	2	2	8	13%
18	Periodic Audits	2	2	8	13%

## Table 3. Aggregate Hierarchy Nodes Reference

Source: Data Processed

These results show that the 18 nodes above have the largest contribution to the overall hierarchy, both in terms of number of references and data sources (transcripts). This indicates that, as a whole (5 categories of informants), both implicitly and explicitly, they mentioned Geographical Indications which are able to stimulate the local economy. In addition, the node "GI > Economic Performance" has the highest source value (6) with a total contribution of 75%. This indicates that 75% of the informants involved agreed regarding the impact of Geographical Indications on the local economy. The other nodes, namely "Product Quality", "Specialize Area", and "Certification", have a reference of 5 with a contribution value of 63%. This indicates that, there were around 63% of informants who mentioned the importance of the quality of registered products, areas in which certain products specialize, and the importance of certification (as part of the legal aspect.

Next, the following will show the top hierarchy of System Nodes 1, where the contribution values can be seen in the table below:

No.	Nodes	Ref.	Files Coded	Max. Value	Share
1	Certification	5	3	8	63%
2	Legality	3	2	8	38%
4	Rule Diversification	1	3	8	13%
5	Europe-Based Production Protection	1	1	8	13%
6	Farmer Data Collection	1	1	8	13%

Table 4. Nodes	Systom	Higrarohy	Deference	1
Table 4. Indues	o oystem	Inclar city	Kelel ence	L

Source: Data Processed

From the table above, it can be seen that the "Certification" nodes contribute 63% of all existing sources. Next, the following will show the top hierarchy of the Nodes 2 System where the contribution values can be seen in the table below:

No.	Nodes	Ref.	Files Coded	Max. Value	Share
1	Specialize Area	5	3	8	63%
2	Product Quality	5	3	8	63%
3	Restricted Product Claim	4	3	8	50%
4	Promotion Coaching	2	3	8	38%
5	Market Segmentation	3	3	8	38%
6	Product Diversification	3	2	8	38%
7	Packaging > Price	2	2	8	25%
8	Market Structure > Price	2	2	8	25%
9	Distinctive Product	2	1	8	25%
10	Demand	2	2	8	25%

## Table 5. Nodes System Hierarchy Reference 2

Source: Data Processed

From the table above, it can be seen that the "Specialize Area" and "Product Quality" nodes each contribute 63% of the total available sources. This means that, in the context of branding strategy, the thing most often mentioned is the quality of GI products and maintaining product specialization in certain areas.

Furthermore, the following will show the hierarchy of the Nodes 3 System (Analyzing and reviewing cooperation between central and local governments and related agencies with GIPS so that GI products are able to achieve community prosperity). The contribution value can be seen in the table below:

No.	Nodes	Ref.	Files Coded	Max. Value	Share
1	Stakeholder Synergy	5	3	8	63%
2	Socialization	4	3	8	50%
3	Administrative Ease	3	3	8	38%
4	HR Quality	3	2	8	38%
5	Increasing the Welfare of MSMEs	3	2	8	38%
6	Periodic Audits	2	2	8	25%

# Table 6. Nodes System Hierarchy Reference 3

Source: Data Processed

From the table above, it can be seen that the "Stakeholder Synergy" nodes each contribute 63% of the total available resources. This means that 63% of informants relate to the need for collaboration between stakeholders in the implementation of Geographical Indications. Next, the following will show the hierarchy of the Other Nodes System. The contribution value can be seen in the table below:

No.	Nodes	Ref.	Files Coded	Max. Value	Share
1	GI > Economic Performance	6	3	8	75%
2	GI Product Performance	3	2	8	38%
3	GI Literature Overview	2	1	8	25%
4	GI > Competitiveness	1	1	8	13%
5	GI > Price	1	1	8	13%
6	Decline in Exports	1	1	8	13%

## **Table 7. Nodes System Hierarchy Reference Others**

Source: Data Processed

From the table above, it can be seen that the "GI > Economic Performance" node has a contribution of 75% of all available sources. Next, the results of the comparison diagram analysis will be displayed. This section is the second stage in coding analysis (Second Cycle Coding). Second Cycle Coding is based on nodes or coding that have been created previously (First Cycle Coding). The results illustrate the similarities in things mentioned by each informant (category). These similarities are displayed in the nodes located in the middle of the informant's case. Meanwhile, the nodes to the right and left of the informant are nodes touched on by each informant which are not related to each other, which can replace the exploration diagram. The following will show the similarity of nodes between Regulators and Operators; between Regulators and GI Experts; between Regulators and Associations; between Regulators and Academics; between Operator and GI Expert; between Operator and Association; between Academics and Operators; between the Association and GI Expert; and between Academics and Associations. In this case, the legal aspect is a key factor in the success of implementing geographical indications in addition to the branding strategy carried out. Apart from that, collaboration between the central, local government and other agencies regarding both (legality and branding) will have an impact on the creation of quality Geographical Indication products so that they can have an impact on improving the local economy. There are several nodes in the Collaborative Stakeholders Strategy, namely: Supporting GI Groups, Socialization, Synergy of Stakeholders, Local Government, Quality of Human Resources, Research Development, Infrastructure Development, Administrative Ease, and Periodic Audits.

#### **Conclusions and Policy Recommendations**

#### Conclusion

Based on the results and analysis previously described, several conclusions can be drawn regarding this research, as follows:

- 1. Local/regional governments have not played an important role in creating awareness among local communities about certain Geographical Indication products. This is demonstrated through the existence of regulatory diversification. Apart from that, in general it can also be concluded that certification and legal aspects aim to provide protection for claims outside the specialized area. The legality aspect (legality framework) plays an important role in product and area protection.
- 2. Evaluation of the implementation of government policies in improving GI products is still not optimal. This requires several strategies that can be implemented in relation to Geographical Indication product branding. Specialize Area, Product Quality, Restricted Product Claim, Promotion Development (technical), Market Segmentation, Product Diversification, Packaging > Price, Accessibility, Captive Market, Logo, and so on. In relation to the role of the government, Promotional (Technical) Guidance provided by the government as well as socialization programs provided are able to provide increased Awareness to several producers, especially the agricultural sector, regarding the importance of Geographical Indications and increasing added value (value added) to agricultural products resulting.
- 3. Cooperation between the central and local governments and related agencies is part of realizing stakeholder synergy regarding the implementation of Geographical Indications, socializing the government's role in conducting outreach through several programs aimed at increasing public awareness. Besides that, technical guidance is also carried out by the government in branding or product marketing approaches so that the products produced are able to be competitive (increased prices) and able to have an impact on export levels and local economic performance. By increasing local economic performance, it is expected that it will also improve community welfare. So in this case, cooperation between the central, local government and foreign or domestic agencies, as well as the media, has an indirect impact on increasing economic growth in Geographical Indication products.

## **Policy Recommendations**

The results of this research show that the need to provide initiatives to register GI often arises from upstream to downstream, namely: (i). GI must be given effective and efficient strengthening of legal regulations so that they are collaborated on all existing policy instrument regulations and input must come from the local community itself even though it is still accompanied/assisted by the central and regional governments; (ii). Maintaining the name and reputation of regional specialty products that have a reputation, high economic value, and regional pride for the community itself; (iii). Strengthening the role of the community in GI registration cannot be separated from the GIPS institution. As the applicant and holder of GI rights, GIPS plays an important role in the GI registration process. But this role is not limited to the first step in the long journey of defending, and enforcing what GIPS representatives stated; (iv). Strengthening governance and the need for accountable leadership in handling problems in providing impact and serving the needs of GIPS to ensure that apart from cultivation according to SOP, processing, packaging, and marketing are carried out according to mutually agreed standards, especially for products to be exported; (v). Stakeholder synergy is needed to improve GI products nationally. The government must issue an appropriate work program to be able to make a real contribution to GIPS and be proud of GI products in their respective regions; and (vi). A joint commitment is needed at both the central and regional levels in improving GI products through public campaigns related to Indonesia's superior GI products to create public awareness.

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