

Geographical Indication System to Protect the Craft Sector in Sri Lanka

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Abstract – Crafts is one of the oldest industries in Sri Lanka which dates back to many millenniums. There are huge number of handicrafts in Sri Lanka. As a member of the World Trade Organization (WTO), Sri Lanka protects its Intellectual Property Rights (IPRs) under the Intellectual Property Rights Act No: 36 of 2003. According to the World Intellectual Property Organization (WIPO) crafts can be protected using several types of Intellectual Property Rights (IPRs) and around the world countries are using one or several such methods to protect their craft sectors. The main objective of this research study was to understand the feasibility of introducing a GI protection system for the Sri Lankan craft sector. To achieve the said objective the study used both qualitative and quantitative research methods comprising of literature reviews, key informant interviews, several field visits and country case studies. Two craft products were selected in this regard. It was identified from the study that the Geographical Indication (GI) is the most feasible and suitable protection system for Sri Lankan crafts when compared with trademarks and patents.

Keywords – Geographical Indication, crafts, Sri Lanka

INTRODUCTION

The craft sector depends on the talents of individuals and the generation of intellectual property. Several IPRs are relevant to the sector. For example, patents, trademarks, Industrial design, GI for location-specific creativities etc. GI is a sign used to identify functions, and are used to distinguish goods having certain properties to a particular geographical location. In addition, the quality, reputation or other characteristics of the good is essentially attributable to its geographical location. IP enforcement is important to protect the creator and/or investors to provide them with incentives to invest and further develop the sector. Therefore, IPRs play a major role in driving this sector.

Countries around the world are using different types of IPRs to protect their craft sectors and such methods are based on their economical, financial, legal and social characteristics. Sri Lanka being a country that is well equipped with natural resources and traditional knowledge has an immense potential of gaining socio – economic development through GI. Further, as a member of WTO, Sri Lanka is obliged to follow the protection methods provided in the TRIPS agreement.

The main objective of this paper is to identify the best feasible protection method for Sri Lankan craft sector. Further, as specific objectives, this will identify the barriers faced by the stakeholders in the craft sector value chain and try to identify the options to improve the sector with the protection of IPRs.

METHODOLOGY

To achieve the above mentioned objectives the study used both qualitative and quantitative data. Qualitative data were collected from Key Informant Interviews (KIIs), field visits and country case studies. Secondary data were collected from the Labour Force Survey (LFS) and data published from National Craft Council and other relevant Ministries.

Data were analysed using content analysis and spreadsheet analysis.

FINDINGS

There are several sub sectors in the Sri Lankan craft sector. More than 147,9432 employees are involved directly or indirectly in this sector. Both male (46%) and female (54%) employees work in craft sector. (LFS, 2017). The level of education of the craftsmen is explained in Fig1.

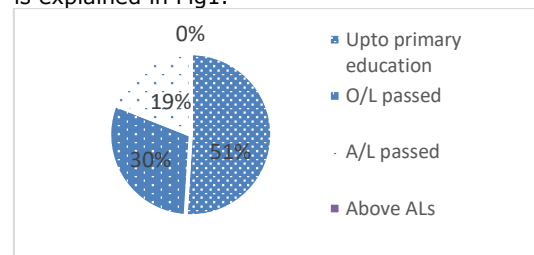


Figure 1: The Level of Education

Source : Author calculations based on the Labour force survey data-2017, Department of Census and Statistics

Temporary workers are more prominent in this sector. The craft sector also accounts for the largest share and the highest number of casual employees, reflective of self-employed and unpaid family workers in the employment status categorization. As shown in Figure 2, nearly 50% of the employees in the sector are self-employed

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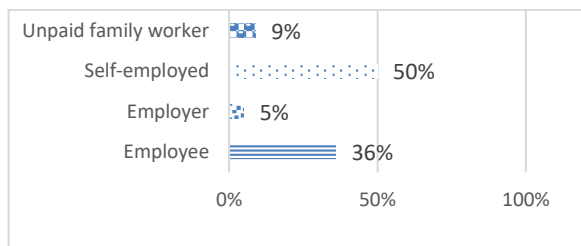


Figure 2 : Employment Status in Craft sector
 Source : Author calculations based on the Labour force survey data-2017, Department of Census and Statistics

Several value chain actors involved in the “Weweldeniya rattan” and “Moratuwa wood carvings” highlighted some of the barriers they are facing when expanding the businesses. Difficulty in finding quality raw-materials is one of the main constraints. Finding markets is another common issue specially with the individual entrepreneurs. They have small roadside boutiques and have limited opportunity to sell their products. Lack of technology transferring is identified as another issues in the craft sector stakeholders. Not having a proper mechanism for craftsmen to enter the export and foreign market chains is another constraint. Currently, younger people do not like to engage in the craft sector, as there is no proper mechanism with regard to training, marketing and financial opportunities. Most importantly, there is no IPR protection system existing in the craft sector which hinders the growth of expanding the domestic and export markets, attracting new investments, introducing new technologies, expanding the other business activities etc.

Countries such as Indonesia, Thailand and India have overcome these issues by implementing GI systems to protect their products. For an example; Craft sector is one of the most important subsectors of the economy of Indonesia. Many researchers point out that GI can bring the prosperity, marketing support, financial benefits and is able to build rural sustainability in Indonesia. Further, as a cultural product, GI crafts in Indonesia have a bigger opportunity to survive in the global market (Arief, 2016).

Art and craft productions in Thailand play a vital role in terms of contributing to the country’s national economic and social development. The industry is able to provide employment to over two million workers. Three of Thailand GI craft products were selected on WIPO Branding Project.

International experiences have proved that the production volume and value both increased with the introduction of GI system as the product assures a high quality in both local and international markets.

In Sri Lanka, there are few established clusters. For example; Kandy is famous for brassware; Southern province is for Crochets, Matale for Laksha, Kurunegala pottery etc. The clusters are developed based on the availability of good quality raw material in the respective areas.

The sector is governed by the policies of the Ministry of Industry and Commerce, The National Craft Council, National Design Center, Industrial

Development Board, National enterprise Development Authority etc.

In clusters such there are many established formal and informal associations which support craftsmen. Therefore, there is high possibility of standardizing the quality of craft products.

RECOMMENDATIONS

The IPR act of Sri Lanka provides provisions for the GI protection. Presently, there is an amendment suggested to the existing act which proposes a GI registry system for Sri Lanka. However, the lack of knowledge on IPR system delays craftsmen in obtaining individual protections such as industrial design, trade mark etc. Further, obtaining trademarks, patent, industrial design etc. is a costly process and renewal is needed. Since most of the craftsmen are in the rural areas and a higher percentage of them belongs to the poor category, getting a patent or a trademark is difficult for them.

There are already developed geographical clusters for craft sector in Sri Lanka and the local reputation for each craft cluster is developed based on their origin or the territory. For an example; Weweldeniya rattan, Moratuwa wooden carvings, Ambalangoda masks etc.

Further, these crafts product are specific to the relevant area. Craftsmen are using raw materials which are available in the specific area. The process of creating crafts is based on the knowledge handed down from generation to generation.

There is a well-developed reputation and history for these crafts products and the main characteristics or the specification of the products are linked with its origin. Further, there is an established value chain system or the supply chain system in these selected two crafts products which can be developed to trace and linked with the origin. There are a few established associations such as “Moratuwa wood workers associations, Rattan producer’s association etc. which will help in creating GI associations.

CONCLUSION

In light of the above facts, it is identified that the GI system is the most feasible and suitable protection system for the Sri Lankan craft sector.

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