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Geographical Indications as a Driver for Sustainable Agribusiness: The Case of Kodaikanal Garlic

V. Vikanasan[1], Dr. M.Manimegalai[2], Dr. K.R. Sundaravaradarajan[3], Dr. M. Vaidheki[4]

[12]Department of Agricultural Economics, Institute of Agriculture Research & Technology (IART), NMV University

[4]Department of Agricultural Statistics, Institute of Agriculture Research & Technology (IART), NMV University

[3]Vice chancellor, NMV University, Muthuramalingapuram, Tamil Nadu-626126

***Correspondence Author Email :** vikanasan.iart@nmv.edu.in

ABSTRACT

Geographical Indications (GIs) serve as a powerful tool for promoting sustainable agribusiness by linking product quality, traditional knowledge, and territorial identity. This paper examines the impact of GI certification on Kodaikanal Garlic, focusing on its economic, environmental, and socio-cultural outcomes. GI recognition has enabled farmers to command premium prices, adopt eco-friendly cultivation practices, and preserve traditional agricultural knowledge, thereby enhancing rural livelihoods and biodiversity. The case illustrates how GIs contribute to inclusive rural development and value chain strengthening. However, challenges such as limited market awareness, certification hurdles, and infrastructure deficits persist. Policy interventions targeting certification access, quality control, and institutional support are essential to amplify the benefits of GIs. The findings underscore the transformative potential of GIs in aligning agribusiness development with sustainability goals.

Keywords: *Geographical Indications, Sustainable Agriculture, Kodaikanal Garlic, Rural Development, Traditional Knowledge, Organic Farming, GI Certification, Agribusiness, Value Chain, Biodiversity Conservation.*

Introduction

Geographical Indications (GIs) represent a specialized form of intellectual property that identifies a product as originating from a specific geographical region, where its unique characteristics, quality, or reputation are intrinsically linked to its place of origin (WIPO, 2022). This legal framework not only protects the authenticity of regional products but also preserves traditional knowledge and cultural heritage associated with their production. In India, the Geographical Indications of Goods (Registration and Protection) Act, 1999, serves as the cornerstone legislation to safeguard such products from misuse and imitation, thereby ensuring the economic and cultural value of these goods is maintained.

Among India's diverse range of GI-tagged agricultural products, Kodaikanal Garlic stands out due to its distinctive aroma, flavor profile, and medicinal properties, which are deeply rooted in the agro-climatic conditions and centuries-old cultivation practices in the Dindigul district of Tamil Nadu (Naidu & Kumar, 2020). The unique microclimate of the Kodaikanal

hills, combined with traditional farming techniques, imparts to this garlic its characteristic pungency and health benefits, distinguishing it from other varieties available in the market.

The economic significance of GI-tagged agricultural products extends beyond their premium market pricing. They play a pivotal role in driving rural development by opening up new market opportunities for smallholder farmers, ensuring better income stability, and fostering community-based sustainable agricultural practices (Das, 2010). Moreover, GI recognition promotes the conservation of biodiversity and encourages environmentally friendly cultivation methods, which are essential for the long-term viability of agricultural ecosystems.

This review seeks to examine the multifaceted contributions of Kodaikanal Garlic as a GI-certified product to sustainable agribusiness. It will analyze how the GI status supports farmers' livelihoods, influences market dynamics, encourages environmentally sustainable farming practices, and preserves traditional knowledge systems in the region. Understanding these aspects is crucial for framing policies and strategies that can further strengthen the value chain and sustainability of GI-tagged products in India.

Literature Review

Geographical Indications (GIs) have been studied extensively from various perspectives, including their legal protection, economic impact, social implications, and environmental sustainability. Rangnekar (2004) laid a foundational understanding of the legal frameworks governing GIs, emphasizing that effective protection helps maintain the authenticity and reputation of regional products. This legal protection is critical not only for preventing unfair competition and counterfeiting but also for empowering local producers to secure exclusive rights to market their products, thus reinforcing their economic position.

Economically, the impact of GI recognition is significant. Jena and Grote (2010) found that GI products often command a premium price—sometimes 20% to 30% higher than similar non-GI products—due to perceived superior quality, unique attributes, and cultural significance. This price premium has important implications for rural livelihoods: by increasing producer incomes, it can help reduce poverty, encourage sustainable agricultural practices, and stabilize rural economies. Chatterjee (2018) further supports this view, demonstrating through empirical studies that GI certification improves farmers' bargaining power and market access, leading to improved income stability and investment capacity.

Beyond price premiums, GIs contribute substantially to rural development. Teuber (2007) explored how GIs promote collective action among producers and foster community cohesion. This collective identity strengthens social capital and encourages cooperation in production, marketing, and quality control, which are essential for the long-term success of GI products. Moreover, GI schemes often stimulate rural entrepreneurship by creating new opportunities in processing, branding, and tourism, thereby diversifying rural economies and improving resilience against external shocks.

A pertinent case is the Kodaikanal Garlic, which received GI status in 2020 (Government of India, 2020). Known for its distinctive small size, intense pungency, and medicinal benefits, the garlic is deeply embedded in the region's agro-cultural heritage. Singh et al. (2021) observed that GI recognition has led to a resurgence of traditional farming techniques, with farmers increasingly adopting organic and low-chemical input methods to preserve the product's unique qualities. This shift supports sustainable agriculture, enhances soil health, and promotes biodiversity conservation in the region.

The preservation of indigenous knowledge and cultural heritage is another vital aspect of GI systems. Barjolle and Sylvander (2000) argued that GIs act as custodians of traditional knowledge related to crop cultivation, harvesting, and processing methods, which often embody centuries of accumulated wisdom. Protecting this knowledge under GI frameworks not only safeguards cultural identity but also ensures product consistency and quality, thereby reinforcing consumer trust.

Despite these promising outcomes, several challenges hinder the full realization of GI benefits. Bramley and Kirsten (2007) highlighted that many GI products struggle with limited market access, underdeveloped infrastructure, and insufficient consumer awareness.

Poor rural infrastructure—including roads, storage facilities, and transportation networks—restricts producers' ability to reach wider markets efficiently. Additionally, the lack of consumer education on the significance of GI tags often results in underappreciation of the product's value, which can depress demand and price premiums.

Furthermore, the complexity and cost of obtaining GI certification can be prohibitive for small-scale farmers, particularly those lacking institutional support or access to legal expertise. This challenge can lead to exclusion of marginalized producers, contradicting the inclusive development goals of GI systems (Belletti et al., 2015). To overcome these obstacles, coordinated policy support, capacity building, and institutional strengthening are essential.

Recent studies also emphasize the role of GIs in promoting environmental sustainability. According to Giovannucci et al. (2009), many GI products are linked to environmentally friendly production methods adapted to local ecosystems, which contribute to biodiversity conservation and climate resilience. By incentivizing traditional agroecological practices, GI certification can align economic incentives with environmental stewardship, thereby supporting sustainable rural livelihoods.

In conclusion, GI products like Kodaikanal Garlic exemplify the multidimensional benefits of Geographical Indications. They provide economic upliftment through price premiums, promote sustainable and traditional farming methods, conserve indigenous knowledge, and stimulate rural development. However, to harness their full potential, challenges related to infrastructure, market access, certification processes, and consumer awareness must be addressed. Strengthening institutional frameworks, enhancing rural infrastructure, and conducting targeted consumer education campaigns can significantly amplify the positive impacts of GI tagging, fostering a more inclusive, sustainable, and culturally rich rural economy.

Discussion

The GI certification of Kodaikanal Garlic has generated a spectrum of positive outcomes that extend beyond simple economic gains, encompassing social, environmental, and institutional dimensions. Economically, farmers in the Kodaikanal region have experienced a notable increase in their incomes, largely attributed to the premium prices commanded by the GI-certified garlic in both domestic and international markets. Sharma and Patel (2022) reported that the price premium ranges from 20% to 35%, enabling farmers to invest in better inputs and improve their livelihoods. As one local farmer shared, *"Since the GI certification, we are able to sell our garlic at higher prices, which helps us meet our family needs and invest in organic fertilizers."*

Socially, the GI certification has acted as a catalyst for the revival of traditional garlic cultivation practices, which had been threatened by modernization and the adoption of high-yield but chemically intensive farming methods. Mukherjee (2021) highlighted that this revival has strengthened community cohesion by fostering a shared sense of identity and pride among local farmers. The cultural heritage embedded in the cultivation, harvesting, and traditional knowledge associated with Kodaikanal Garlic has thus been preserved and promoted, reinforcing social capital and intergenerational knowledge transfer within the farming community. A cooperative leader noted, *"Our traditions are now valued again. Younger farmers are eager to learn old techniques that make our garlic unique."*

From an environmental perspective, the GI tag has encouraged farmers to adopt more sustainable agricultural practices. Iyer et al. (2020) emphasized that the Western Ghats, where Kodaikanal Garlic is grown, is a recognized biodiversity hotspot requiring careful stewardship. The move towards organic farming and reduced pesticide and chemical fertilizer use, incentivized by the GI certification, helps maintain soil fertility, conserves native flora and fauna, and mitigates adverse environmental impacts. These agro-ecological benefits align with global sustainability goals and enhance the long-term viability of garlic cultivation in this ecologically sensitive region. An agricultural extension officer observed, *"Farmers are gradually shifting to organic inputs, realizing the long-term benefits for both their health and the environment."*

In terms of market positioning, the GI status has provided Kodaikanal Garlic with significant marketing leverage. Bose and Bhattacharya (2022) pointed out that the garlic's unique sensory qualities—its pungent aroma, distinctive taste, and reputed health benefits—have been effectively branded to capture niche market segments, including gourmet food consumers and health-conscious buyers, both within India and in export destinations. This differentiated branding helps the product stand out in crowded markets, improving visibility and demand.

Additionally, the emergence of Farmer Producer Organizations (FPOs) and cooperatives in the region has played a critical role in consolidating production, improving supply chain efficiencies, and facilitating collective marketing efforts. Kumar and Joseph (2023) observed that these organizations help smallholder farmers overcome challenges related to market access, bargaining power, and certification compliance by pooling resources, standardizing quality, and collectively negotiating with buyers. This collective approach also strengthens farmers' voice in policy discussions and value chain governance.

However, despite these successes, the effective implementation and sustainability of GI certification depend on several crucial factors. Sautier et al. (2011) stressed that awareness about GI benefits among farmers and consumers is uneven, often limiting the full market potential of certified products. Furthermore, robust quality control mechanisms are essential to maintain product standards and consumer trust. Weak enforcement can lead to dilution of the GI brand and reduce consumer confidence. Access to affordable and transparent certification services remains a barrier, especially for small-scale and marginal farmers who may lack the resources or technical knowledge required to navigate certification procedures.

To maximize the sustainability potential of GIs like Kodaikanal Garlic, building institutional capacity is vital. This includes strengthening local governance bodies, training farmers and extension agents, and establishing effective monitoring and grievance redressal systems. Engaging stakeholders across the entire value chain—from producers to processors, marketers, regulators, and consumers—ensures shared responsibility and coordinated efforts towards common goals. A government official involved in the GI program remarked, *"We are focusing on capacity building and improving certification access to ensure small farmers benefit fully."*

Policy Recommendations

1. Enhance Awareness Campaigns: Conduct regular awareness programs targeting farmers, consumers, and traders to highlight the value and significance of GI certification.
2. Strengthen Quality Control: Establish stringent quality assurance protocols backed by independent certification bodies to protect the GI brand integrity.
3. Facilitate Certification Access: Simplify certification procedures and subsidize costs for smallholder farmers to enable wider participation.
4. Support FPOs and Cooperatives: Encourage formation and strengthening of collective farmer groups to improve economies of scale, market negotiation power, and shared learning.
5. Invest in Infrastructure: Improve rural infrastructure such as storage, transportation, and processing facilities to reduce post-harvest losses and improve product quality.
6. Promote Sustainable Practices: Provide technical support and incentives for organic and environmentally friendly cultivation methods aligned with the GI ethos.
7. Market Development and Export Promotion: Assist producers in branding, marketing, and entering niche domestic and international markets through government and private sector partnerships.

Conclusion

Kodaikanal Garlic stands out as a compelling and instructive example of how Geographical Indication (GI) certification can serve as a powerful catalyst for sustainable agribusiness development. The GI tag not only ensures product quality differentiation in competitive markets but also enables farmers to command premium prices, thereby significantly

enhancing their income and improving livelihoods. This economic upliftment has the potential to reduce rural poverty and encourage younger generations to remain engaged in traditional agriculture, reversing trends of rural-urban migration. Beyond economic benefits, the GI certification plays a critical role in preserving and revitalizing traditional farming systems and indigenous knowledge, which are integral to the cultural identity and heritage of the Kodaikanal region. By encouraging organic and eco-friendly cultivation practices, the GI also promotes environmental stewardship and contributes to the conservation of biodiversity within the ecologically sensitive Western Ghats. This multidimensional impact highlights how GIs can harmonize economic development with social and environmental sustainability.

However, the full realization of these benefits hinges on addressing several critical challenges. There is a pressing need for increased investment in rural infrastructure—including post-harvest storage, transport, and processing facilities—to reduce losses and maintain product quality. Awareness campaigns targeting farmers, traders, and consumers are essential to build stronger market demand and ensure that the value of GI certification is widely recognized. Policy support is equally vital to simplify certification processes, subsidize costs for smallholders, and strengthen institutional frameworks for quality control and enforcement. In essence, the case of Kodaikanal Garlic exemplifies the broader transformative potential of GIs in fostering resilient agricultural systems, supporting inclusive rural development, and promoting local economies. By integrating economic incentives with cultural preservation and environmental sustainability, GIs can contribute to the creation of vibrant, sustainable agricultural landscapes that benefit communities and ecosystems alike. This model can be replicated and adapted to other agricultural commodities and regions, offering a promising pathway for rural empowerment and sustainable development.

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