The valuation of Algerian local "terroir" products : overview and analysis

تثمين المنتجات المحلية في الجزائر : قراءة وتحليل

Benyahia IBTISSAM, Ferhat Abbas University-Setif 01- Algeria, *ibtissam.benyahia@univ-setif.dz*.

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Abstract: Dates, figs, olive oil, honey, cheese..., Algeria is very rich in local "terroir" products. Indeed, its cultural diversity and biodiversity make it real reservoir of terroir products. Algerian terroir products do not benefit from any protection and cannot therefore be distinguished from other products, none of these products allows the economy to derive added value both on the local and international market. This paper aims to analyze the valuation of the Algerian terroir products, which can then create a favorable climate, in particular through the creation of a legal labeling framework, and state support through several programs.

keyword: Terroir products; geographical indications; valuation. **JEL classification code : Q18**

ملحَص: الموقع الجغرافي الاستراتيجي و التنوع البيولوجي المتمثل في تعدد المنظومات البيئية إضافة التنوع الثقافي المتوارث من جيل لأخر ، كل هذه العوامل جعلت من الجزائر خزان طبيعي من المنتجات الإقليمية. هدفت هذه الدراسة الى القاء الضوء على عملية تثمين المنتجات الإقليمية في الجزائر، من خلال وضع الاستراتيجيات و المخططات الخاصة بتثمين هذه المنتجات و العمل على الرفع من إنتاجها و تسويقها محليا و ودوليا بالشكل الذي يضمن تنمية محلية شاملة و إقلاع إقتصادي. الكلمات المفتاحية : المنتجات الاقليمية ؛ المؤشرات الجغرافية ؛ التثمين ؟

Corresponding author: benyahia ibtissam, *E-mail*: <u>ibtissam.benyahia@univ-setif.dz</u>.

1. Introduction.

In a world of globalized consumption, characterized by the ever greater standardization of lifestyles, products and tastes, where the whole planet seeks always to consume homogeneous products, similar foods, identical all over the world, there is a little different part that of particularism, regional products, local said "terroir".

In these consumption trends, local "terroir" products have been increasingly recognized by consumers as a reassuring alternative to standardized production and generally globalized.

Indeed, local "terroir" products appears as one of the opportunities not only for consumer motivated by authenticity, originality, cultural connection but also for the economy .In fact, they contribute to the economic, ecological and social development of many regions. It is a way to maintain and enhance local resources through knowledge and local know how.

Therefor the question of local "terroir" products and their valuation has become importante; the experience of many Mediterranean countries confirms its importance since Portugal, Spain, France, Italy and Greece alone represent 80% of all products with geographical indications in the European Union.

Thereupon, Algeria is a country that has great potential in "terroirs" thanks to its exceptional diversit y and the maintenance of strong traditions.

In this context, each region in Algeria holds abundant variety of local "terroir" products that could create economic and social opportunities for the country. Based on foregoing, the main question of our study is:

How can Algeria valuate its local "terroir" products on the local market or for export?

Several secondary questions of this problematic can be formulated as follows:

> What are the characteristics of the Algerian territory that give us better quality of local products?

> What strategies are in place to promote and protect "terroir" products

To answer the study questions the following hypotheses are developed:

> The non-compliance of the quality of Algerian local "terroir" products with international standards may form a barrier to valuation and promotion of these products.

> Certification and labelling are a condition for the success of the valuation of Algerian local "terroir" products.

To carry out our work, our subject will be treated firstly in a general way to identify everything related to the terroir, and then we will focus on terroir products in Algeria.

2. Conceptual framework .

Talking about local "terroir" products necessarily leads to address the concept "terroir" and to note the variety of its contents and uses.

2-1. From territory to "terroir".

The growing use of the concept of territory is accompanied by a conceptual lack of clarity; territory is a word with multiple and several meanings, the diversity of subjects and approaches uses it (geography, history, ethology, politics, anthropology, economics) illustrates this multiplicity. Therefore, in the first step, it is useful to define it exactly.

"Territory" is a word comes from the Latin "territorius" which means an area conquered by the Roman army and governed by a military authority (Yvon Pesqueux, 2009, p. 03) Thus territory is defined as A continuous or non-continuous part of the geographic space whose limits are defineda territory has three specific characteristics: a space limited defined, and managed, a feeling or awareness of belonging this space; the existence of a form of social, political or administrative authority and of the rules of organization and functioning (Boiffin, 2001, p. 224); or it is space interactions between activities and social groups. These interactions give it its identity and differentiate it Compared to other spaces .

However, the word "terroir" has no equivalent in most other languages. The concept of terroir, such as illustrated by French historians and geographers, has no equivalent in some countries. In spain, for example, they use precisely, the word "tierra", same thing in Italy with the word "Nostral" or the word "tipici" from the word typical (Bérard & Marchenay, 2004, p. 72)

"terroir" is defined as a social construction that is based first of all on a specificity of

products, which have a material and an intangible value, contributing to their typicality (Prévost, 2014, p. 10).

"terroir" can be considered as a complex system composed of a chain of factors (natural environmental factors, climate, soil, human factors), which influence and play a role in the final characteristics of the product (Bérard & Marchenay, 2009, p. 34).

Even though; the two terms "territory" and "terroir" have the same etymological origin but they do not refer at the same meaning, some distinctions can be made. The territory may exist in the absence of a product (a community for example), while the terroir can be considered as the territory of a product (or of several products, taken from sense of good or service).

2-2. Terroir products definition.

In the wake of difficulty to define the concept terroir, several attempts of definitions have been advanced by several researchers up to now, the most important of which are those of which define the terroir products as:

Products that are characterized by a real originality related to the local environment including the physical characteristics of the soil and major manufacturing constraints (Ilbert, 2005, p. 41). Product which comes from or whose main components come from a defined and homogeneous territory and its characteristics depend both on the particularities of the environment, such as geology, climate or relief, know-how as well as traditional or emerging knowledge (Omari, 2016, p. 25)

"FAO" defines local products as follows: local products are differentiated or different products on the basis of their local identity or typicality: their identification through a geographical indication (GI) is justified by the specific local context from which they come and which gives them, in the eyes of the consumer, a particularity, quality or specific reputation.

So, terroir product, as the name suggests, comes from a terroir, and says terroir, we say locality, geographical, technical, climatic, ecological and social characteristics of a territory. Therefore, terroir means a place where you have a certain number of things that are together: the land, the biological aspect, the water, the climate, but also a certain way of estimating and valuing natural resources. All these factors makes them different from others Products.

2-3. Terroir products issues.

Terroir products play a role in the local and sustainable development, and however, they face a series of challenges and issues, the latter should be mentioned in this regard (Omari, 2016, pp. 25-26):

2-3-1. Economic issue: Terroir products are more protected in the market thanks to labels and appellations. These appellations are a tool to promote these products. Local products make it possible to value the traditional knowledge, they are distinguished by their origins and identities and are characterized by:

• Typicality: These products are authentic in the procedures of their productions and transformations.

• Quality: Especially respecting the standards of specifications, food safety and traceability.

These two characteristics are tools for differentiating these local products that gives them significant value.

2-3-2. Cultural and biological issue: Terroir products can transfer a cultural diversity, namely individual as well as collective history, traditional customs, ancestral knowledge that differentiates each terroir and identifies with each other.

Terroir products are therefore based on the way they are developed, the knowledge and practices implemented, these techniques that have links to culture are a foundation of their specificities Indeed, this knowhow are more are considered as a factors of conservation and safeguarding heritage.

Terroir products are also characterized by biological diversity and is enhanced by knowledge. The challenge of the terroir is that these skills conserve the soil against erosion, desertification and drought.

2-3-3. Sustainable development issue: Sustainable development is therefore the main challenge for terroir products. Economically, as it has mentioned, the promotion of local products can be achieved thanks to the recognition and labeling of these products, which will allow them to be commercialized nationally and internationally.

On the social and cultural level, the diversity of these products remains an essential factor for the development of the region. This will contribute to local development by:

•The creation of jobs in the field of processing of terroir products;

• Improvement of living standards of local producers since they keep the maximum value added;

•Stabilization of rural populations in their regions reduction of rural depopulation and reduction of poverty;

• Development of activities related to local products such as rural tourism.

3.Geographical indications' as tool of valuation of terroir products.

GIs are defined in the TRIPS agreement (Article 22.1) as "indications which used to identify a product as originating in the territory of a Member, or of a region or of a locality of this territory, in cases where a specific quality, reputation or other characteristic of the product may be attributed mainly to this geographical area (World Intellectual Property Organization, 2017, p. 08). Indeed the valuation of terroir products through geographical indication can generate not only added value but also consists in promoting these products, protecting them and in particular preserving local know-how and traditions.

The importance of GIs is growing like brands; they are valuable assets that can play a key role in the marketing of products and enabling them to establish a substantial market share (World Intellectual Property Organization, 2017, p. 08)

Geographical indications are more than just commercial or legal instruments they are a rural development tool capable of serving commercial and economic interests while safeguarding local values such as cultural traditions and environment.

3.1. Protected Geographical Indication (PGI):

(PGI) provide protection of a relationship to a place. They designate both "the name of a region, a specific place or in exceptional cases, of a country, which used to identify an agricultural product or a foodstuff originating in this region, this specific place or from this country ". The (PGI), also protects a geographical name, is rather based on the reputation of the product, on its history, linked to that of a locality, and on characteristics or special qualities. It does not require a single area where must all operations take place: raw materials particular can come from elsewhere (Bérard & Marchenay, 2007, p. 17).

3.2. Protected appellation of Origin (AOP):

The quality or the characters are exclusively due to the geographical environment including natural and human factors, and production, processing and development takes place in the geographical defined area (FAO, 2009, p. 35)

The philosophy of the AOP is to protect, through a name, a unique product that cannot be reproduced in another terroir.

3.3. The Guaranteed Traditional Specialty (STG)

Originally called Certificate of specificity - protects a tradition. The (STG) is defined as "the characteristic or set of characteristics by which an agricultural product is clearly distinguished from other similar products belonging to the same category ". To appear in the Guaranteed Traditional Specialty register, "an agricultural product must either be produced from a traditional raw material, or be characterized by a traditional composition or by a mode of production and / or processing Corresponding to a type of production and / or traditional transformation (Bérard & Marchenay, 2007, p. 17).





Source: INAO, european Commission - Base DOOR extracted on 17/11/2019

As shown in the figure, the most advanced countries in terms of labeling are France and Italy for this latter counted some 270 product with geographical indications. On the other hand, Algeria is lagging behind in terms of the development of the labeling system with just three-labeled product.

The development of geographical indications system is benificial to all parties (territories, communities, consumers and producers). These advantages does not stop only at the community's protection of the product name against imitations and misrepresentation. Standardization of product quality at high levels improved product visibility. Consumers are informed and have their freedom of choice; this product qualification guarantees added value to producers. These niche markets have a higher growth potential than those of mass distribution; finally, these differentiated markets offer the possibility of obtaining public financing for investments in companies as well as support for certification, controls and promotion of products (Scudeller, 2009, p. 68)

4. Algerian Terroir Products: an attractive wealth.

The strategic geographical situation, and The diversity of the ecological ecosystems, and the succession of many civilizations which have had a marked influence, not only on the environmental level, but also on the human level; all these factors has made Algeria a real reservoir of plant and animal resources.

Indeed, the Algerian territory extend over a vast area covering 238,2 million Ha divided between Tell areas (4%), the highlands with 9%, the great Sahara, with 87% of the territory. A wide variety of agricultural products come from these regions and can potentially benefit from geographical indication labels.

Figure $N^{\bullet}(02)$: existing and potential terroir products



Source:((Sahli, Mekersi, 2005).

The figure shows that Algeria has climatic and geographic assets that must be exploited through the valorization of terroir products both on the national and international market.

Thus, three types of Algerian terroir products are defined:

• Vegetable products: NOUR dates of Tolga, clementins of Misserghine, white onion of Oulhaça, dry figs of Beni Maouche, table olives from Sig;

• Animal products: sheep meat of Ouled Djellal , goat cheese of Bouhazza;

• Processed products: olive oil, blossom water from Constantine.

Table $N^{\bullet}(01)$: national production of main terroir products.

Product	2016-2017	2017_2018
Olive oil (tonnes)	63	82, 5
NOUR dates (quintal)	5 669 862	5 934 808
Figs (quintal)	1 286 841	1 092 136
Source (National Office of statistics report 2019 n 16)		

Source: (National Office of statistics repport, 2019, p. 16)

As the table shows, Olive oil production has improved slightly in recent years, with the reforms of the agricultural sector and the advent of the Renewal Agricultural and Rural Policy. Young farmers have thus participate on the olive oil production, following the granting of various subsidies and aids in the areas of Béjaia and Bouira.

The number of palm trees is estimated at 12,000,000 There are several varieties of dates, including the variety " Deglet Nour "the best known in the world .

Deglet Nour represented 54% of the total production of dates with a production of 82,5 million Qx of dates in 2017. Since the area occupied by the date palm represent around 2% of the total area of Algeria, it covers all regions of M'Zab, Oued Righ, Oued Souf.

The production of figs during the 2017/2018 is 1,092,136 quintals, marking a decrease of 15% compared to the previous year, a loss in volume of 194,705 quintals of figs.

4.1. valuation of local "terroir" products : steps in progress.

Internationally and especially in the Mediterranean level, there is remarkable dynamic around the valorization of local products. An everincreasing number of countries consider "terroir products" and its "identifications as issues of strategic importance. For example: Costa Rica, Colombia taking steps to promote and protect their origin of their coffees. India protects its rice basmati and tea Darjeeling, Oku Honey (Cameroon), Morocco its Argan oil and saffron, France its Dijon mustard and blue cheese from Auvergne and many other terroir products.

At this point, it should be stated that in 2014, 10,000 Geographical Indications were recorded in the world, generating 50 Billion dollars: 90% concerning OECD countries, about 60% for the Union European (EU) and 10% USA (Cheriet, 2017, p. 01).

In Algeria, there have been significant changes in the agricultural policy over the past few years; these changes are widely noticeable both at the institutional level and at the level of economic approaches.

4.1.1.The institutional reforms

At the institutional level, many efforts are being made to valuate terroir products with the establishment of a legislative labeling framework and the publication of the law n $^{\circ}$ 08-16 of August 3, 2008 on agricultural orientation including in its articles (32 and 33) for the

establishment of a quality system for agricultural products and origin. This law defines four distinctive signs of quality: Geographical Indications, appellation of Origin, agricultural labels and organic farming. It also lays down the principles of control and traceability for labeled products. Followed Executive Decree No. 13-260 of July 7, 2013 fixing the quality system for agricultural products ("decree of 2013") defines the main actors in the system and their roles.

Pursuant to this decree, five implementing decrees wer e adopted in 2014 and 2016.

- Order n ° 14-3117 of December 28, 2014 establishing the list of names of the members of the national labeling committee ("CNL appointment order").
- Order No. 550 of 23 May 2019 introducing the list of names of the members of the national labeling committee ("CNL appointment order").
- Order of 05 May 2016 fixing rules relating to the functioning and organization of the quality system for agricultural products or of agricultural origins.
- Order of May 05, 2016 setting the procedure for appellation of origin recognition, geographical indications and quality agricultural labels which recognition of a product, that of modification specifications and cancellation.
- Inter-ministerial Order of October 31, 2016 which defines the official logos to be used for products benefiting from a GI or an AO and their rules of use.
- Order of December 11, 2018 relating to controls and certification of origin appellation geographical indications and quality labels which describes in detail the system and procedures for product control and certification benefiting from these signs.

4.1.2 Economic reforms

At the economic level, the Renewal Agricultural and Rural Policy adopted and implemented from 2008 by the Algerian government to modernize agriculture and adapt it to the world market emphasizes on the priority of the revitalization of rural areas and gives fundamental importance to the question of valorization of agricultural products by the two distinctive signs of quality linked to origin: Geographical indication (GI) and Appellations of Origin (AO). Indeed, they considered as economic tool to enhance the protection of the biological diversity of each territory. Algeria government objectives through the valuation process are (Cheriet, 2017, p. 08):

• preservation of cultural and economic heritage and local knowledge;

- contribution to local and territorial development ;
- fight against the devitalization of the rural environment ;
- creation of added value and agricultural income;

• protection of producers (fight against fraud) and consumers (quality);

- increasing export opportunities;
- contribution to development of eco-tourism.

4.2. Labeling local products as a pillar of valuation strategy: Labeling local products by distinctive signs linked to the origin (geographical indication GI and appellation of Origin AO) is an essential element for the promotion of agricultural products, particularly local terroir, it is an ideal tool to distinguish it from others products.

GIs and AOs are official signs of the national quality labeling system for agricultural products which reserve and protect the use of the name affixed to one of these products.

A system for recognizing cannot exist without the national labeling committee which was officially installed on July 30, 2015 (Cheriet, 2017, p. 08) this committee whose main missions presented under the following headings:

- the development, validation and exclusive use of specifications for the definition of the characterization reference for the agricultural product concerned as well as the procedures for verifying compliance;
- validation of the certification of the agricultural product or of agricultural origin to the specifications concerned by certification bodies;
- The right to affix a logo on the product expressing the distinctive sign;
- The attribution of the distinctive sign by order of the Ministry of Agriculture and Rural Development
- which will be published in the official journal of the Algerian

Republic;

• Registration of the distinctive sign at the Algerian National Institute of Industrial Property



figure N[•] (03): IG-AO recognition Steps

Source:(*http://madrp.gov.dz/agriculture/foncier-agricole/valorisation-des-produits-agricoles.pdf*

As the figure shows, the committee, together with the professionals, must put in place the rules to qualify several products. This is to organize the national production, to give distinctive signs to consumers, but also to identify opportunities for valuing these products at the export level with diversify the national economy and create jobs.

5.Conclusion

Two important conclusions seem to be drawn from our research work.

• many constraints Impede the valorization of the algerian terroir products in particular a weak presence in structured businesses, a high

price, a lack of availability in big cities, unattractive packaging and a strong presence of informal marketing channels.

• The valuation of terroir products is incumbent upon a several actors. Each of them plays a role determined which complement one another.

First of all, local community, its consumption of these products considered as an element of their identity and their culture, indeed consumer perceive typical products as of valuable "heritage" resources

Then, producers participate in the promotion of local products by maintaining and transferring local know-how .

Finally Public actors, for their part, ensure valorization of these products in several ways (support to producers, supporting labeling efforts by ensuring in particular the recognition of labels, the creation of regional logistics platforms close to producers, improving access to modern distribution markets at national and international level.

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