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Exporting protection: EU trade agreements, geographical indications, and gastronationalism

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Abstract

A key objective of EU trade policy is to obtain wider protection for its regional specialty foods, known as Geographical Indications (GIs). While the WTO imposes a minimum level of protection, the EU has successfully considered additional protection for its GIs a red line in recent trade agreements. In the EU, trade agreements are negotiated by the Commission but require member state approval. Both Greece and Italy have threatened not to ratify CETA over insufficient GI protection, so GIs clearly matter. This article provides and analyzes new data on GI protection in 11 recent EU trade agreements. It finds that EU trade agreements are more likely to protect GIs with higher sales values and from countries in the South of Europe, where GIs are highly salient because of gastronationalism. These findings illustrate how economic considerations and political mechanisms shape and enable EU policy exports

Keywords: Trade agreements • Geographical Indications • Intellectual Property • TRIPS • European Union

JEL classification: D72 • F13 • O30 • Q17

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1 Introduction

A Geographical Indication (GI) certifies and protects an agricultural product from a specific geographical origin, with “given quality [...] essentially attributable to its geographical origin” (WTO 1994). A famous example is Prosciutto di Parma. Recognizing their importance in trade, the Design of Trade Agreements (DESTA) project codes whether GIs are mentioned in trade agreements (Dür et al. 2014), but provides no further detail. In line with the recommendations of Baccini (2019), this article studies the political economy of EU trade policy by providing and analyzing in-depth data on the protection of individual GIs in 11 EU trade agreements.

GIs are not just a trivial detail in trade agreements. Both Greece and Italy have threatened not to ratify CETA because they deem the obtained GI protection insufficient (Malkoutzis 2016; Reuters 2018). Even German media reported on the lack of protection of Bavarian Beer in CETA (Uken 2015). Any agreement on Brexit will have to deal with GIs (European Commission 2017). In July 2018, the EU has started trade negotiations with Australia, which in the past strongly opposed increased GI protection at the WTO (Van Caenegem et al. 2014).

To explain why the EU has been relatively successful in exporting its GI policies through trade agreements, this article develops and tests a two-level theory. Because GIs are so important to five Southern member states for cultural as well as economic reasons, trade agreements will only be ratified if they protect a sufficient number of GIs from those countries. Other member states, who care less about GIs, are expected to only demand protection for high-sales GIs. Hence the Commission can credibly threaten that no agreement is possible without protection of high sales GIs and a sufficient number of GIs from the Southern 5. As such, GIs are an offensive red line for the EU (Hogan 2019). Depending on the willingness of the partner to accept, the Commission will make the necessary concessions in return. If the partner is in a weak position or has a high willingness to accept, more GIs will be protected.

Regarding trade agreements that have been concluded, it is hard to assess the cost of the concessions given in return for the protection of GIs (Matthews 2016). However, it is not unthinkable that these exceed the potential benefits of additional exports of EU GIs. Even more importantly, if it continues treating the protection of

GIs as a red line, the EU may never be able to conclude a comprehensive trade agreement with the US. In this light, the ongoing negotiations with Australia are important to watch. While it remains to be seen if Australia will give in, the US pullback from the Trans-Pacific partnership (of which Australia is a member) seems to make this more likely.

Existing studies on GIs in EU trade agreements focus on qualitative levels of protection and compare only a limited selection of agreements. In contrast, this article considers 11 recent trade agreements negotiated by the EU and moves to a quantitative analysis based on its novel coding of the lists of protected GIs. It contributes to the literature by developing and testing a political economy theory of GI protection in EU trade agreements. The conclusion is that EU trade agreements are more likely to protect GIs with higher sales values and from countries in the South of Europe, where GIs are highly salient. In terms of broader relevance, this article illustrates how economic considerations and political mechanisms shape and enable EU policy exports.

2 EU GI policy and the war on terroir

The EU counts over 1,300 GIs protecting food items such as Gouda Holland or Prosciutto di Parma. They are labelled Protected Designation of Origin (PDO) or Protected Geographical Indication (PGI). On average, such products are sold for about twice the price of similar non-GI products (Chever et al. 2012). Protected GI names cannot be used by producers outside of the relevant area. As an example, in the EU one cannot sell a cheese as Feta if it was not manufactured in the protected area in Greece.

Domestically, GI policy has been a means of protecting differentiated agricultural products that have built up a reputation from cheaper competition (Huysmans and Swinnen 2019; Meloni and Swinnen 2018; Raustiala and Munzer 2007: 342). As such, domestically GIs serve as a defensive tool, and as a prohibitive non-tariff barrier to imported imitations. Protecting GIs outside of the EU is mostly an offensive special interest: the goal is to obtain external recognition and increase exports. Even though only GI producers directly benefit from external GI protection, it also appears to be a tool to convince or compensate overall farm lobbies for increased liberalization of agricultural trade, especially in countries like Italy and Greece (Matthews 2016: 15-16).

Most EU countries have at least one GI, with Malta and Estonia being the exception. However, the vast majority of GIs is concentrated in the *Southern Five*: France, Greece, Italy, Portugal and Spain. These five countries have over 70% of all EU food GIs, and 80% of wine GIs (Huysmans and Swinnen 2019). Figure 1 illustrates the number of food GIs per country by May 2018.

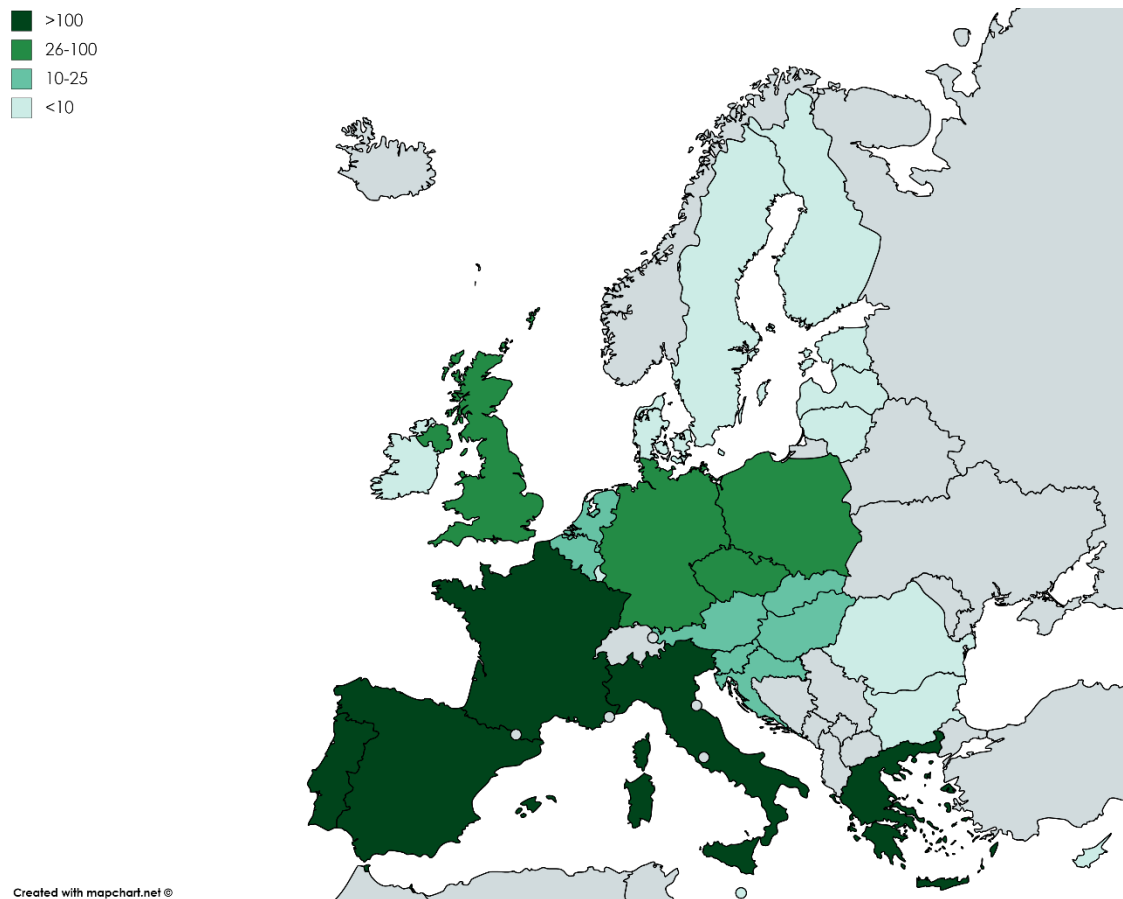


Figure 1. EU28: food GIs by May 2018

For the application and certification of each GI, a producer group is required. These producer groups are in contact with their national ministries of agriculture or the special government agencies responsible for GIs, such as the INAO (Institut national de l'origine et de la qualité) in France. At the EU level, GIs are administered by the Commission's Directorate General for Agriculture (DG AGRI). While trade policy in general is the responsibility of DG Trade, member states have delegated "agricultural aspects of international trade negotiations" to DG AGRI (Dür and Elsig 2011: 331).

2.1 The EU rationale for protecting GIs

Proponents of GIs, such as the EU, argue that there is “a demand for agricultural products or foodstuffs with identifiable specific characteristics, in particular those linked to their geographical origin” (European Union 2012: preamble 2). However, “producers can only continue to produce a diverse range of quality products if they are rewarded fairly for their effort”, which “requires them to be able to correctly identify their products on the marketplace” (European Union 2012: preamble 3). Hence GIs are argued to have positive welfare effects by improving consumer information.

Theoretical work by economists supports that this can be the case (Lence et al. 2007; Moschini et al. 2008). By spreading the fixed costs of marketing and certification, GI schemes may allow small high-quality producers to survive even if they cannot afford to build up an individual trademark-protected brand (Moschini et al., 2008: 807).¹

Clearly, EU GI policy is also about culture. The very first preamble to the EU GI regulation references the Union’s “living cultural and gastronomic heritage” (European Union 2012). Broude (2005: 631) reports that the EU justifies GIs as “required for the preservation of local traditions, national culture, and cultural diversity”. DeSoucey (2010: 433) has used the term “gastronationalism” to refer to the attachment to and protection of foods in response to globalization and its “homogenizing tendencies”. While the fear of homogenization may be overblown, it does seem clear that free trade often benefits mostly large and cost-competitive firms (Baccini et al. 2017).

A related argument to the preservation of traditional production methods, is the objective of preserving rural economies and populations. This argument is mentioned explicitly in Article 1 of regulation EU 1151/2012: “The measures set out in this Regulation are intended to support agricultural and processing activities and the farming systems associated with high quality products, thereby contributing to the achievement of rural development policy objectives”.

¹ Trademarks do not require a link to a geographical location, although they can, such as Idaho potatoes in the US (Matthews 2016). Geographical indications under the EU system are *sui generis*: one of a kind, i.e. not like other trademarks (Josling 2006). They are tied to a specific region and collective: anyone who operates in the region and respects the product specification can use the GI.

Just like GI policy within the Single Market, EU trade policy on GIs is clearly about more than just economics, but also about gastronomical nationalism. Indeed, in 2010, only about 1 B€ worth of food GIs was exported outside of the EU (Chever et al. 2012). This corresponds to less than 0.01% of EU GDP. Yet all recent EU trade agreements have protected lists of GIs.

2.2 EU objectives for GIs in trade

EU GIs are not necessarily protected outside of the Single Market. The agreement on Trade Related Aspects of Intellectual Property (TRIPS) specifies minimum standards that WTO members must apply in protecting GIs. Under Article 23 TRIPS, GIs for wines and spirits are fairly well protected (Goldberg 2001; Raustiala and Munzer 2007; WTO 1994). In contrast, Article 22 TRIPS provides less protection for GIs covering foodstuffs (Addor and Grazoli 2002; Vittori 2010).

Under Article 22, GI producers who wish to stop the use of a GI name by others have to prove that the public is being misled or that there is an act of unfair competition. The simple addition of the true origin (e.g. US Feta) already rules this out, making litigation unlikely to succeed and rare (Addor and Grazoli 2002: 878-883). Under Article 23, with some exceptions for prior use, GI producers wishing to stop illegitimate use only have to show that a product does not originate in the GI region (Addor and Grazoli 2002: 882). Hence this article focuses on food GIs, for which the explicit protection in trade agreements makes a bigger difference.

Given the failure of the WTO Doha round (De Bièvre and Poletti 2013; Evans and Blakeney 2006; Hughes 2006), the EU has been seeking to extend the protection level of Article 23 TRIPS to its foodstuff GIs by means of bilateral trade agreements: "In the new generation of FTAs a satisfactory GI Chapter is a "must have" for the EU" (DG AGRI 2012: 8). Consistent with the Global Europe strategy, the EU has focused on large economies for this 'new generation' of trade agreements (Young 2015). The 2009 Free Trade Agreement (FTA) with South Korea was the first in this series (Elsig and Dupont 2012).

The EU's commitment to GI protection in trade agreements remains strong. Recently, the EU has started negotiations for a trade agreement with Australia and New Zealand. As per its mandate from the Council, the Commission will have to ensure that any agreement provides "direct protection [...] through the agreement of a list of GIs [...] at a high level of protection building upon Article 23 TRIPS"

(Council of the EU 2018: 15). In a speech in Australia, Agriculture Commissioner Hogan reaffirmed the EU's commitment to GIs: "On the offensive side, we have strong red lines on Sanitary and Phytosanitary matters and on Geographical Indications" (Hogan 2019).

2.3 The war on terroir and EU policy export

Detractors of GIs, such as the US, argue that they stifle competition and innovation, and that they are a form of unnecessary protectionism given the possibility of using private trademarks (Osgood and Feng 2018). A major US objection is that the EU has granted GI protection for some high-profile names that it considers generic types of products, such as Feta cheese (Matthews 2016). Just like for standards in general, empirically assessing the welfare and trade effects of GIs as a non-tariff measure is difficult and contentious (Beghin et al. 2015).

The different appraisal of GIs between the EU and the US has resulted in an ongoing conflict, dubbed the "War on Terroir" by Josling (2006). Recently, the conflict became apparent during the negotiations over the Transatlantic Trade and Investment Partnership (TTIP), where GIs were a major stumbling block (Hough 2016; Matthews 2016; Michalopoulos 2016; Young 2016: 360).

Given the fundamental disagreement on GIs, studying them allows for direct insight into the global battle for influence between the EU and the US (O'Connor and Bosio 2017). For third countries, giving in to the EU may preclude or limit the potential of future deals with the US, and vice versa. In this respect, the inclusion of 143 GIs in the Comprehensive Economic and Trade Agreement (CETA) with Canada, a country close to the US, is a significant success for the EU in terms of policy export. Some commentators have concluded that "The EU's disputed system of geographical indications is taking over the planet" (Livingstone 2017: 1). Indeed, GIs are also gaining popularity in the global South (Marie-Vivien and Biénabe 2017).

Of course, optimism on the EU's recent success in exporting its GI policies should be balanced by a reminder that it has been forced to take the bilateral road because it could no longer successfully export its policies at the multilateral level (De Bièvre and Poletti 2013; Sbragia 2010). In addition, in many other areas than

GIs the EU's capacity to export its regulations seems to have declined significantly (Young 2015).

3 Recent EU trade agreements

This article studies all EU trade agreements that protect lists of foodstuff GIs and for which negotiations have been concluded in the period 2009 – 2017. It does not include standalone agreements on GIs nor trade agreements that only protect wine or spirits GIs. It also excludes the Stabilization and Association Agreements (SAAs) with the Balkan countries: with the exception of Kosovo, these have been signed before 2009. The Kosovo SAA, signed in 2015, protects all registered EU food GIs and so does not contain a list of protected GIs.

The resulting 11 agreements are listed in Table 1. By WTO standards they are all Free Trade Agreements (FTAs), but the table uses the names given to the agreements by the EU. They have been ordered by the end date of negotiations.² For the signed agreements, the table lists the year they were signed and also their date of provisional application and of full effect, if applicable. Because ratification by member states can take time, most parts of signed agreements are applied provisionally as soon as the European Parliament and the counterparty have given their approval and both sides are ready for implementation. As an example, this has been the case with CETA since September 2017. Once the member states have ratified, the agreements come into complete effect.

Table 1. Overview of EU trade agreements and the number of food GIs protected.

Order	Counterparty	Type	Negotiated	Signed	Provisional	Effective	GIs
1	South Korea	FTA	2009	2010	2011	2015	60
2	Andean	FTA	2010	2012	2013		34
3	Central America	AA	2010	2012	2013		88
4	Ukraine	DCFTA	2012	2014	2016	2017	811
5	Georgia	DCFTA	2013	2014	2014	2016	805
6	Moldova	DCFTA	2013	2014	2014	2016	852
7	South Africa	EPA	2014	2016	2016		110
8	Canada	CETA	2014	2016	2017		143
9	Singapore	FTA	2014	2018			83
10	Vietnam	FTA	2015	2019			59
11	Japan	EPA	2017	2018	2019		78

² The dates used are those of the conclusion of negotiations, as reflected by DG Trade press releases.

There EU engages in different types of trade agreements. The agreements with South Korea, the Andean countries (Columbia, Peru and since 2017 Ecuador), Singapore and Vietnam are FTAs. With the Central American countries (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama) the EU has signed an Association Agreement (AA). With Georgia, Moldova and Ukraine, Deep and Comprehensive Free Trade Agreements (DCFTAs) have been concluded. Canada and the EU signed a Comprehensive Economic and Trade Agreement (CETA). With the South African Development Community and with Japan, the EU entered into Economic Partnership Agreements (EPAs). The table only refers to South Africa, because the provisions on GIs in the EPA only apply to South Africa itself and not to the other members of the community (Botswana, Lesotho, Mozambique, Namibia, Swaziland).

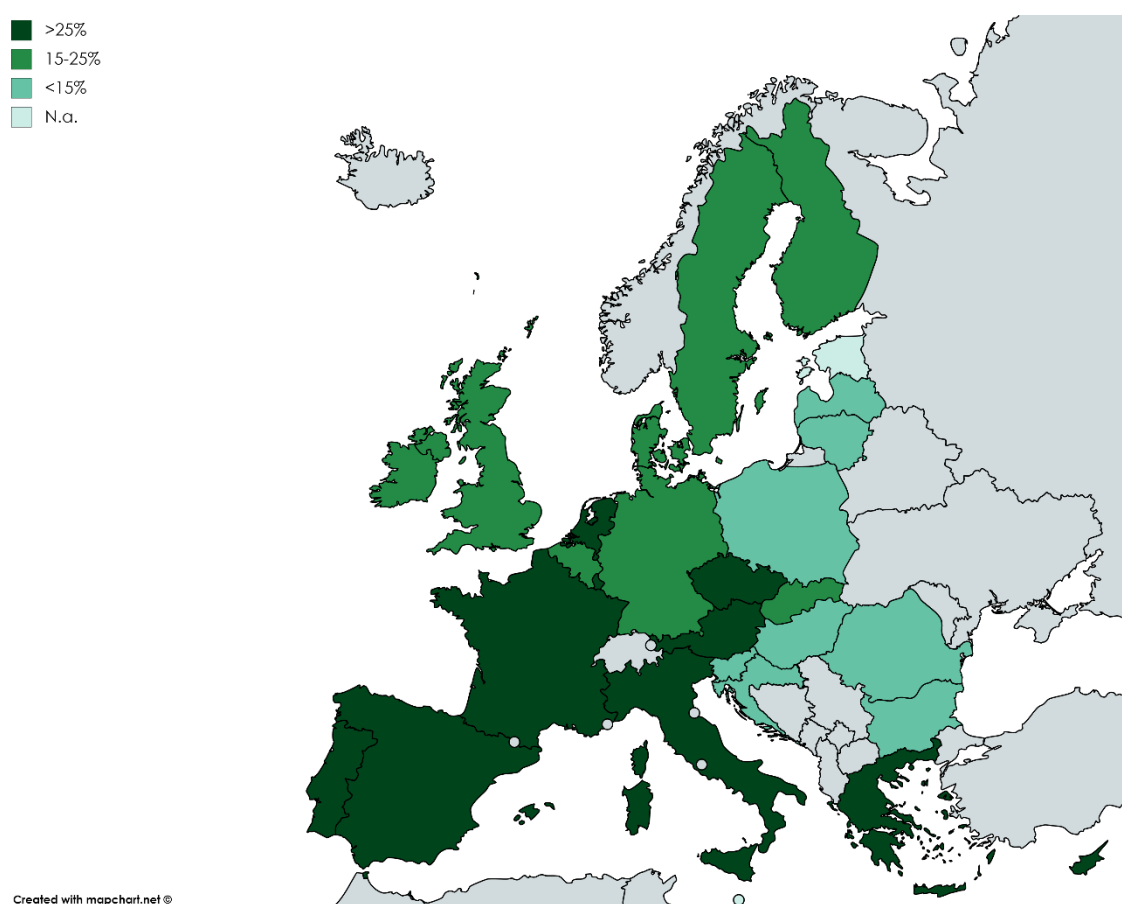


Figure 2. EU28: fraction of GIs protected in 11 trade agreements.

The last column of Table 1 shows the variance in the number of listed food GIs. While the Andean FTA protects only 34 GIs, the DCFTA with Moldova protects 852. Figure 2 illustrates the fraction of GIs listed in these 11 agreements per EU28 country. To compute the fractions, observations were limited to GIs registered at the latest in the calendar year before the conclusion of negotiations. While there are some differences with Figure 1, again the Southern Five stand out: France, Greece, Italy, Portugal and Spain. Not only do they have many more GIs, but they also have a higher probability of protection in trade agreements.

3.1 Qualitative aspects of GI protection

While O'Connor & Richardson (2012) analyze lists of protected GIs, their analysis remains descriptive and limited to three trade agreements (South Korea, Andean and Central American) and three GI-only agreements (Switzerland, Moldova and Georgia). They show that the lists vary widely across these cases, although there is a common base protected in all of them.

Table 2. GIs listed in all 11 trade agreements.

GI	Country	Category
Brie de Meaux	France	Cheeses
Camembert de Normandie	France	Cheeses
Canard à foie gras du Sud-Ouest	France	Meat Products
Comté	France	Cheeses
Emmental de Savoie	France	Cheeses
Gorgonzola	Italy	Cheeses
Grana Padano	Italy	Cheeses
Jambon de Bayonne	France	Meat Products
Mortadella Bologna	Italy	Meat Products
Parmigiano Reggiano	Italy	Cheeses
Priego de Córdoba	Spain	Oils and Fats
Prosciutto di Parma	Italy	Meat Products
Prosciutto di San Daniele	Italy	Meat Products
Prosciutto Toscano	Italy	Meat Products
Provolone Valpadana	Italy	Cheeses
Pruneaux d'Agen	France	Fruit, Vegetables & Cereals
Reblochon (de Savoie)	France	Cheeses
Roquefort	France	Cheeses
Taleggio	Italy	Cheeses
Ελιά Καλαμάτας (Elia Kalamatas)	Greece	Fruit, Vegetables & Cereals
Μαστίχα Χίου (Masticha Chiou)	Greece	Natural Gums & Resins
Φέτα (Feta)	Greece	Cheeses

Table 2 gives an overview of the GIs listed in all 11 agreements. It is striking that this list only contains GIs from GI-rich Southern EU countries. While most of the products are well-known, some are not. Probably the two least known are Priego

de Córdoba (an olive oil from Spain) and Masticha Chiou (a natural gum from Greece).³ From the economic perspective of imitation outside of the EU, it hardly seems necessary to protect these products. The reason for their inclusion in all agreements may be more cultural demand and a favorable political process. As discussed, both Greece and Italy have threatened not to ratify CETA because it does not protect enough GIs. While padding the lists with unknown GIs may not bring much economically, it likely also requires less concessions to the counterparty in return. Hence the listing of (relatively) unknown GIs from the Southern Five may be a strategy by the EU to satisfy gastronationalism while limiting the required concessions.

Engelhardt (2015) studies 5 EU trade agreements: those with South Korea, with Colombia & Peru (also known as the Andean FTA), the Central American countries, Canada, and Georgia. He concludes that the EU has been broadly successful in achieving its goals related to GI protection. In particular, the EU managed to protect lists of GIs and have its partners accept co-existence with prior trademarks. On the other hand, he finds that the lists diverge widely and that not all trade agreements provide for equally strong administrative enforcement of GI protection.

Matthews (2016) compares a set of EU agreements to a set of US agreements, in order to anticipate potential outcomes for the now frozen TTIP negotiations. On the EU side, his analysis includes the agreements between the EU and South Korea, Singapore, and Canada. He compares them to those between the US and South Korea and the Trans-Pacific Partnership (TPP) that was being negotiated between 12 American and Asian countries. He concludes that the EU and the US have negotiated very different agreements regarding GIs, and that finding a compromise for TTIP will be difficult.

In a similar spirit, O'Connor and Bosio (2017) compare the EU-South Korea agreement to US-South Korea and EU-Vietnam to the TPP. They find support for a "first come first served" rule: whoever comes first affects the scope for compromise with the second. For instance, because of what Vietnam had agreed to during TPP negotiations, a clause was added to the EU-Vietnam agreement that

³ While Prosciutto di Parma generates about 15 million google hits, Mastichi Chiou only has about 50 thousand.

listed GIs may be invalidated later on. Partial exceptions were also made for prior users of the terms Feta and other listed GIs.

To conclude, the existing literature has established two main findings. First, it has shown that across EU trade agreements the lists of protected GIs as well as the protection level differ. Second, it has shown how the conflict between the EU and the US has affected their preferential trade agreements with third parties. Building on this prior literature, this article develops and tests a theory of GI protection in EU trade agreements.

4 A theory of EU GI trade policy

4.1 How agreements are negotiated

EU Trade agreements are negotiated by the Commission, on mandates from the Council (Dür and Zimmermann 2007). The final agreement then needs approval from the Council and, since the Lisbon Treaty, also from the European Parliament. The Council, where the member states are represented, operates *de facto* by consensus.⁴ As stated by De Bièvre (2018: 79) : “all big EU trade deals have been approved by consensus (no votes cast) or even strict unanimity”. This means that the Commission has to search for compromises that are acceptable to all member states, also taking into account non-trade issues (Lechner 2016).

In principle, trade is an exclusive EU competence. However, since these agreements often also touch upon other competences (such as state-investor dispute settlement), the European Court of Justice has ruled in relation to the Singapore FTA that such mixed agreements also need to be ratified by the parliaments of the member states. Even before this judgement, the Commission had decided to have CETA be ratified by the national parliaments. On top of consensual decision-making in the Council, this means that in these cases the national parliaments have an explicit *ex-post* veto on mixed agreements.

The need for support from all member states has helped the EU in getting concessions from its trading partners (De Bièvre and Poletti 2013). This has been called the “paradox of weakness” (De Bièvre 2018). Consistent with the logic of two-level games (Putnam 1988), the Commission can credibly threaten that no

⁴ Note that even if a vote would be taken in the Council, the Southern five countries could block agreement. They represent about 38% of the EU population, while a qualified majority under the Lisbon rules requires at least 65%.

agreement is possible unless the partner concedes. On the other hand, this also means that in order to secure any agreement at all, issue linkage is often necessary (Dür 2014; Mansfield and Milner 2012). By integrating GIs into broad trade agreements, all EU member states as well as the negotiating partner can win from the final agreement.

In order to ensure ex-post approval from the member states, the Commission bases its demands regarding GIs on their input. Responding on behalf of the Commission to a written question from an Italian member of the European Parliament, trade Commissioner Malmström wrote about the GIs protected in CETA: "These GIs are among the most traded EU and Italian GIs and have been selected on the basis of priorities requested by Member States" (Malmström 2017).

4.2 Interest groups and lobbying

The interests of GI producers are represented through industry associations at different levels. Each GI has its own producer group (Deconinck et al. 2015). For instance, the French PDO cheese Beaufort is held by the Syndicat de Défense du Fromage Beaufort. Sometimes they form regional alliances such as "Fromages de Savoie", which groups 8 GI cheeses from the French Savoie region. Some product categories have national alliances, such as the French grouping of dairy GIs, CNAOL (conseil national des appellations d'origine laitières). All of these groups can lobby their national governments to include their GIs in the national priorities sent to the Commission.

Local and national groups also organize in international federations. For instance, all of the groups mentioned above are members of the Organization for an International Geographical Indications Network (OriGIN). It represents around 500 members, and is included in the Commission's civil dialogue group on international aspects of agriculture. This illustrates how in addition to representation via the member states, interest groups and especially European federations can also lobby the Commission directly (Dür and Elsig 2011).

Given lobbying, one would expect the member states and Commission to focus first on obtaining protection for GIs with a high export potential. One predictor for export potential is current sales. Based on the Melitz (2003) model of trade, one might also entertain the opposite hypothesis, since GIs with large sales are likely already competitive in exports (Curzi and Olper 2012). However, this requires that

they are safeguarded from imitation under the same name; otherwise their price premium risks being eroded away (Meloni and Swinnen 2018; Winfree and McCluskey 2005). So even though high sales GIs might already be more competitive in exports than low sales GIs, one still expects them to lobby more in order to maintain their price premium in export markets.

While partner countries may also be more likely to oppose the protection of valuable GIs, the logic of lobbying and collective action (Grossman and Helpman 1994; Olson 1974) would favor the GI producers. They are well-organized, because for GI certification they require producer groups. In addition, the benefits of protection for them are likely to be more concentrated and politically relevant than the domestic and trade diversion costs for the partner country. Indeed, the producers of competing non-GI products that are forced to change names can be located in the partner country, but also in any country exporting to it. This means that part of the cost of conceding protection will fall outside of the partner country.⁵

4.3 High-demand countries

As explained above, EU trade agreements require ex-post approval from the member states. Recent agreements require explicit ratification by all individual member states, but also in the past the Council de facto only ratified if there was a consensus (De Bièvre 2018). This means that countries have an ex-post veto if they feel that an insufficient number of their GIs is protected. Anticipating this, one expects the Commission to focus on GIs from countries where they are highly salient, and the demand for protection is high. Indeed, such high demand countries might otherwise not approve the agreement.

High demand for (external) GI protection is likely to stem from different sources such as better or more differentiated food, strong agricultural and GI lobbies, limited cost-competitiveness, public salience of GIs and gastronationalism (DeSoucey 2010; Huysmans and Swinnen 2019). Where gastronationalism is at play, the protection of a GI in a trade agreement is a symbolic affirmation of its value, an expression of national identity, and a source of pride. Each protected GI externally strengthens the (perceived) food culture of such countries. In terms of getting the agreement ratified, each protected GI undermines the notion that free

⁵ This is a reason why the US was not in favor of Korea and Canada protecting EU GIs, and why the Consortium for Common Food Names is supported by the US Patent and Trademark Office (www.commonfoodnames.com).

trade only promotes cost-competitive large firms and uniform foods. To secure the support of countries with high levels of gastronomic nationalism the Commission may then also seek to protect GIs with less export potential, especially given that the partner is likely to require less concessions in return.

An anecdote illustrates the importance of the agricultural lobby in countries like Italy. The announcement that Italy would not ratify CETA because of a lack of GI protection was made by deputy prime minister Di Maio during a speech to the national farming association Coldiretti (Reuters 2018).

The main way high-demand countries are expected to be more likely to get their GIs protected is through the threat of an ex-post veto. An alternative but complementary channel favoring high demand countries is informational. Politicians and bureaucrats from groups with high demands in a given policy area tend to have superior information in that area (Krehbiel 1991). Applying this to the Commission, one can expect it to rely more on bureaucrats and information from high demand countries.

4.4 Partner interests and concessions

Based on EU documents and statements by EU trade and agriculture Commissioners, I have posited that the protection of at least some GIs is an offensive red line for the EU: it will not conclude trade agreements without it. The hypothesized two-level mechanism is the willingness of some member states to veto the agreement otherwise (Dür and Elsig 2011: 329). This is consistent with, though not proven by, the fact that since 2009 the EU has only concluded trade agreements that protect GIs, and that Greece and Italy have threatened not to ratify CETA because of insufficient GI protection.

Discussing the role of GIs in TTIP negotiations, then trade Commissioner De Gucht explained to the House of Lords that a deal would be very difficult without the protection of at least some GIs (House of Lords 2014: 46). De Gucht also anticipated that GI protection would likely be a counterweight for concessions on US offensive interests such as larger beef quota (House of Lords 2014: 46). This is consistent with the notion that GI protection is an offensive red line for the EU, and that it is prepared to make concessions in return. Matthews (2016: 15) confirms this: "Previous agreements on GIs [...] were successful because the EU offered additional market access".

If the Commission seeks to ensure adoption, it will make sure to protect at the minimum the GIs member states care about most. Next it may seek protection of additional GIs if the cost is not too high. From a concessions-trading perspective, one expects a GI to be more likely to be protected by a partner who faces a lower cost of supplying protection, and hence can credibly demand less concessions.

Given the limited number of 11 agreements and partners, this article focuses on the demand side of protection rather than the supply side. To avoid bias in the estimation of demand-side variables, variation at the partner level will be absorbed using partner fixed effects. Nonetheless, a brief discussion follows, and the mentioned partner characteristics will be controlled for in the empirical analysis.

Multiple partner characteristics seem relevant. If the partner has an active GI system, they are likely to demand less concessions for protecting EU GIs, both because they support the idea of GIs, and because they may want the EU to protect their GIs. A second characteristic is bargaining power. If the EU has a larger market than the partner, it may have more bargaining power and be able to get GI protection for less concessions. For developing countries with limited resources, the EU may bargain less hard on GI protection. Finally, concession trading is easier in deeper agreements (Dür 2014), so that GI protection may be correlated with agreement depth.

Bilateral factors may also play a role. It is well established in the trade literature that colonial ties positively affect trade flows (Head et al. 2010). On the demand side of protection, GIs from former colonizers may be sold and imitated more often, increasing demand for protection. However, on the supply side of protection an opposite effect may play: former colonies may resist protection of GIs from their former colonizers, for instance because they feel that they absorbed the procedural knowhow for some GI products and should be entitled to use the original names.

4.5 Hypotheses for testing

Based on the theory discussed above, this section establishes three key hypotheses regarding GI protection in EU trade agreements.

First, the Commission negotiates trade agreements on behalf of the member states and with input from interest groups. Through interest groups at different levels of aggregation, GI producers lobby member states and the Commission directly. As a result, the Commission can be hypothesized to focus on GIs with higher export

values. While partners may also have more objections to protecting such GIs, part of the costs will be for third country producers. In addition, based on its mandate from member states, the Commission sees GI protection as an offensive interest, so it will make concessions if needed.

H1: GIs with higher export values are more likely to be protected.

Second, the Commission seeks to have its negotiated trade agreements ratified. Considering GIs, it can be hypothesized to focus on GIs from countries with a high demand for protection, i.e. countries that could be willing not to ratify an agreement protecting few of their GIs.

H2: GIs from high demand countries are more likely to be protected.

While most member states are expected to care about GIs for their export value, high demand countries also care about the protection of GIs for broader reasons. Hence the Commission can be hypothesized to also seek protection for GIs from those countries with lower export values, especially because less concessions will likely have to be made.

H3: For high demand countries, export value matters less for protection.

5 Data

To test these hypotheses, a series of variables will be used as described below.

5.1 Dependent variable and predictors

The dependent variable, *Listed*, is 1 for GIs that are listed for protection in a given agreement and 0 otherwise. It has been newly coded from the annexes to the 11 agreements of Table 1. Data on the universe of GIs comes from the Commission's DOOR database. Since the last-minute addition of new GIs to agreements seems unlikely, the main analysis limits observations to GIs that had been registered one year before negotiations were concluded. This leads to a total of 11,510 observations. Robustness checks reported later use longer lags and hence have less observations.

Since there is no public data on the export value of GIs, H1 will be tested with two proxy variables. The first proxy, $\ln(\text{Sales})$, is the log of estimated sales in euros. The estimate is based on data by Chever et al. (2012), who provide sales values of GIs at the country-category level. Categories are for instance "1.1 Fresh Meat"

or “2.4 Bread, Pastry, Confectionary”. The estimated sales are then simply GI sales divided by the number of GIs in that country-category. If for reasons of confidentiality the figures for a certain country-category combination are omitted, the average value in that category across countries is used. This is the case for 21.9% of the observations. A robustness check in the Appendix reports results without category-level data.

Sales is a rough proxy, but it is the best data available. On average, there are 76 GIs per country-category. Based on data provided by EUIPO (2016), the average sales value of the top 10 GIs (including wine and spirits) is 1.3B€. ⁶ Comparing this to the maximum country-category sales estimate of 103 M€, it is clear that in practice GI values have much more variation than the proxy. The resulting measurement error means that there will be attenuation bias in the results: the true effect of sales is likely to be larger than the coefficient of the proxy.

The second proxy for export value is *CatExport*, also taken from Chever et al. (2012). It gives the fraction of GI value exported outside of the producer country. This data is only available at the category level. Hence the variable is a rough proxy for how much of a given GI is exported. However, it might appear less rough if one keeps in mind that more or less category-specific value-to-weight ratios are likely to be important drivers of the ability to export.

Unfortunately, trade data is not suitable for an analysis at the GI level. GIs are classified in broad categories with no direct mapping to trade data, e.g. class 1.2 for processed meat products. Internationally, trade data reporting is standardized in a Harmonized System up to 6 digit codes (HS6). However, these are far too broad for an analysis at the product level, and do not differentiate between GI and non-GI products. For instance, HS6 code 160100 is the code for sausages. Any exports of any sausages (whether GI or not) will be recorded in this category. The EU reports more fine-grained data based on its eight-digit Combined Nomenclature classification (CN8), but even these categories tend to be very broad e.g. code 16010091 groups sales of uncooked sausages. And even in the rare cases where CN8 codes are fairly specific, e.g. 040609078 “Gouda”, they still lump together sales of generic non-GI Gouda, Gouda Holland PGI and Gouda North-Holland PDO.

⁶ As listed in alphabetical order: Bayerisches Bier, Cava, Champagne, Cognac, Grana Padano, Parmigiano Reggiano, Pays d’Oc, Prosciutto di Parma, Rioja, Scotch Whisky.

The data used here has the advantage of being based on the EU's categories for GI products, and on the sale of GI products only. Using trade data would mean having to manually map GI products to trade codes, and lumping together the sales of GI and non-GI products.

To test H2, the dummy *Southern5* is 1 for France, Greece, Italy, Portugal and Spain. Other measures for high demand countries are reported as robustness checks. These countries are the only ones to have each registered more than 100 GIs. Together, they have about 70% of EU food GIs and an even larger share of wine GIs (Huysmans and Swinnen 2019). They are also well known for their food and food culture, and have high levels of gastronationalism (DeSoucey 2010): they have long-standing national GI regulations and registered their food culture with UNESCO (France in 2010 and the Mediterranean countries in 2013). This shows that these countries are proud of their food cultures, and willing to invest resources in protecting them. So for them, receiving external protection of GIs matters beyond the direct sales of individual GI products: it is also a validation of the broader food culture they value and benefit from. Hence they may be willing not to ratify agreements because of GIs.

A clear illustration of the symbolic importance of GIs in the Southern Five countries is the case of Feta and CETA. The Greek party Syriza has threatened not to ratify CETA (Christides 2013), among other reasons because it does not fully protect Feta.⁷ This is striking for two reasons. First, under the status quo there is no protection of Feta at all. Second, exports of Feta to Canada in 2011 amounted to only about 4M€ (Malkoutzis 2016) or roughly 0.002% of Greek GDP. Even if these would have doubled or increased ten-fold through full protection, the potential contribution to Greek GDP seems modest.

If both *ln(Sales)* and *Southern5* have positive coefficients, H3 can be tested by interacting them. The expectation is for the interaction effect to be negative but small, so that the effect of *Southern5* is still positive at large sales.

⁷ While Feta is listed, it is only partially protected. Notably, it is subject to a grandfathering clause that allows existing Canadian producers of 'Feta' to continue using the name, and to a clause which allows potential new producers to refer to their product as Feta-style, Feta-like etc. In the empirical part, a robustness check codes Feta and other products with similar exceptions as not being protected at all.

5.2 Control variables

While I have argued that all countries have an ex-post veto, one may still expect larger countries to have more influence, irrespective of whether they have high demand for GI protection. Given potential correlation between *Southern5* and country size or influence, omitting a measure thereof might bias the coefficient of *Southern5*. To control for this, *CtryVotes* gives the number of country votes in the Council under the rules of the Nice Treaty, which were used until 2014. Robustness checks will use shares of EU population and Shapley-Shubik power indices instead.

At the GI level, two control variables are used to limit omitted variable bias. More established GIs may be more likely to be protected simply because of their age, so *YearReg* controls for the year a GI was registered in the EU.⁸ The second, *PDO*, is 1 for GIs that are registered as Protected Designations of Origin (PDOs) rather than Protected Geographical Indications (PGIs). PDOs require all production steps to take place in the geographical area, versus only one step for PGIs. Given that they are more strict, PDOs may have higher margins than PGIs, leading to more producer lobbying and perhaps more protection.

Four partner characteristics are included in the controls. They are measured in the year negotiations for the agreement were concluded. The dummy *GIsystem* is 1 for partners that had their own GI system in place (Raimondi et al. 2019). To control for bargaining power, *GDPEUPartner* gives the ratio of EU GDP to partner GDP, using Worldbank data. To account for EU leniency towards developing countries in the global South, the dummy *SouthDevp* is 1 for the Andean, Central America, and Vietnam agreements. To control for more concessions being exchanged in deeper agreements, the dummy *DCFTA* is 1 for the Deep and Comprehensive Free Trade Agreements with Ukraine, Georgia and Moldova.

To control for any other unobserved sources of relative bargaining power and other agreement-specific sources of variation, agreement fixed effects will be used.

The bilateral dummy *Colonial ties* is 1 for GIs from formerly colonizing countries: Spain for Central America and Andean, the Netherlands for South Africa, France for Canada and Vietnam, and the UK for Canada and South Africa.

⁸ Note that more valuable GIs may also have been registered earlier. So including a control for year of registration will produce a conservative estimate of the true coefficient of $\ln(\text{Sales})$.

Error! Reference source not found. gives descriptive statistics for all of these variables. A correlation table is provided in the Appendix.

Table 3. Descriptive statistics.

Variable	N	Min	Max	Average	Source of underlying data
Listed	11,510	0	1	0.27	Agreement appendices coded by author
ln(Sales)	11,495	10.6	18.4	15.7	Chever et al. (2012), Country-Category
CatExport	11,510	0	0.66	0.22	Chever et al. (2012), Category estimate
Southern5	11,510	0	1	0.77	Huysmans & Swinnen (2019)
CtryVotes	11,510	4	29	23.0	Council Votes
YearReg	11,510	1996	2016	2003	DOOR database: year of registration
PDO	11,510	0	1	0.50	DOOR database: PDO vs. PGI
GIsystem	11,510	0	1	0.45	Raimondi et al. (2019)
GDPEUPartner	11,510	3.57	1900	321	World Bank
SouthDevp	11,510	0	1	0.25	Andean, Central America, Vietnam
DCFTA	11,510	0	1	0.27	Ukraine, Georgia, Moldova
Colonial ties	11,510	0	1	0.07	ES-Centr. Am/Andean, NL-ZA, FR-CA/VN, UK-CA/ZA

6 Methods and results

The probability that GI i in category k from country c is listed in agreement a is estimated as:

$$p(Listed_{ikca}) = \Phi(\alpha + \beta_1 \ln(Sales)_{kc} + \beta_2 CatExport_k + \beta_3 Southern5_c + \gamma X_{ikca} + \gamma_a).$$

In this expression, X_{ikca} is a vector of controls and γ_a are trade agreement fixed effects. To account for correlated errors within GIs, standard errors are clustered at the GI level unless reported otherwise. Note that the data for $\ln(Sales)_{kc}$ (Chever et al. 2012) covers the year 2010 and the first agreement in our sample becomes provisional in 2011, so there is no concern of reverse causality from protection to sales.

The results are reported in Table 4. Model 1 includes only the variables for H1 and H2 and the agreement fixed effects. Model 2 adds the main control variables. To test H3, Model 3 adds the interaction term $\ln(Sales)*Southern5$. Model 4 adds the partner controls and Model 5 clusters the standard errors at the partner level in order to account for potential correlation in error terms within partners (Moulton 1990). Some such correlation can remain even when controlling for agreement, i.e. partner, fixed effects (Cameron and Miller 2018).

The results confirm all three hypotheses: GIs with higher sales and from the Southern Five are significantly more likely to be protected in trade agreements, but low sales matter less for the Southern Five. The effects are of substantial magnitude: based on Model 4, a 1% increase in sales results in a 1.7 percentage point increase in the probability of being listed. A GI from a Southern Five country is 4 percentage points more likely to be listed. The coefficient for *CatExport* is positive but only significant in some specifications.

Table 4. Probit regression of Listed.

Probit of Listed	(1)	(2)	(3)	(4)	(5)
<i>ln(Sales)</i>	0.109*** (0.022)	0.114*** (0.028)	0.235*** (0.074)	0.235*** (0.074)	0.235*** (0.082)
<i>CatExport</i>	0.340 (0.339)	0.758* (0.423)	0.870** (0.422)	0.870** (0.422)	0.870*** (0.173)
<i>Southern5</i>	0.490*** (0.090)	0.207** (0.097)	2.605** (1.290)	2.596** (1.290)	2.596*** (0.745)
<i>ln(Sales)*Southern5</i>			-0.147* (0.081)	-0.147* (0.081)	-0.147*** (0.045)
<i>CtryVotes</i>		-0.006 (0.005)	-0.004 (0.005)	-0.004 (0.005)	-0.004 (0.004)
<i>YearReg</i>		-0.118*** (0.010)	-0.119*** (0.010)	-0.119*** (0.010)	-0.119*** (0.034)
<i>PDO</i>		-0.003 (0.080)	0.021 (0.081)	0.021 (0.081)	0.021 (0.038)
<i>GIssystem</i>				0.068 (0.077)	0.068** (0.026)
<i>GDPEUPartner</i>				0.007*** (0.002)	0.007*** (0.001)
<i>SouthDevp</i>				-0.450*** (0.099)	-0.450*** (0.019)
<i>DCFTA</i>				2.543*** (0.125)	2.543*** (0.179)
<i>Colonial ties</i>				-0.035 (0.081)	-0.035 (0.252)
<i>Agreement FE</i>	Yes	Yes	Yes	Yes	Yes
<i>Constant</i>	-3.983	233.026	231.142	231.372	231.372
<i>N</i>	11,495	11,495	11,495	11,495	11,495
<i>Pseudo R-squared</i>	0.44	0.54	0.54	0.54	0.54
<i>Clusters</i>	1,288 GIs	1,288 GIs	1,288 GIs	1,288 GIs	11 Partners

Robust standard errors in brackets. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Recall that *ln(Sales)* is a proxy with measurement error: because there is no better data available, it is an estimate at the country-category level (e.g. Italian cheeses).⁹ Hence the coefficient of the (unobserved) true sales value is likely to

⁹ The Appendix reports a robustness check of Model 2 omitting all data at the category level, i.e. the variable *CatExport* and all observations where *ln(Sales)* had to be imputed at the category level

be higher due to attenuation bias. Indeed, upon inspection of the data it is clear that products are not protected in country-category groups, and that high-sales GIs in a country-category are much more likely to be protected. For instance, in the category of Italian cheeses, Parmigiano Reggiano and Gorgonzola are listed in all 11 agreements, while more obscure cheeses such as Canestrato di Moliterno and Formaggio di Fossa di Sogliano are listed in only 1 resp. 0 agreements. As a further illustration of the variance within country-categories, Table 9 in the Appendix shows the variation in the number of listed Italian cheeses per trade agreement.

Consistent with the idea that countries each have an ex-post veto irrespective of their size and voting weight, the coefficient for *CtryVotes* is not significant. This confirms the hypothesis that in the matter of GI protection in trade agreements high demand is more important than voting weight. As shown by the significant coefficient for *YearReg*, older GIs are more likely to be listed, likely because they are more valuable or more established. The coefficient for *PDO* is never significant.

The coefficients for the partner characteristics that are significant with the errors clustered at the partner level have the expected signs. Partners with a *GISystem* and with smaller GDPs relative to the EU (higher *GDPEUPartner*) protect more GIs. Countries from the global South *SouthDevp* protect less GIs, while countries engaged in a deep *DCFTA* protect more. The bilateral control *Colonial ties* is not significant.

Figure 3 shows the predicted probabilities of being listed based on models 2 and 4, averaged over all other covariates. Both panels of the figure show that the effects of *ln(Sales)* and *Southern5* are substantively significant. The right panel, which includes the interaction term of model 4, shows that GIs from the Southern Five are more likely to be protected especially at lower sales. This is consistent with the notion of gastronationalism: for those countries, GI protection is about identity as much as economics.

instead of the country-category level. The coefficients and significance levels for *ln(Sales)* and *Southern5* are similar.

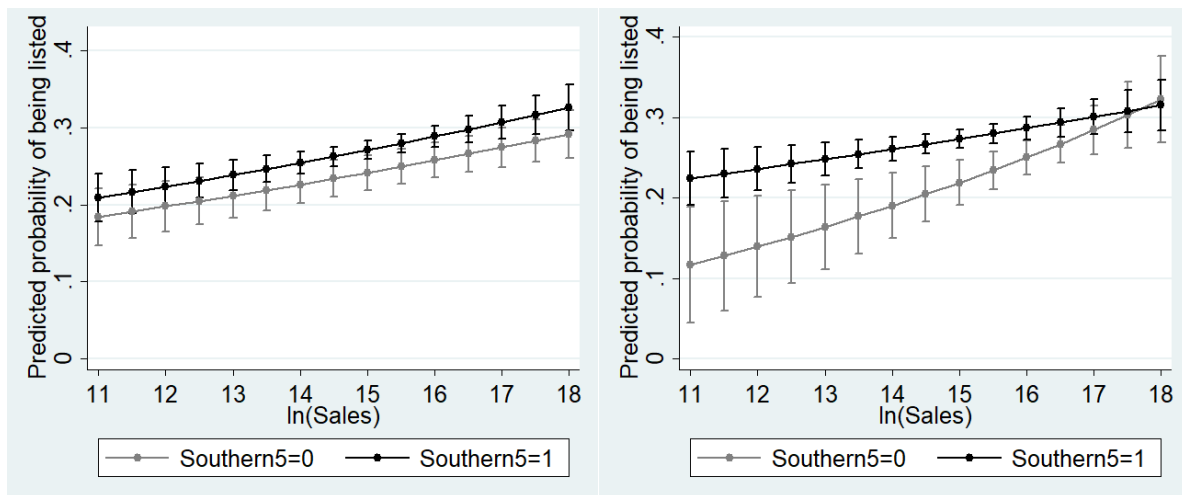


Figure 3. Predicted probabilities without and with interaction $\ln(\text{Sales}) * \text{Southern5}$. Left: Model 2, Right: Model 4.

6.1 Robustness checks

Table 5 reports the results of four main robustness checks. The coefficients related to H1-H3 retain the expected sign and remain significant across all of them.

Model 6 controls for whether a GI was listed in previous trade agreements. The variable *Listed before* gives the number of times a GI has been listed in previous agreements as ordered in Table 1. Its coefficient is positive and both highly significant and large, but hard to interpret. It could capture path-dependency at the GI-level, but it certainly captures unobserved heterogeneity at the GI-level, driven by elements such as a GI's true export value. The coefficients of some of the partner characteristics reverse sign in this specification, indicating limited robustness.

Model 7 drops the three DCFTAs. In such more comprehensive agreements with countries in its neighborhood, the EU can demand closer regulatory alignment. As is clear from Table 1, they indeed list the majority of GIs. However, as Table 5 shows, the results are robust to dropping these agreements. Note that without the DCFTAs, the baseline probability of being listed drops from 27% to 8%.

Model 8 clusters the standard errors at the country level rather than the GI level. Compared to model 4, the interaction term becomes significant at the 5 percent level.

Model 9 only codes *Listed* as 1 for GIs that have been fully listed, i.e. no grandfathering for existing producers or other exceptions were made. For instance, since Feta was not fully protected in CETA, in this model it is coded as a 0 for

Canada. In total, only 27 observations are affected and results are very similar to model 4.

Table 5. Main robustness checks.

Probit of Listed	(6) Listed before	(7) Drop DCFTA	(8) SE at Country	(9) Only fully protected
ln(Sales)	0.119** (0.046)	0.408*** (0.096)	0.235*** (0.056)	0.230*** (0.074)
CatExport	0.834** (0.361)	1.174** (0.475)	0.870*** (0.300)	0.894** (0.426)
Southern5	1.579* (0.805)	3.560** (1.796)	2.596** (1.108)	2.674** (1.277)
ln(Sales)*Southern5	-0.097* (0.050)	-0.202* (0.108)	-0.147** (0.071)	-0.153* (0.080)
CtryVotes	-0.002 (0.004)	-0.009 (0.007)	-0.004 (0.011)	-0.003 (0.005)
YearReg	-0.095*** (0.008)	-0.050*** (0.008)	-0.119*** (0.013)	-0.119*** (0.010)
PDO	-0.070 (0.055)	0.088 (0.109)	0.021 (0.152)	0.014 (0.081)
GIsystem	-0.124 (0.246)	0.091 (0.073)	0.068 (0.126)	0.023 (0.081)
GDPEUPartner	-0.097*** (0.012)	0.005*** (0.002)	0.007** (0.003)	0.006*** (0.002)
SouthDevp	1.428*** (0.243)	-0.429*** (0.096)	-0.450* (0.246)	-0.444*** (0.101)
DCFTA	10.328*** (0.845)		2.543*** (0.301)	2.584*** (0.128)
Colonial ties	0.105 (0.116)	-0.016 (0.071)	-0.035 (0.137)	-0.023 (0.081)
Listed before	0.944*** (0.073)			
Agreement FE	Yes	Yes	Yes	Yes
Constant	188.205	90.557	231.372	232.823
N	11,495	8,363	11,495	11,495
Pseudo R-squared	0.70	0.13	0.54	0.54
Clusters	1,288 GIs	1,288 GIs	25 countries	1,288 GIs

Robust standard errors in brackets. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

A next set of robustness checks uses alternative measures for high demand countries and for voting power. They are reported in T. Model 10 replaces *Southern5* by the *Number of GIs* at the country level. While the coefficient is positive, it is not significant. This is likely because countries like Germany also have many GIs registered within the EU, but do not have as strong a food culture and demand for protection as the Southern Five (DeSoucey 2010).

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Model 11 replaces *Southern5* by *GI sales/GDP*, measured at the country level. It uses data from Chever et al. (2012) for total GI sales; this data is missing for Cyprus, Finland, Slovenia and Sweden because of confidentiality. GDP data comes from Eurostat. The coefficient of *GI sales/GDP* is negative but not significant. Model 12 replaces *Southern5* by *GI sales/Agri VA*: GI sales relative to the added value of the agricultural sector as reported by Eurostat. Again, the coefficient is negative but not significant. These results strengthen the idea that countries care about GIs for more than purely economic reasons.

able 6. Robustness checks: alternative measures of high demanders and voting power.

Probit of Listed	(10) Number of GIs	(11) GI sales/ GDP	(12) GI sales/ Agri VA	(13) Population share	(14) Lisbon Index
In(Sales)	0.100*** (0.028)	0.112*** (0.028)	0.117*** (0.027)	0.244*** (0.075)	0.250*** (0.075)
CatExport	0.749* (0.421)	0.721* (0.423)	0.725* (0.426)	0.877** (0.423)	0.880** (0.424)
Southern5				2.600** (1.280)	2.642** (1.279)
Number of GIs	0.001 (0.001)				
GI sales/GDP		-0.043 (0.026)			
GI sales/Agri VA			-0.757 (0.582)		
In(Sales)*Southern5				-0.146* (0.080)	-0.150* (0.080)
CtryVotes	-0.008 (0.007)	-0.004 (0.006)	-0.003 (0.007)		
Population share				-0.012 (0.009)	
Lisbon power share					-0.017 (0.010)
Controls & Constant	Yes	Yes	Yes	Yes	Yes
N	11,495	11,254	11,254	11,495	11,495
Pseudo R-squared	0.54	0.54	0.54	0.54	0.54
Clusters	1,288 GIs	1,251 GIs	1,251 GIs	1,288 GIs	1,288 GIs

Robust standard errors in brackets. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Model 13 replaces *CtryVotes* by EU population share based on Eurostat population data. It includes Croatia as of 2013. Just like *CtryVotes*, *Population share* is not a significant predictor of GI listing in trade agreements, while *Southern5* remains significant. Model 14 replaces *CtryVotes* by *Lisbon power share*, the Shapley Shubik index under the Lisbon voting rules for qualified majority in the Council (Widgrén 2009). Results were similar using the Banzhaf power index (Antonakakis et al. 2016). Surprisingly, the coefficient for *Lisbon power share* is negative, but it is not significant. *Southern5* remains significant even controlling for the alternative measures of power in models 13 and 14. This confirms that high demand is more important than a country's voting power in getting GIs protected in trade agreements.

Finally, Table 7 varies the time that needs to elapse between a GI's registration and the end of trade negotiations for it to be used as an observation. Neither the significance nor the magnitude of the coefficients vary much across these different specifications.

Table 7. Robustness checks: varying required time lag between GI registration and end of trade agreement negotiation.

Probit of Listed	(15) 2 years before	(16) 3 years before	(17) 4 years before
In(Sales)	0.239*** (0.073)	0.255*** (0.072)	0.315*** (0.073)
CatExport	0.966** (0.423)	0.974** (0.431)	0.990** (0.464)
Southern5	2.511** (1.278)	2.384* (1.275)	2.674** (1.317)
In(Sales)*Southern5	-0.142* (0.080)	-0.133* (0.080)	-0.148* (0.082)
Controls & Constant	Yes	Yes	Yes
N	10,814	10,101	9,413
Pseudo R-squared	0.55	0.59	0.64
Clusters	1,231 GIs	1,183 GIs	1,137 GIs

Robust standard errors in brackets. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

7 Conclusion

Through recent trade agreements the EU has been able to expand the international protection of its GIs, in spite of opposition by the US. This article presented the first quantitative analysis of GI lists in all 11 relevant trade agreements since the 2009 FTA with South Korea. It finds that more valuable GIs are more likely to be listed, but that sales value matters less for the Southern Five: France, Italy, Greece, Portugal and Spain. These five countries also get frequent external protection for less valuable GIs.

The demand for external GI protection through trade agreements is as much cultural as it is driven by economics. Overall, only about 1 B€ of GIs or less than 0.01% of EU GDP is exported outside of the EU (Chever et al. 2012). Even though Greece only exports 4 M€ of Feta to Canada, it has threatened not to ratify CETA because it only partially protects Feta. Clearly, a key factor in the demand for protection is gastrationalism: cultural attachment to food and the desire to protect it as an expression of national identity. This factor is especially strong in the Southern Five.

It follows from this analysis that both economic and cultural factors explain the demand for external GI protection through trade agreements. Combined with the political process for concluding EU trade deals, they continue to enable the “paradox of weakness” in EU trade deals. Finding a compromise that all EU countries will agree to is not easy for the Commission. Yet in line with the logic of two-level games, countries’ potential ex-post veto gives the Commission a credible red line. This has enabled the EU to successfully convince 11 partners, including Canada, to protect at least some of its GIs.

One may wonder whether protecting GIs is worth it, especially in light of the likely concessions and the risk of foregoing a trade deal with the US, which seems unwilling to protect EU food GIs by means other than individual trademarks. For better or for worse, the identity aspects of GIs seem to trump economics. However, given the growing resistance to globalization, the price of protecting GIs may be necessary in order to maintain support for free trade across EU member states.

In conclusion, through its trade agreements the EU seems to be winning its battle with the US over GIs. This finding is important, because across many policy areas

it has been argued that the EU is no longer able to export its regulations (Young 2015). One can only conclude that EU food really is exceptional.

As suggested by Baccini (2019), future research on trade agreements would benefit from studying distributional effects of specific design aspects. The detailed data on the protection of individual GIs presented in this article may be used for precisely this purpose. Using this data, future research could study the effect of GI protection on GI-producing firms and their generic competitors.

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9 Appendix

Table 8. Correlations between the regression variables.

Correlations	Listed	Sales	Export	South	Votes	Year	PDO	GI	GDP	Devp	DC	Col.
Listed	1.00											
ln(Sales)	0.05	1.00										
CatExport	0.02	0.15	1.00									
Southern5	0.07	-0.21	-0.05	1.00								
CtryVotes	0.00	0.40	0.06	0.22	1.00							
YearReg	-0.24	-0.01	0.03	-0.23	0.06	1.00						
PDO	0.06	0.04	0.20	0.21	-0.02	-0.20	1.00					
GIsystem	-0.14	-0.00	-0.00	0.00	-0.00	0.00	0.00	1.00				
GDPEUPartner	0.54	0.00	0.00	-0.01	0.00	-0.00	-0.00	-0.09	1.00			
SouthDevp	-0.27	-0.01	-0.00	0.02	-0.00	-0.07	0.01	0.30	-0.24	1.00		
DCFTA	0.71	0.00	0.00	-0.00	0.00	-0.02	0.00	-0.14	0.76	-0.35	1.00	
Colonial ties	-0.11	0.07	0.01	0.09	0.16	-0.01	-0.01	-0.01	-0.12	0.22	-0.17	1.00

Table 9. Listed share of Italian cheese GIs registered no later than the year before the end of negotiations.

Counterparty	Type	Negotiated	Italian Cheese GIs	Listed	% Listed
South Korea	FTA	2009	34	9	26.5%
Andean	FTA	2010	35	5	14.3%
Central America	AA	2010	35	9	25.7%
Ukraine	DCFTA	2012	42	33	78.6%
Georgia	DCFTA	2013	44	34	77.3%
Moldova	DCFTA	2013	44	35	79.6%
South Africa	EPA	2014	46	11	23.9%
Canada	CETA	2014	46	11	23.9%
Singapore	FTA	2014	46	11	23.9%
Vietnam	FTA	2015	48	9	18.8%
Japan	EPA	2017	51	10	19.6%

Table 10. Robustness: without category-level data.

Probit of Listed	(2)	Drop Cat.- level data
In(Sales)	0.114*** (0.028)	0.118*** (0.038)
CatExport	0.758* (0.423)	
Southern5	0.207** (0.097)	0.213* (0.125)
CtryVotes	-0.006 (0.005)	-0.010 (0.008)
YearReg	-0.118*** (0.009)	-0.133*** (0.135)
PDO	-0.003 (0.080)	0.099 (0.094)
GIsystem		0.059 (0.084)
GDPEUPartner		0.007*** (0.002)
SouthDevp		-0.506*** (0.111)
DCFTA		2.760*** (0.167)
Colonial ties		0.056 (0.086)
Agreement FE	Yes	Yes
Constant	233.026	261.828
N	11,495	8,976
Pseudo R-squared	0.54	0.58
Clusters	1,288 GIs	979 GIs

Model 2 repeated for comparison. Robust standard errors in brackets. * $p < 0.1$, ** $p < 0.05$,

*** $p < 0.01$