

# CERTIFICATION OF GEOGRAPHICAL INDICATIONS AS PART OF THE INDONESIAN NATIONAL QUALITY ASSURANCE SYSTEM

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## Abstract

This study proposes solutions on how to incorporate Indonesian Geographical Indication (GI) law into the national quality assurance system based on local and export market requirements. The author found misalignments in quality assurance between GI law and the national quality assurance system. Although GI products have passed the quality assessment by the government competent authority, the GI law itself is not a part of the national quality assurance system. Furthermore, even though GI products are legally protected as long as their quality and reputation can be maintained, there is no quality control body associated with GI quality assurance in trading activities in the market. So far, the GI, as a form of intellectual property under the Indonesian legal system, protects only names and logos. Therefore, it is suggested that a quality control body be adopted within the framework of Indonesian GI law to ensure that the quality of GI products on the market is the same as that which is claimed in the GI description document. Moreover, as the export market is the target for GI products, the accreditation of the control body should conform to related international standards.

## Keyword

Indonesian GIs law, national quality assurance system, control body, accreditation standard

## インドネシアの国家品質保証システムの一部としての 地理的表示の認定

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## 要旨

この研究は、国内および輸出市場の要求に基づく国家品質保証システムの一部として、インドネシアのGI法を作成する方法に関する解決策を推奨することを目的としている。著者は、GI法と国内の品質保証システム法との品質保証に不整合があることを発見した。GI製品は、GIが付与される前に政府の権限のある当局による品質評価に合格しているが、GI法自体は国家品質保証システムの一部ではない。さらに、GI製品はその品質と評判が維持される限り保護されるが、市場での取引活動におけるGIの品質保証に関連付けられた品質管理機関はない。これまでのところ、インドネシアの法制度の下での知的財産の一形態として、GI法は、名前とロゴのみを保

護している。したがって、市場に出ているGI登録製品の品質がGI保護証書で示されているものと同じであることを保証するために、品質管理機関をインドネシアGI法の下で設ける必要があることが提示される。さらに、GI登録製品の対象市場は輸出市場であるため、管理機関における認定は関連する国際標準を用いる必要がある。

#### キーワード

インドネシアGI法, 国家品質保証システム, 管理機関, 認定基準

## 1. Introduction : Geographical Indications as Quality Assurance

A Geographical Indication (GI) is a collectively owned form of Intellectual Property (IP) that makes a direct link between the distinctive characteristics and quality of a product and its geographical origins, such as Parmigiano-Reggiano cheese or Darjeeling tea. GIs are owned by local producers and processors, and are commonly granted by national Intellectual Property offices. In order to prevent misuse of GIs in term of quality, Vandecandelaere et al. (2010) suggests that a linkage should be established between quality of GI products and the associated geographical origins, where a set of common rules need to be defined in order to guarantee quality of the product and the geographical origin, thereby fostering consumer confidence<sup>2</sup>. In European countries, GIs, together with Organic certification and food Quality Assurance, are the cornerstones of European food quality policy<sup>3</sup>.

Indonesian GIs cover not only foods. According to the Law of the Republic of Indonesia No. 20/2016 concerning Trademarks and Geographical Indications, Indonesian GIs cover natural resource products, handicraft, and industrial product<sup>4</sup>. The protection of GI products is legally guaranteed as long as their quality, characteristics, and reputation can still

be maintained in the same conditions as prior to the granting of GIs. Until July 2019, there were 59 local products granted as Indonesian GIs on DGIP (Directorate General of Intellectual Property/*Direktorat Jenderal Kekayaan Intelektual*)<sup>5</sup>. About 85% of Indonesian GI products are categorized as foods, and of which 44% come from coffee<sup>6</sup>. These GI products have passed the quality assessment by competent authorities or relevant state bodies before being granted GIs certification. However, GI names and logos themselves are not yet as a quality symbol in the market. Neilson et al. (2018), in his focus research on Indonesian GIs coffee, reported the higher quality coffees, for which GIs would presumably be the most useful, are still predominately export-oriented and both traders and roasters take routinely cup samples<sup>7</sup> prior to ordering shipment<sup>8</sup>. Cup samples, as third-party verification of cup quality, remains limited in the trade<sup>9</sup>, although the ethics and sustainability of production processes are frequently certified by third parties, with labels such as International Coffee Organization<sup>10</sup>, Rainforest Alliance<sup>11</sup>, UTZ<sup>12</sup>, and Fairtrade<sup>13</sup>. Suwandi (2019) opined that rice products for export would face the same situation as the case of coffee<sup>14</sup> Organic rice is the most export-oriented, for which GIs would presumably be the most useful. Several institutions, such as ICERT<sup>15</sup> and Biocert<sup>16</sup>, are available for

Organic certification services for domestic and export markets. Some industry stakeholders in Indonesia view GI as akin to, but some perceive competing with these forms of certification. This situation has resulted in heightened attempts by some trading firms to exert more intense inter-firm control over GIs local producers and to engage directly with Indonesian origin products over international or national certification required. Often, these practices do not harmonize with GIs Quality Controls by the government as mandated by law, which is considered to be over-simple and not to accommodate the national and international requirements in Quality Assurance.

For the local market, all products traded, include GIs, should fulfill the SNI certification in general<sup>17</sup>. Particularly for food safety regulation, GI products also need BPOM certification<sup>18</sup>, and Halal certification if needed<sup>19</sup>. According to the national Quality Assurance system, including; Health<sup>20</sup>, Food Safety<sup>21</sup>, Standardization and Conformity Assessment<sup>22</sup>, Consumers Protection<sup>23</sup>, and Halal Product Assurance<sup>24</sup>, certification on SNI, BPOM, and Halal are mandatory. Institutionally, these legal frameworks define the kinds of certifications needed for traded products and regulate them in the local market, within the jurisdiction of Indonesia.

Based on those requirements in both local and foreign markets, we found there are misalignments between GIs Law and GIs Quality Assurance itself. Even though GI products have passed the quality assessment by government competent authority prior to being granted GIs, GIs Law itself is not part of the national Quality Assurance system. However, GIs law, as a form of IPs under the Indonesia legal system, only protects the names and logos. This study

aims to recommend solutions on how to make Indonesian GIs Law as part of the national Quality Assurance system based on local and export market requirements on Quality Control.

## **2. The differences between Quality Assurance required by the market, Quality Assurance regulated by the government and current GIs Quality Assurance**

In order to have an in-depth analysis on the differences between Quality Assurance required by the market, Quality Assurance regulated by the government and the current Quality Assurance of GIs, the author will discuss about the history of GIs implementation in Indonesia since the first introduction of GIs Law and the obstacles perceived from legal and market perspectives.

### **2.1. The needs of Indonesia in GIs Law**

Indonesia is a country of various ethnicities and tribes that came from different ancient civilizations in Asia centuries ago<sup>25</sup>. Many languages are used daily by people there. The use of intermingling languages allowing the naming of an area in this country might have similarities in literacy with regions in other countries<sup>26</sup>. When one of these areas produces a popular product from the community's economic activities, of course, there is a possibility of a misunderstanding regarding how to claim a product as being originated from a particular area.

As a tourism country, Indonesia has several places with nature and forest areas which are often visited by foreign tourists, which might come from a matured GIs country such as the European Union. On another side, GIs already became a world trend initiating from Europe.

The tourists may learn some words and the names of the places. When they come back to their countries, words and names of the places may become the names of their products in the market. As Indonesia has diverse natural resources, several places and areas are well known for products originated from such places for a long time. Moreover, the names of the places have been associated with the products themselves. As a country with cultural diversity, there are various traditional knowledge and know-how as potentials for creating high-quality products.

For a reason above, Indonesia has established a Law on Geographical Indications, which allows the names and indications of products to be legally protected. Admittedly, the implementation of GIs in Indonesia only covers the legal protection of local indigenous products, in terms of names and logos. The insertion of GIs protection clauses in the Law of the Republic of Indonesia No. 15/2001 on Trademarks which was amended by Law No. 20/2016 on Trademarks and Geographical Indications, was one of the Indonesian government's efforts to purvey legal instruments of GIs protection.

## 2.2. Problems at the beginning of GIs implementation

The GI is a newly emerging idea for the local market in Indonesia compared to other industrial property rights. Indonesia does not have a longstanding history concerning GIs. Yet Indonesia does have many potentials for GI products, primarily Traditional Knowledge derived products bearing the name of geographical origins.

Indonesia, the highest populated and most significant country in South East Asia, which is known for having cultural diversity and precious natural resources, has made provisions for GIs in the Law No. 15/2001 on Trademarks.

However, due to its incompleteness, these provisions are still waiting for governmental regulations to be promulgated in order to guide the implementation process accurately. This purveyance was also in order to comply with TRIPS agreements<sup>27</sup> that must be carried out by Indonesia as a member of the WTO<sup>28</sup>. Inside the Law No. 15/2001 on Trademarks, GIs protection is mentioned in a few articles only<sup>29</sup>. Technically, it requires auxiliary instruments to implement the Law. Six years after the enactment of the Law No. 15/2001, Government Regulation No. 51/2007 on GIs was issued as the regulation on the implementation of the GIs as mandated by the Law<sup>30</sup>.

The Government Regulation no. 51/2007 on GIs has been criticized by law experts because Indonesia is not a decree-based or government regulation-based system, but a law-based system. The problem does not lie in the availability of regulations, but deeper, it is based on the choice of the philosophy of protection, the choice of legal means to protect it, and the choice of whether or not the implementation system intends to let Indonesian market be aware of such protection by accommodating their interests. In 2016, Law No. 15/2001 on Trademark was amended by Law No. 20/2016 on Trademark and GIs which most of the contents are based on Government Regulation No. 51/2007 on GIs. Yet this Law has been waiting for Ministry decree to date.

This condition exerts several impacts. Struggling with a registration framework, GIs are treated like Trademarks. GIs, not being regarded as a part of the national Quality Assurance system, has been implemented for merely IP protection, which hardly accommodates long-term benefits of all stakeholders.

### 2.3. Unawareness of Indonesian producers and consumers about GIs

Do indigenous goods producers in local regions of Indonesia and consumers in markets know about GIs? Almost all of them do not discern what GIs protection is<sup>31,32,33</sup>. Producers and consumers are familiar with products' names and logos; however, the same thing does not happen with GI names and logos<sup>34</sup>. Meanwhile, in the trade of goods and services, the existence of logos and names dramatically affects the level of consumer trust in the quality provided by the producers.

Consumers in Indonesia have not paid much attention to the existence of GIs. Although consumers notice the variety of well-known products, such as famous coffee from Gayo in Aceh, specialty rice with a distinct fragrance reminiscent of pandan-leaves from Cianjur in West Java, sweet potatoes that discharge liquid like honey from Cilembu in West Java, white pepper from Bangka in South Sumatera, and the like, they are unacquainted that there are logos and unique names affixed on the packages which indicate GI-protected products. This unawareness is attributable to the fact that GIs are still a new concept in Indonesia, and that GIs are regulated by inserted provisions under the Trademark Law.

Even in some news about GIs in the Indonesian media, there are severe errors in the use of terms that lead to consumers' confusion<sup>35</sup>. Because GIs are a part of the IP regime, the mass media assumes that GIs are the same as Patent. This condition makes GIs distant from quality product names and logos. In Indonesia, we mention GIs as IG (Indikasi Geografis) which is translated word from the original word in English "Geographical Indications" without other equivalents in Indonesian. This

situation is very different from Patents and Trademarks. Legislations in the field of Patents and Trademarks have existed in Indonesia since the Dutch East Indies government<sup>36</sup>. Thus, the translation of the word "Patent" into "Paten", and "Trademark" into "Merek" has become equivalent words in the Indonesian language. Unlike "Copyright", in Indonesia, it has "Hak Cipta" as the equivalent word. "Hak Cipta" is a different equivalent word if it is interpreted per word from the word "Copyright". The word "Copy" means "Published" - "Salinan" in Indonesian, which is different from "Cipta". However, Copyright is attached to the consumer's mind as the right to publish works or creations.

Eighteen years after the enactment of the Law No. 15/2001 where GIs related provisions are inserted, it can be said that GIs in Indonesia is still limited to the protection from 'counterfeiting'<sup>37</sup> and 'piracy'<sup>38</sup> behaviors by unauthorized parties<sup>39</sup>. For both those behaviors, GIs protection in Indonesia has been adequate. Nonetheless, from the market and consumer (buyer) side, the presence of the GIs logo does not reflect as the Quality Assurance of products yet. Therefore, these products have not been sought by consumers, given the lack of consumer knowledge about GIs. In fact, GI products are categorized as exclusive products and have higher quality than other products. Their level is higher than that of standard and premium products in the markets. Even though GI products are protected as long as their quality and reputation can be maintained, there is no Quality Control body yet associated with GIs Quality Assurance in trading activities in the market. GIs need to be elevated to be a part of the national Quality Assurance system in order to foster consumers' confidence.

#### 2.4. National Quality Assurance system in Indonesia

Quality Assurance reflects consumers' rights and producers' obligations. Behaviors of presenting 'false allegation'<sup>40</sup> or 'misleading'<sup>41</sup> by producers give rise to the need for third-party certification on the quality of goods. It is because of consumers' need for truth. Society places a high value on truth. These third parties will put their logos and names on the product. Commitments towards consumers' trust are governed in the Law No. 8/1999 concerning Consumer Protection<sup>42</sup>. For instance, in Indonesia, the compliance to standardized products in trading is regulated through the SNI system, food safety through the BPOM system, and information on the halalness content of food ingredients through the Halal system. They have been applied as a form of consumer protection as a part of the national Quality Assurance system. In each of Quality Assurance system, there is a regulator or control body to ensure that every related party complies with laws. BSN (*Badan Standardisasi Nasional/ The Indonesian National Standardization Agency*)<sup>43</sup> is a control body for the SNI system, BPOM (*Badan Pengawas Obat dan Makanan/ The National Agency of Drug and Food Control*)<sup>44</sup> is control body for BPOM system and MUI (*Majelis Ulama Indonesia/ Indonesian Ulema Council*)<sup>45</sup> is a control body for the Halal system.

We take the example of a food product. Farmers produce Indonesian GIs food in organic ways. As the large-scale food industry, they

produce food from the initial stage at farms and also purchase the wet raw materials from the market or other farmers. All raw foods are then processed in the factory. Massive promotions also support the sales and marketing of their goods on the market. Attractive packaging with a logo and name is even provided with various kinds of Quality Assurance certification logos, such as SNI, BPOM, Halal, and with additional Organik Indonesia in some cases. Following the national Quality Assurance system, SNI, BPOM, and Halal are mandatory in Indonesia, while Organik Indonesia is another market demand and producer product differentiation.

Figure 1 shows the logo of SNI, BPOM, Halal, and Organik Indonesia, as the mandatory Indonesian national Quality Assurance certification needed for food products. Organic certification is a part of market demand and producer product differentiation.

In the market, consumers are free to choose based on their tastes or other preferences, which leads to consumers' acquaintance with some coffee names and logos. Why do they equip their products with various additional logos as Quality Assurance? This question finds the answer from the market demands.

#### 2.5. Indonesian GIs logo as a symbol of Quality Assurance ?

SNI and GIs have the same level as certification in the virtue of the same procedures and the same aim in terms of



Figure 1. The logo of SNI, BPOM, Halal, and Organik Indonesia

Product Quality Guarantee. Both are assessed by the same criteria with little differences in terms of regulatory and legal protection. While SNI's function is limited to Quality Guarantee, GIs perform beyond such perspective. Along with guaranteeing the quality, it also protects names and symbols.

We take the example of a coffee product. Farmers produce Indonesian GIs coffee according to the GIs Description Document<sup>46</sup>. GI logos may be affixed together with BPOM, Halal, and, in some cases, Rainforest Alliance, on products' packages. Figure 2 shows the logo of Indonesian GIs, BPOM, and Halal, where SNI, as a mandatory Indonesian national Quality Assurance certification, should be excluded.

This study devotes to discussions on efforts to render GIs a symbol of quality in both logos and names in the eyes of consumers. As explained in the previous paragraph, the objectives of GIs protection in the legal field are currently underway to be achieved in Indonesia. However, this is not the case with the objectives of GIs protection in the economic field. Therefore, reform is needed in order for GIs Law to be a part of the national Quality Assurance system. It must be taken by the Indonesian government to obtain the objectives of GIs protection in the economic field, for the sake of both producer and consumer rights.

In market trading, we certainly must observe from the perspective of consumers first. That is necessary because, after all, the revenue

stream comes from consumers to producers and vice-versa for the value stream. If we perceive it from the consumer side, three big questions must be answered, that is (1) how Indonesian GI products are traded, (2) how deep consumers know about GI logos and names, and (3) what institutions or bodies assure the quality of GI products on the market. GI logos and names should reflect the quality of the products based on reputation throughout the time, from before, during, and after GIs registration. GIs protect the quality, thereby guaranteeing the exclusivity to keep the reputation in markets.

Today, GIs are registered at DGIP<sup>47</sup>, and then substantive examination is performed by competent authority named TAIG (*Tim Ahli Indikasi Geografis/GIs Expert Team*)<sup>48</sup>. The fundamental question about TAIG is whether or not TAIG acts as a definitive control body for Quality Assurance. Further, it is also needed to ascertain the necessity to construct legal schemes of existing government programs and policies for GIs implementation, so as for GI logos and names to be more sought by consumers on the market.

### 3. Moving forward to GIs as a part of the national Quality Assurance system

GIs in matured GIs implementation countries serves as a part of the Quality Assurance framework. Henceforward, Indonesia needs



Figure 2. The logo of Indonesian GIs, BPOM, and Halal



to adopt this trend in order to yield economic benefits from this condition in the world. Of which, world trading is regarded as the main benefit to be achieved.

### 3.1. How GI products in Indonesia are traded

Indonesian GI products are generally produced and processed into final goods by farmers. They are generally small and medium entrepreneurs who have limited capital in the business<sup>49</sup>. In terms of quality, they do it in traditional ways to maintain the quality of final goods. Very often, they are unable to pack and add the GI names and logos<sup>50</sup>. Even goods that are still in semi-finished form have also been released to traders or the market<sup>51</sup>. If this semi-finished good is not stated in the GIs Description Document, it will automatically be unprotected by the GIs.

This situation is unlike the case with large-scale industries that produce goods in factories. A factory can buy raw or semi-finished goods from farmers. These items are then processed into finished goods and sold on the market. Massive processing is vulnerable to quality deterioration during the production process. Various additional ingredients are used to maintain quality. Often these additional ingredients are harmful to consumers' health on the market.

A market is a place where the exchange of value occurs between producers and consumers of goods and services. Traders are people who are among producers and consumers whose role is to create transactions between them. Often traders give added value to goods before being handed over to consumers as an advantage of their economic endeavors. The logos and names of goods have a role as identification of the goods. Of the three actors: producers, traders,

and consumers, who pay attention to the existence of names and logos?

We can take an example from GIs coffee. What about GIs coffee? Do they need a variety of additional logos on the packaging as Quality Assurance? This question needs to be explored further on how GIs coffee is traded.

- i. In case that GIs coffee is traded in competition with non-GIs coffee.
  - Markets, both local and export.
  - Cafes, both domestic and overseas.

All of them require additional logos for Quality Assurance. In the local Indonesian markets, especially in Java Island, there are no particular demands on coffee taste. Original coffees have limited consumers. Coffees mixed with sugar and milk are having more consumers. There is no GIs coffee registered as mixed coffee. After being mixed with sugar and milk, lower quality coffee has a better price in the market.

Export market regulation of coffee depends on the International Coffee Organization, Rainforest Alliance, UTZ, and Fairtrade. Indonesian GIs coffee has not been involved too much in this activity. Moreover, until now, only Gayo Arabica Coffee, which was supported by the national government to obtain certification of the International Coffee Organization, can export its products under GIs to European countries. Gayo Arabica Coffee also obtained the Protected Geographical Indications (PGI)<sup>52</sup> status from the European Union (EU) on May 15, 2017<sup>53</sup>. This special status means the product will be beneficial from the same protection and market added value compared to EU protected products.

- ii. In case that GIs coffee is traded without competition with non-GIs coffee.

GIs coffee cannot be traded without competition with non-GIs coffee. This scheme is not possible because the markets are open to all products. There is no particular market or such as a multi-level market for GIs only in the world. GIs coffee is traded in competition with non-GIs coffee.

In the brief explanation above, GI products will deal with non-GI products on the market. GI products in Description Documents have been tested in terms of quality when registering names and logos through IP. It is very different from the names and logos of non-GI goods through the Trademarks. Regarding the quality of the goods, they added a variety of mandatory national Quality Assurance logos, SNI. Going forward, GI products do not require additional SNI Quality Assurance logos<sup>54</sup> because such certification is included in GIs.

### **3.2. The importance of GIs Law aside from the existence of Trademarks Law and the Anti-Monopoly and Unfair Competition Law**

With the Trademark Law, names and logos can be registered and protected from counterfeiting and piracy. Anti-Monopoly and Unfair Competition Law function in preventing false allegation and misleading<sup>55</sup>. Why do we still need the GIs Law? This question needs to be discussed with a market approach.

#### **3.2.1. Indonesia as a market country rather than a producer country**

Indonesian GI products have not been sought by consumers in Indonesia. However, it certainly does not prevent GI products from being marketed. The low purchasing power of

Indonesian consumers becomes a significant challenge for high-quality goods like GI products. Java Island is the largest market in Indonesia, with 60% of the Indonesian population occupying this island, even though the area is less than 5% of Indonesia's territory<sup>56</sup>. On the other hand, most GI products are very far from Java Island. Farmers are very much constrained by the packaging costs, not to mention the distribution costs of these goods to Java Island. The locations of some GI areas that are far from Java Island allows its GI products to be sold to neighboring countries which are closer than Java Island. If relying on local consumers, GI products have a highly surplus. Therefore, many GI farmers sell them in raw or semi-finished goods to large traders. They sell it to Java Island or export it abroad. These traders provide added value to the packaging stage, of course, with their own names and logos because they understand the legal consequences that may entail if they use GI names and logos on their products. If we look at Java Island only, Indonesia is a very potential market for all products, for both GIs and non-GIs. However, Indonesia is a producer of GI products outside Java Island.

#### **3.2.2. The real market for Indonesian GI products**

Regarding the condition of Indonesia as explained above, actually, the export market is the primary market for GI products. The Indonesian government needs to be intensive in managing its own GI system so that GI products can be marketed outside Indonesia with GI names and logos. The export is expected mainly to countries that have developed and advanced GI frameworks, such as Europe, Thailand, India, and the like. The Quality Assurance of the

Indonesian GIs system needs to be strengthened so that when carrying out GIs registration in the destination country, there are not many obstacles. All accreditations in International Standards need to be a reference in establishing and implementing the GIs Quality Assurance system in Indonesia.

### **3.3. Education for consumers when GIs Law is part of the national Quality Assurance system**

Along with raising GIs function beyond IP protection, education for consumers is needed to reinforce their awareness on GIs as a guarantee for product quality and its association with a particular region indicated by the names and logos. This circumstance does require a long time. Moreover, also, legal education should also take place to disseminate GIs so as for it to be embedded in the minds of consumers as quality protection. Cases of GIs in court need to be studied, and proportionally reported to consumers.

Propaganda to educate consumers about GIs is also suggested. Not only merely introducing logos, but the government also needs to communicate in short mottos and messages. Based on Article 71 (3) of Law No. 20/2016 concerning Trademarks and Geographical Indications, the government may communicate that GI products are guaranteed from their origin and their original quality.

### **3.4. The future tendency: focus on the export market, rather than promotion in the domestic market**

Many government programs are running in the development of the GI products in domestic market carried out by DGIP, Bekraf (*Badan Ekonomi Kreatif*/Creative Economy Agency)<sup>57</sup>, the Ministry of Agriculture, and the Ministry

of Trade. Most of the government programs are still working on how GI products are able to deal with non-GI products, especially on Java Island. Different packaging designs were made, and exhibitions were held in cities on Java Island. These programs need to be reviewed because GIs are totally different with Trademarks. In competing with Trademarks products in Java Island, farmers cannot afford packaging costs. It is more disadvantageous to them in the situation that consumers have not been adequately educated of GIs which involves Quality Guarantee rather than merely the products' signs.

The government needs to improve the trading system for GI products, the majority of which are far outside Java Island, with a Quality Assurance system for GI products. This trading system is intended to be applied to farmers, processors, traders/exporters, who engage in the supply chain of GI products. Coffee, as the majority of GI products in Indonesia, can be used as an initial program for the GIs Quality Assurance system. The government needs to make a more sustainable policy by creating corporations in coffee trading to export to countries with high coffee consumption and developed frameworks on GIs. The policy is, for example, by creating an Indonesian Coffee Board that manages all Indonesian GI coffees and regulates all stakeholders doing business with them. The existence of the Indonesian Coffee Board will prevent the breakdown of the GIs protection chain caused by the behavior of MPIG (*Masyarakat Perlindungan Indikasi Geografis*/Community of Geographical Indications Protection) members/farmers who sell their GI products on the raw or semi-finished form. The pros and cons, in this case, need macroeconomic studies further, but legally,

it is necessary to assure that GIs reflect the names and logos of high-quality products.

**4. Legal scheme for GIs to be a part of the national Quality Assurance system**

Moving forward to reform GIs as a part of the national Quality Assurance system, rather than merely as an IP tool, is a must for Indonesian GIs. It is not only to follow the world trend in GIs, but also to advance benefits from the economic perspective. GIs should be a national economic strength.

**4.1. Proposal of GIs Quality Assurance scheme for both quality and IP protection perspective**

As discussed above, technically, Law No. 20/2016 concerning Trademarks and GIs has not specified competent bodies responsible for external controls. Currently, the Indonesian GIs control system begins with the self-control by producers, and then organizational control by the GIs community (MPIG) and external control by the government. Figure 3 depicts Indonesia’s current GIs Quality Assurance scheme.

In order to make Indonesian GI products traded in countries with developed frameworks on GIs, such as Europe, Indonesia needs to adopt requirements on competent authorities to delegate the GIs controlling to Control Body or Certification Body outside MPIG. According to the Law No. 20/2016 on Trademarks and GIs, the current Indonesian GIs competent authority is TAIG (*Tim Ahli Indikasi Geografis/GIs Expert Team*)<sup>58</sup>, and the current Indonesian GIs Control Body is MPIGs. Hereinafter, the author proposes a GIs Quality Assurance scheme with an Accreditation Body, as depicted in Figure 4.

Based on the diagram, the author will discuss the legal scheme on the utilization of competent

authority, government bodies, and MPIGs in order to create the GIs Quality Assurance system and GIs Quality Assurance body. Control Bodies may come from a competent authority, government bodies, and MPIGs. The competent authority should delegate to another body. The government bodies will be suitable to become GIs Control Body. Alternatively, the government establishes a new organization to accommodate all MPIGs. Moschini et al. (2008) reported that a Control Body could be established among all MPIGs, which might serve as collective

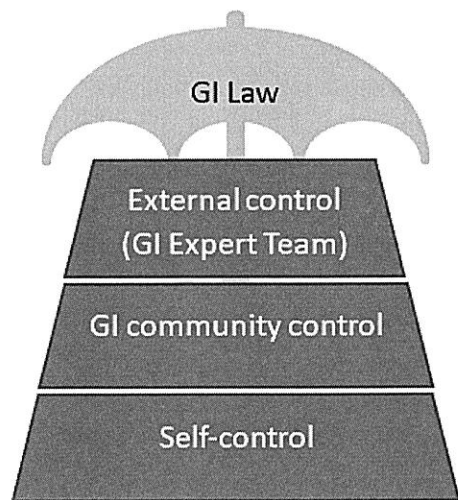


Figure 3. Indonesia’s current GIs Quality Assurance scheme

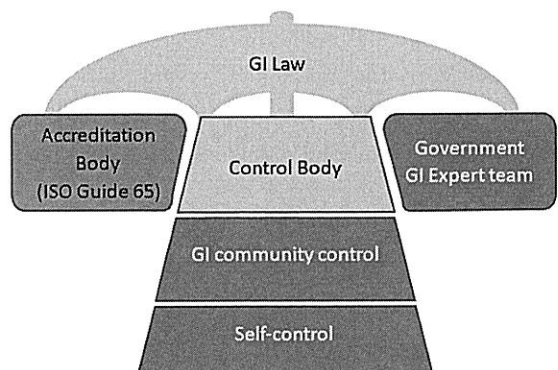


Figure 4. Proposed GIs Quality Assurance scheme with Accreditation Body

credible quality certification devices<sup>59</sup>. The GIs Control Body should be certified by the National Accreditation Body, BSN, and national Quality Assurance regulator, BPOM, and MUI when the product is food-related. The National Accreditation Body should certify the Control Body following ISO/IEC 17065:2012<sup>60</sup> as a new version of ISO Guide 65<sup>61</sup>. The GIs Expert Team should remain responsible for the substantive assessment of GI products and play its role as competent authority. As a National Accreditation Body, BSN, in acting the role as ISONET (ISO Information Network) reference point, and also as an executor in Indonesia under the framework of the WTO Agreement on Technical Barriers to Trade (TBT) inquiry point<sup>62</sup>, would be capable of certifying the Control Body following ISO/IEC 17065:2012.

#### 4.2. Lesson learned from other countries

In this segment, the author will discuss the GIs Quality Assurance in some selected countries, namely France and India.

##### 4.2.1. France

One type of the GIs protection in France follows PGI<sup>63</sup>. The product must be based on the reputation on the market and the reputation itself because of the quality of the product. This statement means the sense of a strong recognition by the public at any given time, and which is necessarily associated with a skill or a specific quality attributable to the geographical origin<sup>64</sup>.

The rules for preparing a PGI are listed in the specifications and are subject to control procedures implemented by an independent Control Body recognized by INAO (*Institut national de l'origine et de la qualité*/ National Institute of Origin and Quality)<sup>65</sup>. INAO is a

France competent authority.

INAO is responsible for overseeing the control system for all official quality and origin signs. It approves and assesses independent bodies responsible for monitoring compliance of specifications. For each product sign, a control plan must be submitted and approved by INAO. In parallel, the Council of approvals and controls defines the principles of control and provides an opinion on the approval of regulators and inspection bodies. Indonesia does not have an organization like INAO.

##### 4.2.2. India

Indian GIs competent authority is the Intellectual Property Office. Indian Law does provide some measures guaranteeing Quality Assurance in language similar to that of European Law. Notably, at the time of applying for GIs registration, the Law recommends that the applicant group should identify an 'Inspection Body', which is responsible for Quality Assurance of the products within the GI. In fact, some regulations specifically require 'particulars of the inspection structure, if any, to regulate the use of the Geographical Indication in respect of the goods for which application is made in the definite territory region or locality mentioned in the application'. However, it is essential to note that the non-existence of an inspection structure will ultimately not be considered as a sufficient ground for demonstrating the inadequacy of the application to register a GI for the final granting of the GIs under Indian Law. India established several inspection bodies, namely Tea Board for GI tea products, Textile Committee for GI textile products, and Craft Development Institute for GI handicraft products<sup>66</sup>.

### 4.3. Recommendations

Borrowing definitions from ISO 9000:2015, Quality Assurance can be defined as a part of Quality Management with the aim to provide confidence in the fulfillment of quality requirements. The confidence provided by Quality Assurance is twofold: internally to management and externally to customers, government agencies, regulators, certifiers, and third parties. While Quality Control can be defined as a part of Quality Management, focusing on fulfilling quality requirements. While Quality Assurance relates to how a process is performed or how a product is made, Quality Control deals extensively with the inspection aspect of Quality Management<sup>67</sup>. Both definitions might be suitable for a company/firm in their operation to fulfill the quality standard.

In order to make a specific understanding of Quality Assurance and Quality Control related to GIs, we can use an alternative definition<sup>68</sup>. Accordingly, an alternate definition of Quality Assurance should be "all the planned and systematic activities implemented within the quality system that can be demonstrated to provide confidence that a product or service fulfill requirements for quality". Also, an alternate definition of Quality Control should be "the operational techniques and activities used to fulfill requirements for quality"<sup>69</sup>.

The Indonesian GIs competent authority is TAIG (*Tim Ahli Indikasi Geografis*/GIs Expert Team). However, in terms of independency of the body, TAIG is not an entity like INAO. TAIG does not delegate any Control Body for GIs implementation. As explained earlier, in India, the GIs competent authority designated the Tea Board as the Control Body for GI tea products, Textile Committee for GI textile products, and Craft Development Institute for

GI handicraft products.

Under the current state in Indonesia, it is still unclear what actors, the government or MPIGs, assume the role of GIs Control Body. However, there is no definitive institution for the GIs Control Body that works correctly in the development of GIs. Therefore, Indonesia should have a GIs Control Body. The main goal is that Indonesian GI products can be exported with GI names and logos to developed countries. The GIs Control Body should be familiar with Control Body following ISO/IEC 17065:2012<sup>70</sup>. This requirement is mandatory, because if the export destination country requires accreditation by an International Certification Body, this organization may have good cooperation in fulfilling the requirements.

## 5. Conclusion

Quality of those registered GI products is the most important thing to be assessed by the government before granting GIs certification. After GIs are granted, the quality of GI products is guaranteed by the national and local governments as mandated by Law. However, there is no article inside the Law of GIs on how to regulate the Quality Assurance of registered GIs.

TAIG is the Indonesian GIs competent authority. TAIG is a group of some persons assigned by the Ministry of Law and Human Rights to conduct an assessment during registration and grant GIs certification if the assessment is passed. The GIs applicants are local producers, processors, or related organizations, who are collectively called MPIGs. The MPIGs prepare Description Document consisting of the code of practices and their quality standard based on reputation, then

submit to TAIG prior to registration. However, TAIG is not a control body for GI products in the post-registration stage.

The author proposes a scheme for the Quality Assurance System of Indonesian GI products, namely

1. The GIs Control Body should be certified by the National Accreditation Body, including BSN, BPOM, and MUI.
2. The National Accreditation Body should certify the Control Body following ISO/IEC 17065:2012.
3. The GIs Expert Team should remain responsible for substantive assessment as competent authority of GI products.

Inserted provision of GIs Law in the Trademarks Law, so far, has brought perception among Indonesian GI practitioners and scholars that GIs be treated as close to Trademarks, which assumes legal protection over names and logos. In terms of the national Quality Assurance system, GIs Law is equal to Standardization and Conformity Assessment Law. Inserted control body of GIs to BSN is possible according to ISO/IEC 17065:2012. Avoiding the complication on law level, Ministry decree for some technical procedures of GIs Law needs to adopt the reformation of GIs as part of the national Quality Assurance system.

## Notes

- <sup>1</sup> Ph.D. candidate at the Graduate School of Human and Socio-Environmental Studies, Kanazawa University.
- <sup>2</sup> See Vandecandelaere, E., Arfini, F., Belletti, G., and Marescotti, A., *Linking People, Places and Products: A Guide for Promoting Quality Linked to Geographical Origin and Sustainable Geographical*

*Indications* (FAO and SENER-GI, Second edition, 2009–2010), p.33.

- <sup>3</sup> See Becker, T. and Staus, A., *European Food Quality Policy: The Importance of Geographical Indications, Organic Certification and Food Quality Insurance Schemes in European Countries*, paper prepared for presentation at the 12<sup>th</sup> European Association of Agricultural Economists (EAAE) International Congress "People, Food and Environments Global Trends and European Strategies", held on August 26–29, 2008 in Ghent, Belgium, pp. 12–14.
- <sup>4</sup> See Law of the Republic of Indonesia No. 20/2016 on Trademarks and GIs, article 53 sub-article (3) letter a, available at <http://ditjenpp.kemendikham.go.id/arsip/terjemahan/38.pdf> for English version and <http://peraturan.go.id/common/dokumen/ln/2016/uu20-2016bt.pdf> for Indonesian version (Last visited on Oct 2, 2019).
- <sup>5</sup> DGIP is an executive agency that is under and is responsible to the Minister of Law and Human Rights. DGIP has the task of organizing the formulation and implementation of policies in the field of intellectual property following the provisions of laws and regulations.
- <sup>6</sup> See DGIP, *E-Indikasi Geografis* (2019), available at <http://ig.dgip.go.id/> (Last visited on Oct 2, 2019).  
Fifty of the 59 (fifty-nine) registered Indonesian local GI products are categorized as food products, and of which 22 (twenty-two) come from coffee products.
- <sup>7</sup> Sampling the coffee quality. The cup remains the most crucial determinant of a coffee's usefulness and value. All exporters assess coffee visually, by size and defect assessment, but not all cup test. Only the cup test can reveal a coffee's real value, however, exporters, who do not engage in cup test, therefore have no opportunity to taste coffee directly, cannot bargain over the price with importers and roasters who always directly get involved in cup test. See INTERNATIONAL TRADE CENTER UNCTAD/WTO, *THE COFFEE EXPORTER'S GUIDE* (Third Edition, Geneva, Switzerland, 2011), p.220.

- <sup>8</sup> See Neilson, J., Wright, J., Aklimawati, L., *Geographical Indications and Value Capture in the Indonesia Coffee Sector*, JOURNAL OF RURAL STUDIES (No. 59, 2018) pp. 35–48.
- <sup>9</sup> Coffee Quality Institute is an ongoing initiative to introduce internationally accepted standards for quality, both cup, and grade, for the specialty coffee trade. See INTERNATIONAL TRADE CENTER UNCTAD/WTO, *THE COFFEE EXPORTER'S GUIDE* (Third Edition, Geneva, Switzerland, 2011), p. 222.
- <sup>10</sup> The International Coffee Organization (ICO) was set up in 1963 in London, under the auspices of the United Nations. It administers the International Coffee Agreement, an essential instrument for development cooperation. The ICO promotes good food safety practices throughout the coffee chain, addressing both the concerns of producing countries in building capacity, and consumer health concerns of regulatory bodies.
- <sup>11</sup> The Rainforest Alliance is an international non-governmental organization working at the intersection of business, agriculture, and forests to make the responsible business the new normal.
- <sup>12</sup> UTZ is a label and program for sustainable farming of coffee, cocoa, tea, and hazelnuts. Mission: To create a world where sustainable farming is the norm. In January 2018, UTZ merged with Rainforest Alliance.
- <sup>13</sup> Fairtrade organizations create trading partnerships that are based on dialogue, transparency, and respect, which seeks more significant equity in international trade. These partnerships contribute to sustainable development by offering better trading conditions to coffee bean farmers.
- <sup>14</sup> Suwandi is Director General of Food Crops, Ministry of Agriculture. See EH Ismail, *Beras Organik Indonesia Diminati Pasar Ekspor [Indonesian Organic Rice Attracts the Export Market]*, REPUBLIKA (Aug 2, 2019, 1.18 PM), <https://republika.co.id/berita/pvndio453/beras-organik-indonesia-diminati-pasar-ekspor> (last visited on Oct 2, 2019).
- <sup>15</sup> ICERT is the Indonesian certification body providing national Organic certification services for crops and crop products, wild-collected products, processed products originated from crops and wild collection produced both in Indonesia and abroad. Organik Indonesia is the ICERT's label.
- <sup>16</sup> Biocert is an accredited inspection and certification body that provides third party inspection and certification services for Organic farming, sustainable agricultural practices, good agricultural practices, and livestock management.
- <sup>17</sup> SNI (Standar Nasional Indonesia/ Indonesian National Standard) is a standard that is applied nationally in Indonesia. SNI is formulated by the Technical Committee and assigned by BSN. SNI mark is a certification mark set by BSN to declare that SNI requirements have been fulfilled.
- <sup>18</sup> BPOM is a government agency of Indonesia. BPOM is responsible for protecting public health through the supervision and control of prescription and over-the-counter pharmaceutical drugs (medications), vaccines, biopharmaceuticals, dietary supplements, food safety, and cosmetics. Task and purposes of this agency are similar to USFDA (United States Food and Drug Administration).
- <sup>19</sup> Halal is a term designating any object or an action which is permissible to use or involve in, according to Islamic law. It is the opposite of haram. The term is used to designate food identified as permissible according to Islamic law.
- <sup>20</sup> See Law of the Republic of Indonesia No. 36/2009 on Health, available at <https://jdih.kemenu.go.id/fullText/2009/36TAHUN2009UU.htm> for Indonesian version and [https://www.sabin.org/sites/sabin.org/files/indonesia\\_health\\_law\\_2009.pdf](https://www.sabin.org/sites/sabin.org/files/indonesia_health_law_2009.pdf) for English version (Last visited on Oct 2, 2019).
- <sup>21</sup> See Law of the Republic of Indonesia No. 18/2012 on Food, available at <https://peraturan.bpk.go.id/Home/Details/39100> for Indonesian version and <http://extwprlegs1.fao.org/docs/pdf/ins139381E>.



- pdf for English version (Last visited on Oct 2, 2019).
- 22 See Law of the Republic of Indonesia No. 20/2014 on Standardization and Conformity Assessment, available at <http://peraturan.go.id/common/dokumen/ln/2014/uu20-2014bt.pdf> for Indonesian version (Last visited on Oct 2, 2019).
- 23 See Law of the Republic of Indonesia No. 8/1999 on Consumers Protection, available at <http://peraturan.go.id/common/dokumen/ln/1999/uu8-1999.pdf> for Indonesian version and [https://aseanconsumer.org/file/pdf\\_file/04%20Law-No-8-Concerning-Consumer-Protection.pdf](https://aseanconsumer.org/file/pdf_file/04%20Law-No-8-Concerning-Consumer-Protection.pdf) for English version (Last visited on Oct 2, 2019).
- 24 See Law of the Republic of Indonesia No. 33/2014 on Halal Product Assurance, available at <http://peraturan.go.id/common/dokumen/ln/2014/uu33-2014bt.pdf> for Indonesian version and <http://extwprlegsl.fao.org/docs/pdf/ins139990.pdf> for English version (Last visited on Oct 2, 2019). The Law which consists of 68 articles affirms that all products which enter, is distributed, and is traded in Indonesia must be Halal certified. For that reason, the Government is responsible for administering the Halal product assurance (JPH) programs.
- 25 See Handoko, W., *Asal-Usul Masyarakat Maluku, Budaya dan Persebarannya: Kajian Arkeologi dan Mitologi* [The Origins of the Moluccas, the Culture and Distribution: Studies of Archeology and Mythology], KAPATA ARKEOLOGI (Vol. 3 No. 5, Nov 2007) pp. 14–15.
- 26 See Glinka, J., *Asal-Mula Orang Jawa: Suatu Tinjauan Antropologis* [The Origin of the Javanese: An Anthropological Review], MASYARAKAT, KEBUDAYAAN DAN POLITIK (Th XIV14, No 2, Apr 2001) pp. 5–7.
- 27 The Agreement on Trade-Related Aspects of Intellectual Property Rights.
- 28 See RANGNEKAR, D., GEOGRAPHICAL INDICATIONS: A REVIEW OF PROPOSALS AT THE TRIPS COUNCIL: EXTENDING ARTICLE 23 TO PRODUCTS OTHER THAN WINES AND SPIRITS (ICTSD and UNCTAD, France, 2003), pp. 4–5.
- 29 See Law No. 15/2001 on Trademark, available at <https://wipolex.wipo.int/en/text/176869> for English version and <http://peraturan.go.id/common/dokumen/ln/2001/uu15-2001.pdf> for Indonesian version (Last visited on Oct 2, 2019). See also Law No. 20/2016 on TM and GI, available at <http://ditjenpp.kemenkumham.go.id/arsip/terjemahan/38.pdf> for English version and <http://peraturan.go.id/common/dokumen/ln/2016/uu20-2016bt.pdf> for Indonesian version (Last visited on Oct 2, 2019).
- 30 See Government Regulation No. 51/2007 on GIs, available at <https://wipolex.wipo.int/en/text/182324> for English version and <http://www.dgip.go.id/peraturan-perundang-undangan-terkait-indikasi-geografis> for Indonesian version (Last visited on Oct 2, 2019).
- 31 Online survey on *Perlindungan Indikasi Geografis di Indonesia* [Geographical Indications Protection in Indonesia] conducted by the author from 14 July to 27 July 2019. The respondent target of this survey were Indonesians. Six hundred people filled out this survey. They come from various regions in Indonesia, including West Java, Central Java, Jakarta, East Java, and Banten. The age range of most respondents is between 25 and 40 years.
- 32 See Neilson, J., Wright, J., Aklimawati, L., *Geographical Indications and Value Capture in the Indonesia Coffee Sector*, JOURNAL OF RURAL STUDIES (No. 59, 2018) pp. 35–48.
- 33 See Anton Muhajir, *Indikasi Geografis belum berdampak pada petani kopi. Benarkah?* [Geographical Indications have not had impacts on coffee farmers. Is that true?], MONGABAY (Denpasar, May 2, 2018), <https://www.mongabay.co.id/2018/05/02/indikasi-geografis-belum-berdampak-pada-petani-kopi-benarkah/> (Last visited on Oct 2, 2019).
- 34 See CV. Nusantara Agro Bakula, *Apa pentingnya logo resmi Indikasi Geografis? [What is the importance of the official Geographical Indication logo?]*, CV. NUALA (Banjarbaru, 2019), <https://bakula.co.id/web/index.php/2019/02/26/apa-pentingnya-logo-resmi-indikasi-geografis/> (Last visited on Oct 2, 2019).

- <sup>35</sup> For instance, see Ragil Nugroho, *Sadarsah: Gayo itu milik Indonesia, bukan Belanda [Sadarsah: Gayo belongs to Indonesia, not the Netherlands]*, KONTAN (November 4, 2011, 3.21 PM), <https://peluangusaha.kontan.co.id/news/sadarsah-gayo-itu-milik-indonesia-bukan-belanda-3> (Last visited on Oct 2, 2019). The news wrote that *Jalan Sadarsah untuk mencapai sukses sebagai eksportir kopi ternyata penuh liku. Dia sempat terancam digugat produsen kopi Belanda karena menggunakan kata gayo yang dinilai melanggar hak cipta. Tapi, Sadarsah bersikukuh kata gayo merupakan nama daerah yang berhak ia bubuhkan pada merek kopi miliknya. Keberhasilan Sadarsah, pemilik CV Arvis Sanada, mengekspor kopi gayo ke berbagai negara memang tak semudah membalik telapak tangan. Berbagai rintangan harus ia lewati agar bisa menjajakan kopi tanah Andalas ke mancanegara.* [Sadarsah's road to achieve success as an exporter of coffee turned out to be full of twists and turns. He was threatened that he would be sued by Dutch coffee producers for using the word Gayo which was considered to violate Copyright. However, Sadarsah insisted that the word Gayo was the name of the region he had the right to put on his coffee brand. As experienced by Sadarsah, owner of CV Arvis Sanada, exporting Gayo coffee to various countries is not as easy as turning his palm. He had to overcome multiple obstacles to peddle Andalas land coffee abroad.] The word "Copyright" should be written as "Trademark".
- <sup>36</sup> See DGIP, *Sejarah perkembangan perlindungan kekayaan intelektual [History of development of intellectual property protection]*, DGIP (Jakarta, 2019), <http://www.dgip.go.id/sejarah-perkembangan-perlindungan-kekayaan-intelektual-ki> (Last visited on Oct 2, 2019).
- <sup>37</sup> Counterfeiting is imitating fraudulently. In industrial and commercial term, counterfeiting is doing a copy of the other product and then selling in the market with the same logo and name, but with lower functionality or even unworkability.
- <sup>38</sup> Piracy is the unauthorized use or reproduction of another's work. In industrial and commercial terms, piracy is doing a copy of the other product and then selling in the market with different logos and names but with the same functionality.
- <sup>39</sup> See Jened, R., *Interface Hukum Kekayaan Intelektual dan Hukum Persaingan [Interface of Intellectual Property Law and Competition Law]* (Rajawali Press, 2013) pp. 4–5.
- <sup>40</sup> False allegations are statements that are unproven and untrue in the spirit of deliberateness or deceit. In industrial and commercial terms, a false allegation is frequently used to discredit a competitor from the buyers' perspective.
- <sup>41</sup> Misleading is giving the wrong idea or impression. In industrial and commercial terms, misleading is frequently used to attract a buyer by good information, but worse in fact.
- <sup>42</sup> See Law of the Republic of Indonesia No. 8/1999 on Consumers Protection, available at [https://aseanconsumer.org/file/pdf\\_file/04%20Law-No-8-Concerning-Consumer-Protection.pdf](https://aseanconsumer.org/file/pdf_file/04%20Law-No-8-Concerning-Consumer-Protection.pdf) for English version and <http://peraturan.go.id/common/dokumen/ln/1999/uu8-1999.pdf> for Indonesian version (Last visited on Oct 2, 2019).
- <sup>43</sup> BSN is a government institution, a non-ministerial institution under and directly responsible to the President of the Republic of Indonesia. BSN is responsible for the development and promotion of national standardization in Indonesia.
- <sup>44</sup> BPOM is a government agency of Indonesia. BPOM is responsible for protecting public health through the supervision and control of prescription and over-the-counter pharmaceutical drugs (medications), vaccines, biopharmaceuticals, dietary supplements, food safety, and cosmetics. Task and purposes of this agency are similar to USFDA (United States Food and Drug Administration).
- <sup>45</sup> MUI and LPPOM MUI is an institution that has an active duty to research, study, analyze and decide whether products both food and its derivatives, drugs, and cosmetics products are safe for consumption in terms of both health and Islamic rules, namely halal or permissible and well-consumed things for Muslims, especially in

- the territory of Indonesia. The other duties of LPPOM MUI are providing recommendations, formulating provisions, and providing guidance to community services.
- <sup>46</sup> See MPIG OF KINTAMANI BALI ARABICA COFFEE, BUKU PERSYARATAN INDIKASI GEOGRAFIS KOPI ARABIKA KINTAMANI BALI [BOOK OF REQUIREMENT OF KINTAMANI BALI ARABICA COFFEE] (DGIP, Jakarta, 2007), pp. 24–9. See also MASYARAKAT PERLINDUNGAN KOPI GAYO [COMMUNITY OF GAYO COFFEE PROTECTION], BUKU PERSYARATAN INDIKASI GEOGRAFIS KOPI ARABIKA GAYO [BOOK OF REQUIREMENT OF GAYO ARABICA COFFEE] (DGIP, Jakarta, 2009), pp. 25–34.
- <sup>47</sup> DGIP is an executive agency that is under and responsible to the Minister of Law and Human Rights. DGIP has the task of organizing the formulation and implementation of policies in the field of intellectual property following the provisions of laws and regulations.
- <sup>48</sup> TAIG is a team consisting of people who have expertise to conduct an assessment of the GIs Description Document and provide considerations / recommendations to the Minister regarding registration, amendment, cancellation, technical development and / or supervision of national GI.
- <sup>49</sup> See Athika Rahma, *Petani masih sulit dapat akses modal [Farmers are still having trouble getting access to capital]*, LIPUTAN 6 (Apr 29, 2019, 00.30 PM), <https://www.liputan6.com/bisnis/read/3952761/petani-masih-sulit-dapat-akses-modal> (Last visited on Oct 2, 2019).
- <sup>50</sup> Anton Muhajir, 2018, *supra* note 33.
- <sup>51</sup> Data obtained from the discussion conducted by the author with Mr. Dadang – the Chairman of MPIG of Java Preanger Coffee, on March 31, 2018, in Bandung, West Java, Indonesia.
- <sup>52</sup> PGI emphasizes the relationship between the specific geographic region and the name of the product, where a particular quality, reputation or other characteristic is principally attributable to its geographical origin. For most products, at least one of the stages of production, processing or preparation takes place in the region.
- <sup>53</sup> See European Union. Commission Implementing Regulation (EU) 2017/870 of 15 May 2017 entering a name in the register of protected designations of origin and protected geographical indications (Kopi Arabika Gayo (PGI)). Official Journal of the European Union. (L 134/2, May 23, 2017).
- <sup>54</sup> GI requires verification and control schemes be put into place to ensure that users of the GI comply with the agreed standards of production.
- <sup>55</sup> See Law of the Republic of Indonesia No.5 of 1999 concerning the Ban on Monopolistic Practices and Unfair Business Competition, available at <https://www.wipo.int/edocs/lexdocs/laws/en/id/id050en.pdf> for English version and [http://www.dpr.go.id/dokjdih/document/uu/UU\\_1999\\_5.pdf](http://www.dpr.go.id/dokjdih/document/uu/UU_1999_5.pdf) for Indonesian version (Last visited on Oct 2, 2019).
- <sup>56</sup> See Katadata, *Berapa jumlah penduduk di Pulau Jawa pada 2019? [What is the population on Java Island in 2019?]*, KATADATA (Jakarta, May 14, 2019, 2.18 PM), <https://databoks.katadata.co.id/datapublish/2019/05/14/berapa-jumlah-penduduk-di-pulau-jawa-2019> (Last visited on Oct 2, 2019).
- <sup>57</sup> Bekraf is a non-ministerial government institution which is under and responsible to the President through the minister in charge of government affairs in the creative economy. One of the Bekraf programs for GIs development is holding a series of GIs product exhibitions in various cities in Indonesia. These exhibitions intend to show off the GI-registered products to consumers and markets. Besides, Bekraf designs packaging for GI products in order to appeal to consumers and markets. It is expected that the packaging design will convince the market that GI products are not less attractive than non-GI products.
- <sup>58</sup> TAIG is a team consisting of people who have the expertise to conduct an assessment of the GIs Description Document and provide considerations/recommendations to the Minister regarding registration, amendment, cancellation, technical development and/or supervision of national GI.

- <sup>59</sup> See Moschini, G. et al., *Geographical Indications and the Competitive Provision of Quality in Agricultural Markets*, AMERICAN JOURNAL OF AGRICULTURAL ECONOMICS (Vol. 90 No.3, Aug 2008) pp. 794–812.
- <sup>60</sup> See ISO/IEC 17065:2012: CONFORMITY ASSESSMENT – REQUIREMENTS FOR BODIES CERTIFYING PRODUCTS, PROCESSES, AND SERVICES, available at <https://www.iso.org/standard/46568.html> for online version (Last visited on Oct 2, 2019). See also IECEE. Definition of product consultancy, independence, and impartiality for certification bodies and testing laboratories, IECEE Lead Assessor Training, Geneva (2018). See also IMEC. ISO 9000: 2015. Context of the organization and interested parties (2016).
- <sup>61</sup> See ISO/IEC GUIDE 65:1996: GENERAL REQUIREMENTS FOR BODIES OPERATING PRODUCT CERTIFICATION SYSTEMS, available at <https://www.iso.org/standard/26796.html> for online version (Last visited on Oct 2, 2019). ISO/IEC GUIDE 65:1996 specifies general requirements for third-party operating a product certification system. This standard has been revised by ISO/IEC 17065: 2012.
- <sup>62</sup> See BSN STANDARDIZATION SERVICES, available at [http://www.bsn.go.id/main/bsn/isi\\_bsn/20223/jasa-informasi-standardisasi](http://www.bsn.go.id/main/bsn/isi_bsn/20223/jasa-informasi-standardisasi) (Last visited on Oct 2, 2019). BSN form of services provided include SNI document services, international standards, and foreign standards.
- <sup>63</sup> PGI emphasizes the relationship between the specific geographic region and the name of the product, where a particular quality, reputation or other characteristic is principally attributable to its geographical origin. For most products, at least one of the stages of production, processing or preparation takes place in the region.
- <sup>64</sup> See PROTECTED GEOGRAPHICAL INDICATIONS IN FRANCE, <https://www.inao.gouv.fr/eng/Official-signs-identifying-quality-and-origin/Protected-Geographical-Indications> (Last visited on Oct 2, 2019). The protected geographical indications (PGI) identify an agricultural product, raw or processed, which quality, reputation, or other characteristics are linked to its geographical origin.
- <sup>65</sup> *The Institut national de l'origine et de la qualité* (previously *Institut National des Appellations d'Origine*) (INAO) is the French organization charged with regulating French agricultural products with Protected Designations of Origin (PDOs). Controlled by the French government, it forms part of the Ministry of Agriculture.
- <sup>66</sup> See Pai, Y. & Singla, T., *Vanity GIs: India's Legislation on Geographical Indications and the Missing Regulatory Framework*, in GEOGRAPHICAL INDICATIONS AT THE CROSSROADS OF TRADE, DEVELOPMENT, AND CULTURE: FOCUS ON ASIA-PACIFIC (Calboli, I. & Ng-Loy, W. L. eds, Cambridge: Cambridge University Press, 2017), pp. 333–358.
- <sup>67</sup> See ISO 9000:2015: QUALITY MANAGEMENT SYSTEMS - FUNDAMENTALS AND VOCABULARY, available at <https://asq.org/quality-resources/quality-assurance-vs-control> for online version (Last visited on Oct 2, 2019).
- <sup>68</sup> *Id.*
- <sup>69</sup> See QUALITY GLOSSARY DEFINITION: QUALITY ASSURANCE/QUALITY CONTROL (QA/QC), available at <https://asq.org/quality-resources/quality-assurance-vs-control> (Last visited on Oct 2, 2019).
- <sup>70</sup> *Supra* note 60.

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