

Activity Code: EU-16 (RUDEC)

## REPORT

### ILLUSTRATING THE AMENDMENTS TO BE CARRIED OUT TO THE MANAGEMENT REGULATIONS AND RELATED LEGAL ACTS ON GI PROTECTION TARGETING DIFFERENT PROVINCES AND FISH SAUCE TRADING COMPANIES



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## **I. INTRODUCTION**

A Geographical Indications (GIs) is a tool to protect the common property of the community, ensuring collective benefits. The development of GI "depends on the willingness, motivation and capacity of local communities, collective actions to promote their product" (FAO, SINGER-GI, 2010). Therefore, the approach of collective actions is important "to establish management institutions to promote and ensure the local resources and products, as well as its potential use"(FAO, SINGER-GI, 2010).

The development of GI in the world has shown the important role of policies and institutions in the management of GI in order to improve quality of territorial products. The actors in commodities and public services (at the level of nation, region and local governments and organizations representing for the benefit of community) can play an essential role in the development of territorial products to enhance its positive contribution to sustainable rural development. The policy and the collective organizations also play important role in building a system of strongly developed and sustainable products.

Recently, the experts of EU - Mutrap project have conducted surveys, analyzed, and collaborated with the Phú Quốc fish sauce producers Association, producers and Department of Science and Technology (DOST) of Kien Giang province to determine the difficulties and unreasonable regulations in the management. The results show that the current regulations of management and use of GIs Phú Quốc are now facing with shortcomings and difficulties to apply into practice, thus the changes of Decision No. 2482/QĐ/UBND of the Provincial People's Committee (PPC) of Kien Giang on the management and use of GIs is needed and getting the consent of both of the state agencies and the Phú Quốc fish sauce producers.

With the aim of continuously support the PPC of Kien Giang and the Phú Quốc fish sauce producers, the experts of the Project continue to deploy supporting activities to develop and modify management writings of local authorities to the Phú Quốc fish sauce. This report is the concretization of the contents supporting and proposing to PPC of Kien Giang province and other relevant agencies to finalize the new regulations.

## **II. OBJECTIVES**

The objectives of this activity is to support the PPC of Kien Giang province and the relevant agencies (Phú Quốc fish sauce producers Association, Control Board of Phú

Quốc fish sauce) to finalize the regulations on management and use of GIs Phú Quốc for fish sauce.

### **III. RESEARCH METHODOLOGY**

- The supporting contents of the experts are based on: 1) regulations under the Law of Intellectual Property 2005 and other relevant bylaws; 2) the basic principles and regulations for building activities of management and use of GIs under the Regulation of European Union No. CE 1151/2012.

- The experts propose contents and take part in redacting group of PPC of Kien Giang province on amendment of regulations of management and use of GIs Phú Quốc. Along with this process, discussion and consultation with the producers, Phú Quốc fish sauce producers Association and local management agencies are carried out.

- The system of tools, controlling plans will also be supported by the experts through the guidance and assistance for the Control Board and the fish sauce Association to develop controlling plans and operational regulations of the Control Board.

### **IV. PROPOSAL FOR AMENDMENT OF REGULATIONS OF MANAGEMENT OF USING GIs PHÚ QUỐC**

#### **IV.1 Development process of GIs Phú Quốc**

The Regulation No. CE 1151/2012 of the European Community is a foundation for managing GIs in 28 member countries. Accordingly, the management model of GIs is organized as follows:

- Management bodies: GIs is managed at different levels, i) national levels; ii) collective organizations; iii) individuals (enterprises, households). The system of management bodies has been built based on the operational principles and the control system on the basis of specific legal binding for each one of GIs.

- Managed objects: GIs with two basic factors: 1) production procedure; 2) the ability to meet requirements and compliance levels in the production procedure and processing;

- Management objectives: to ensure 1) the quality of product; 2) origin traceability; 3) identification signals of GIs (logo, label ...);

- Environment and conditions for management organization: management organization of GIs is based on the conditions of its members, public bodies or private services. In addition, the mechanisms and policies recognize the roles and rights of the collective organizations in the production and trading of GI products.

With the organization of the management system of GIs, the management contents (planning, organizing, directing and controlling) are delivered at the appropriate level of management, in which the collective organizations play as the main subject in the management of GIs with the following contents: i) determining identification of GIs; ii) promoting the value of GIs; iii) maintaining the use and development of GIs; iv) controlling the downfall from the inside and protecting against the intrusion from outside. The institutions established by the state will be responsible for certifying conformity and checking compliance to ensure the value of GIs. As the users of GIs, enterprises and households have to comply with production procedure, meet quality and origin of products, and also responsible for advertising and trading GI.

The above argument on the management and use of GIs of the European Union is the basis to support for management regulations on GIs Phú Quốc for fish sauce of Kien Giang.

## **IV.2 Amendment of management regulations of using GIs Phú Quốc**

Decision No. 2482/QD-UBND dated 17/10/2008 of PPC of Kien Giang province promulgating management regulations of using GIs Phú Quốc for fish sauce has been issued more than 5 years. Amending this Decision is the first step to improve the institutional system. By reviewing the regulations, identifying the difficulties, together with studying the rules of the EU, the experts propose amendments of the Decision as follows:

### *IV.2.1 Restructuring documents on the management of GIs*

Structurally, Decision 2482/QD-UBND has been issued with 5 chapters and 23 articles on management regulation of use of GIs Phú Quốc. However, these regulations focus on too many issues and management tools of the state management agencies, lacking of regulations for using. It thus needs amending structure as follows:

- Control of GIs is one of the important contents and requirements mandated by EU regulations on the management of GIs, as the result, this content should be specified in the Decision the PPC. Therefore, there should be a separate chapter in the Decision for

specific regulations: requirements, organizational structure, principles, and controlling contents of GIs;

- Protection of GIs Phú Quốc is the responsibility of not only the state but also community and consumers. Therefore, the organization of management and use should be clearly specified in the responsibilities and powers of the related units, organizations and individuals.

In accordance with the above mentioned, the structure of the new regulation should consist of at least 4 main chapters, as the backbone of the regulations on management and use of GIs, including:

- i) Regulation on production procedure of fish sauce with GIs;
- ii) Regulations on the issuance and revocation of certificates for using GIs;
- iii) Control of GIs Phú Quốc for fish sauce;
- iv) Management organization of using GIs Phú Quốc.

#### *IV.2.2 Quality and management issues on GIs*

Fish sauce quality protected under GIs Phú Quốc is the most difficult and debating issue while implementing Decision 2482 in the last 5 years. From perspective of State management, this issue needs to be modified accordingly:

##### *a) Quality of GIs products protected under the Intellectual Property Law*

Under the provisions of Laws, quality control of food products (including fish sauce) covers three aspects:

- Management of quality, hygiene and food safety: this is the field of state management under the provisions of the Food Safety Law, this aspect refers to the eligibility rules to ensure hygiene and food safety for the products. This area is under the management of health sector and agriculture and rural development sector.

- Management of product quality: according to the Law of commodity quality, production management and processing are implemented in accordance with standards. This area is under the management of science and technology sector (Department of Standards, Metrology and Quality) and the sector of agriculture and rural development (Agro – Forestry – Fisheries quality assurance Department);

- Management of quality under GIs: defined under the provisions of the Law on Intellectual Property, to manage the quality indicators protected by the state associated with the products protected by GIs. This area is managed by the science and technology sector related to intellectual property.

These are three state management sectors that can independently and directly influence on the same object, but the management is done by different state agencies without overlapping. Therefore, it needs to clearly define the roles and responsibilities of the state and organizations and individuals using GIs. In terms of protection of GIs, the state is responsible for the quality of GIs products, while management of product quality and food hygiene is firstly the responsibility of producers and secondly of the state.

*b) How to amend the regulation on protected quality*

Decision No. 2482 of the PPC of Kien Giang province specifies the management of GIs but encompasses also regulations on food safety and management of quality standards, so during the implementation, the management agencies must comply with these both aspects, while the control of hygiene and food safety in accordance with the principle of post-test is very complicated and unfeasible

To solve this difficulty, management regulations of GIs Phú Quốc should be amended based on two principles:

- The nature of specific quality under the management of GIs Phú Quốc only focus on the criteria that have been protected by the state and EU;

- Regulations on quality management of GIs Phú Quốc does not include the provisions in the field of food safety and quality management under standard regulations;

Accordingly, the fish sauce with GIs Phú Quốc consists of the following quality characteristics:

1. Color: dark red-brown color
2. Odor: delicate special smell, without fishy and ammonia odor
3. Tasty: salty, strong sweet with natural fatty taste. Aftertaste is sweet and fat as to natural protein and fish grease
4. Nitrogen values: Minimum: 20gN/litre; Maximum: 43gN/litre

*c) What are the features of Phu Quoc fish sauce protected under GIs?*

Consumers always raise a question “what Phú Quốc fish sauce with GIs is”? This is also the question that processing companies and Phú Quốc fish sauce producer Association wish to be clearly defined. This is not just a problem of application into practice but also a shortcoming in the Decision No. 2482. Therefore, fish sauce with GIs Phú Quốc has not been specified and thus cannot access the market.

Under the laws and the production conditions of Phú Quốc fish sauce, GI protected fish sauce has to meet the following conditions:

1. The fish sauce meets all four quality indicators that mentioned above;
2. The fish sauce is produced by organizations or individuals who are granted the right to use GIs by state agencies;
3. The fish sauce must be controlled according to the production procedure and origin traceability;
4. The fish sauce must be stamped GIs with sufficient signs of origin traceability



Two recently mentioned contents in this section include GIs stamp and control regulations. These two contents aim to meet the requirements of GIs management of EU, including: 1) products must be strictly controlled; 2) traded products must be traceable.

*IV.2.3 Production procedure of fish sauce with GIs*

Technically, the GIs products consist of not merely technical regulations in the production, processing, packaging, technical requirements but also specifications of identification signals and labeling once traded.

Technical regulation on Phú Quốc fish sauce production is the basis for building control regulations, including quality control. The requirements for material, fermentation, technical specification, labelling, control records have been stipulated in



chapter 2, Decision No. 2482, but these requirements still consist of following shortcomings:

- Quality requirements under the field of quality management against standards, hygiene and food safety with post-inspection principle has caused overlapping and interference in the management process, deterring processing companies and producers from using GIs;

- Regulations on commodity labeling are not specified, one of which regulates use of common trademarks and logos on fish sauce product but does not specify what trademarks and logos are;

- The control record is designed without clear statement of control contents, which makes difficult to apply into practice.

To this real situation, the specific contents of the regulations on technical requirements need to be clarified to ensure that the contents meet the profile described in the registration of GIs Phú Quốc in Vietnam and EU:

*i) The percentage of used materials:*

Main raw material used to make Phú Quốc fish sauce consists of kinds of anchovy, including: charcoal anchovy, red anchovy, stripe anchovy, Phan Chi anchovy with the minimum rate of anchovy at 85%. This regulation has been stipulated in the Decision No. 2482, but many producers have suggested to reduce the rate of raw fish since the anchovy source is increasingly depleted, in fact, many producers have decreased the rate of raw fish under 85%.

However, this is a compulsory requirement described in the registration dossier for GIs in Vietnam and in EU, therefore, this rate cannot be changed. This provision should be maintained, and there should be more stringent regulations on input material sources in the operation of the processing producers using GIs Phú Quốc.

*ii) Regulation on fermentation duration:*

The fermentation duration lasts on average from 10 to 12 months under the condition of being covered, in natural environment as defined in the Decision No. 2482. This provision must be changed to meet the specifications described in the registration dossier of GIs Phú Quốc. Accordingly, fermentation duration must ensure at least 12 months, in particular from 12 to 15 months.

*iii) Regulations on bottling:*

According to the regulations of EU, the product protected appellations of origin should meet the demand: all the production procedure must be conducted in the respective geographical area. Phú Quốc fish sauce is protected under Designation of origin in EU, so the regulation of bottling is compulsory in the production procedure.

Up to now only 15-20% of Phú Quốc fish sauce has been bottled in the area of Phú Quốc, and bottling issue has become the subject of disputation and objection of many producers both in Phú Quốc and Ho Chi Minh City. However, the regulation of bottling in Phú Quốc is compulsory, which will be the basis to promote the production, trading of the producers of Phú Quốc on being applied into practice.

*iv) Regulations on signs and labels:*

The regulations on signs and labels for the GIs Phú Quốc aim to:

- Build a public image of traditional fish sauce product, and to form a common strategy on trade, promotion of Phú Quốc fish sauce;

- A GIs is a product of the community, it has great significance for all fish sauce producers, so these regulations, beside to position the GIs products in the market, aims to raise awareness and responsibility of the users.

On this basis, the general regulations on signs and labels should include the following specific provisions:

**a) Regulation on Phú Quốc common logo**

The common logo of GIs Phú Quốc has been built and agreed among the state management agencies, the producer community and Phú Quốc fish sauce producers Association. This logo will be used as a compulsory part of the commercialization of the fish sauce with GIs.

The Phú Quốc common logo consists of three colors: dark brown, blue and yellow (shown in image), the word “PHÚ QUỐC” has NewBlaskerville font and yellow color, the phrase “*nước*



Font NewBlaskerville

Font Myriad Pro

*mắm - extract of fish*” has Myriad Pro font, italic and yellow color. The phrase “fish

sauce” will be replaced by “Extract of fish” as requirement of EU as one of the condition in the registration process.

#### **b) Regulation on labeling**

Labeling should be specified, including the compulsory content such as identifying common signs, but still not affecting the competitiveness of the producers in the market.

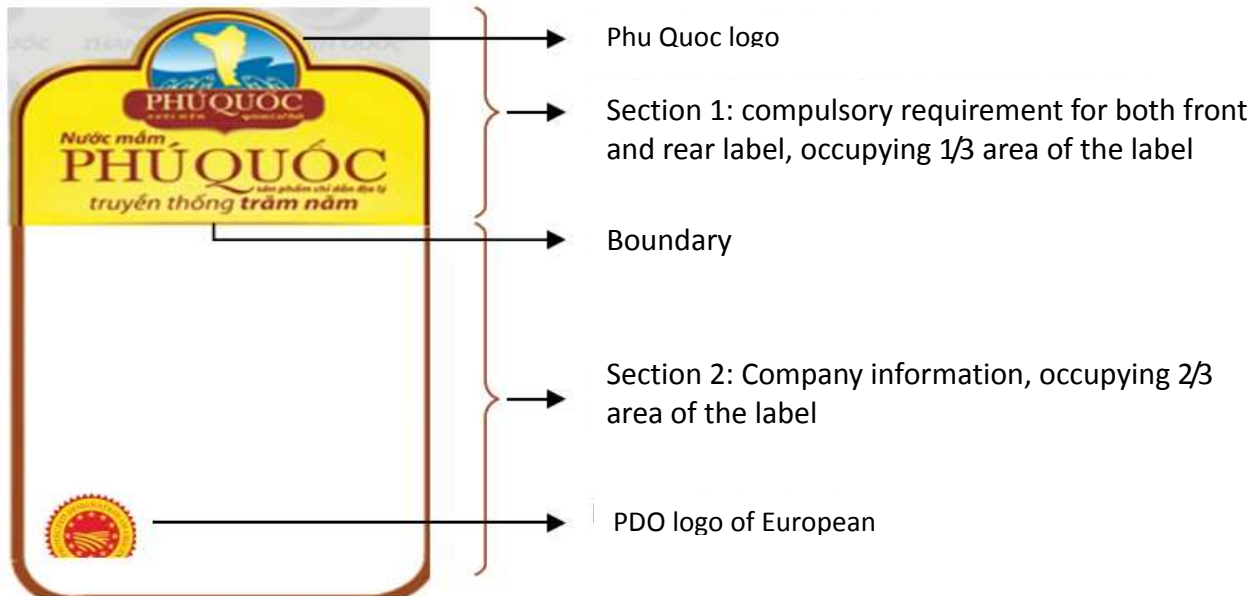
Labeling should be specific: the labels is be divided into two parts, the general information which is compulsory for all products to be protected under GIs; and the company information part. As the following:

##### i) Section 01: Compulsory common label

Font (shape), color and background color (accompanied image) of the words in the general information part should not be changed; font and color of the words are defined as follows:

- + The phrase “nước mắm” has the font Myriad Pro, italic shape, dark red color;
- + The phrase “PHÚ QUỐC” has the font NewBlaskerville, straight shape, dark red color;
- + The phrase “Sản phẩm chỉ dẫn địa lý” has the font Myriad Pro, italic shape, dark red color;
- + The phrase “Truyền thống trăm năm” has the font Myriad Pro, italic shape, dark red color.

Between the common part and the company information part of GIs Phú Quốc there must be a delimiter (delimitation line), as shown in the image below.



#### ii) Section 02: Company information

- Occupying 2/3 area of the label, in the middle of the common label;
- Size of name of company, association, individual and official name of company does not exceed 2/3 area of size of the word “Phú Quốc” printed in the common label;
- The word “*nước mắm Cốt*” is only used for the first extract of fish. It is not allowed to use “*nước mắm Cốt*” for fish sauce extracted after the first time (long 1, long 2, long 3...)
- Labelling in accordance with legal regulations.

#### **c) Regulation on logo of the EU**

Organizations and individuals have the right to use the logo GIs protected under the provisions of the European Communities. This provision is not compulsory for the labeling of GIs of Phú Quốc, but producers are encouraged to use for exporting products.



#### *IV.2.4 Regulation on management process for using GIs*

Management of using GIs is an important part of the overall management activities of the state on GIs. Pursuant to the Law on Intellectual Property, GIs are owned by the state, the state institutions grant individuals the right to use GIs through the issuance of certificates. Therefore, the conditions for certification, requirements, procedures and legal procedures should be clearly stated in the documents issued by PPC.

On the basis of Chapter IV of Decision No. 2482/QĐ-UBND of PPC of Kien Giang province, some contents should be amended, supplemented as follows:

- Objects and requirements for organizations and individuals who are granted certificates of using GIs, and conditions which are not granted, should be clearly stipulated;

- Identifying requirements and procedures to solve problems between organizations and individuals as members and non-members of the Phú Quốc fish sauce producer Association. This relates to the contents and requirements of the controlling regulations on GIs;

- Revocation of certificate of rights to use GIs should be specific and detailed. This important content is easily misused in implementation of policies and would affect the rights and legal interests of organizations and individuals who are using GIs.

Based on the above requirements, the new regulations required the following contents:

1) The conditions for granting a certificate of using GIs should be defined as follows: organization and individual will be granted certificates for using GIs if they meets all of the following conditions:

- Be legally established under the provisions of law (as organization);
- Voluntarily applying for registration of using GIs Phú Quốc to the GIs management agencies.
- Locating production and/or business activities of fish sauce in Phú Quốc and fully meeting the conditions of production and technical requirements as specified.
- Commitment to fully implement the current regulations on management and use of GIs Phú Quốc.
- Full profile of application for certificate of using GIs Phú Quốc as required

2) Organization and individual who cannot be granted certificates for using GIs should be specified: organization and individual who cannot be granted certificates for using GIs if they cannot meet one of the following conditions:

- Cannot meet one of the above mentioned conditions.
- Organizations and individuals that violate the law or are in the process of being investigated for violations.
- Organizations and individuals who are in the process of being resolved for complaints and denunciations for violations, polluting the environment, food safety and hygiene of fish sauce production activities by the authorities.

3) The conditions for granting a certificate of using GIs Phú Quốc for organizations and individuals who are not members of Phú Quốc fish sauce producers Association: contract between applicant and the Association about using internal control service delivered by the Association.

4) Revocation of certificate of rights to use GIs Phú Quốc should be specific for cases in which the organizations and individuals will be revoked as violating one of the followings:

- Individuals, companies do not use GI for 2 years in succession;
- Products do not meet conditions under which the products are protected;
- Transfer the right to use GI to others;
- Labelling and using GI stamp in wrong manner;
- A legal entity is dissolved, bankrupted;
- Individuals, companies is voluntary to terminate the right to use;
- Individuals, companies infringe the law;
- Production conditions are changed.

#### *IV.2.5 Control of GIs Phú Quốc*

Building control system for GIs is a compulsory requirement to ensure that the products which are placed on the market will ensure the protected quality indicators, and the ability to operate origin traceability.

Decision No. 2482/QĐ-UBND on unspecific and undetailed controlling regulations defined only provisions on control and monitor records, without information about the method and controlling subjects. Therefore, we propose a new chapter in the decision to regulate the control system. Regarding control regulations, the following items need to be specific: 1) control contents; 2) control principles; 3) control tools; 4) apparatus and control organization. With these contents, we propose as follows:

1) Control contents:

- Control of GIs Phú Quốc: system of regulations and management steps, inspection of production procedure, processing and using GIs in commercial products of management agencies, collective organizations and individuals who are granted certificate of using GIs to ensure the protection characteristics of GIs Phú Quốc.

- Control of GIs consists of three main contents:

+ Control of origin of the product.

+ Control of compliance with regulations on the production, processing, labeling and packaging.

+ Control of quality of the final GIs products in commercial activities and other related contents.

- Control operation of GIs is the special regulations prescribed by the Law on Intellectual Property, excluding specialized inspection activities of related sectors such as food safety, management market, conformance, conformity...

2) Control principle: Control of GIs Phú Quốc should meet the following principles:

- Consensus principle: control plan for GIs is the consensus of the GIs management bodies and the Phú Quốc fish sauce producers Association, demonstrating the contribution of the producers' community for the purpose of protecting traditional value, improving the efficiency and value of GIs products.

- Feasibility principle: the control content includes the provisions consistent with organizational characteristics of production, processing and commercialization of products, ensuring the ability to apply in practice.

- Transparency principle: all the control operation must be conducted publicly, consistent to specified procedures, and all the results must be made public and transparent.

- Independence principle: including control activities carried out by organizations or individuals, the operation of control system of the Phú Quốc fish sauce producers Association and the management bodies should be independently implemented regarding to human resource and operation cost.

### 3) Regulations on control factors and control tools

Based on experience in building control systems in Europe, the consent of the Phú Quốc fish sauce producers Association, consultation of producers, the control factors and control tools of GIs should be defined as follows:

#### i) Requirements for control factors of GIs

The compulsory factors in the plan for GIs control include the requirements of material, fermentation barrels, technique, product quality, stamps and labels, specified in the following table:

Table 1: regulations on compulsory factors in the control plan of GIs Phú Quốc for fish sauce

| <b>Control factor</b>                   | <b>Self-control</b> | <b>Internal control</b> | <b>Control Board</b> |
|---|---------------------|-------------------------|----------------------|
| <b>1. Material</b>                      |                     |                         |                      |
| - Fishing area                          | x                   |                         |                      |
| - Rate of anchovy in fermentation       | x                   | x                       | x                    |
| - Salt                                  | x                   |                         |                      |
| <b>2. Processing tools, barrels</b>     |                     |                         |                      |
| - Material of fermentation barrels      | x                   | x                       | x                    |
| - Barrels, containers for fish sauce    | x                   |                         |                      |
| <b>3. Production procedure</b>          |                     |                         |                      |
| - Regulations on fermentation technique | x                   |                         |                      |
| - Fermentation duration                 | x                   | x                       | x                    |
| - Extracting technique                  | x                   |                         |                      |
| - Processing technique                  | x                   |                         |                      |
| - Packaging                             | x                   |                         |                      |
| <b>4. Stamp and label</b>               | <b>x</b>            | <b>x</b>                | <b>x</b>             |



| <b>Control factor</b>     | <b>Self-control</b> | <b>Internal control</b> | <b>Control Board</b> |
|---------------------------|---------------------|-------------------------|----------------------|
| <b>5. Product quality</b> |                     | (*)                     | (*)                  |
| - Nitrogen values         | x                   | x                       | x                    |
| - Color                   | x                   | x                       | x                    |
| - Odor                    | x                   | x                       | x                    |
| - Taste                   | x                   | x                       | x                    |

Mark "x": compulsory control; Mark (\*): only when there are signs of violation or a dispute or complaint.

### **ii) Tools for control of GIs**

Control tools of GIs are the regulations to implement the control of production procedure, and to operate origin traceability. For Phú Quốc fish sauce, the necessary tools include:

- Tools controlling production procedure and processing tools.

- + Code of fermentation barrel: the code of fermentation barrels aims to serve as a basis for recording and monitoring output and origin of the GIs products. The barrel code are granted to organizations and individuals and managed by management agencies.

- + Production recording book of GIs Phú Quốc: to record all activities of organizations and individuals in the process of fishing materials, fermentation, fermentation duration, processing, bottling and trading of product in the market. The recording book is used by the organizations and individuals to record and monitor every barrel; this is also the document for the examination and evaluation of the Phú Quốc fish sauce producers Association and management agencies of GIs.

- Tools for quality control

- + Control nitrogen values: result statement form of nitrogen values analysis delivered by the bodies that are licensed by the state or appointed by the management agencies of GIs;

- + Control of color, odor and taste: experts evaluate quality, invited by the management bodies to assess the quality of the product when necessary. Requirement of standards, organizational principles and evaluation forms will be specified in the control plan.

+ Tools for controlling and tracing origin:

To implement origin traceability of products, GIs stamps should be used, for the purpose of: i) raising awareness, responsibility of the producers, as well as tools to collect control fee; ii) as a control tool and origin traceability.

GIs stamp is a tool, as well as a sign for origin traceability. GIs stamp will be printed, coded and managed in the production recording book by management agencies.

### **iii) Methods of inspection and evaluation in control of GIs**

+ The control of the manufacturing process, sensory quality, using stamps and labels will be implemented in the form of diary recording and practical observations.

+ In case of necessity, when there are signs of violations, complaints, the activities of inspection and evaluation by expert will be deployed for assessment of quality indicators (for organoleptic quality), analysis of nitrogen values (for nitrogen value criteria).

### **4) Organization of the control system of GIs Phú Quốc**

The Control Board of Phú Quốc fish sauce has established since 2010 by the Phú Quốc District People's Committee (DPC). Based on current structure, we propose that the control system of GIs Phú Quốc should be organized in three levels, including:

- Self-control: activities of self-control, supervision and monitoring of using GIs by individuals and organizations to be granted the right of using GIs Phú Quốc fish sauce as defined in the control plan ensure the protection of GIs. Organizations and individuals granted certificates of using GIs are required for organization of production-site control, including the following major requirements:

+ Management of fermentation barrels according to the code, recording, tracking the entire production and the quality of final product;

+ Monitoring the use of stamps, labels in accordance with regulations;

+ Control, sensory evaluation, analysis of product quality on detecting suspicious signs.

- Internal control: the control system regulated by the Phú Quốc fish sauce producers Association to ensure the credibility, quality and product origin of the members granted certificate of using GIs.

+ Internal control is the implementation of the control plan of Phú Quốc fish sauce producers Association to its members and non-members who sign service contracts with the Association;

+ Based on the control plan, Phú Quốc fish sauce producers Association will conduct the plan and implementation of control activities as prescribed;

+ Funding for operation of internal control will be paid by the Association itself on the basis of agreement on control service fee for members and non-members of the Association.

- External control: done by the Control Board of Phú Quốc fish sauce who control, monitor and manage the use of GIs Phú Quốc for fish sauce by organizations and individuals granted certificates of using GIs. The control operation of the Control Board of Phú Quốc fish sauce will be implemented based on the control plan.

#### 5) Feasibility of operation of the Control Board

The Control Board of Phú Quốc fish sauce has been established under the Department of Economics and Infrastructure under Phú Quốc DPC. The staffs are mainly part-time without regular funding. Therefore, to improve the efficiency and ability to perform the tasks of the Control Board, we propose:

- The Control Board of Phú Quốc fish sauce is a state unit which is partly funded from the national budget according to assigned function and tasks. It has the right to build autonomy mechanism, self-responsibility in accordance with the state financial regulation.

- The Control Board is entitled to charge of the organizations and individuals using GIs Phú Quốc, the rates will be agreed between the Control Board and the Association. PPC agreed to retain 100% of funds received to serve for operation of the Control Board.

### **IV.3 Proposal for control plan of Phú Quốc DPC**

To implement the control system of GIs Phú Quốc, the control plan must be developed and promulgated by the People's Committee of Phú Quốc, covering the basic principles, including: Consensus – Feasibility - Openness and Transparency – Independence.

Accordingly, the control plan shall be construed as:

- The control plan consists of detailed provisions of the controlling factors, tools, content control, violation processing, assignment of roles among the management agencies, Phú Quốc fish sauce producers Association, organizations and individuals in using GIs.

- The control plan is the basis for the management agencies, Phú Quốc fish sauce producers Association, organizations and individuals using the GIs to conduct control activities, coordination and inspection of performance process to ensure the quality and origin traceability of GIs products.

- The Control Board of Phú Quốc fish sauce will chair and coordinate with the Association of Phú Quốc fish sauce to build and unify the control plan, to submit to Phú Quốc DPC for approval after consultation of DOST.

On this basis, we propose to develop a control plan for GIs Phú Quốc with the following contents:

#### *IV.3.1 Regulations on compulsory control factors of the system*

Based on the above proposals, the compulsory control factors in the process of using GIs should be specified in the control plan. Our specific recommendations are as follows:

The compulsory control factors of GIs Phú Quốc for fish sauce includes:

1. *Self-control*: all the factors of raw materials, processing tools, materials containing, processing methods, using of stamps, labels and product quality will be controlled.

2. *Internal control*: control seven factors, including:

- Rate of anchovy in the fermentation raw material
- Material of fermentation barrels
- Fermentation duration
- Stamps and labels
- Nitrogen values
- Color and odor
- Physical and chemical composition of the product

3. *Control Board of fish sauce*: control seven factors, including:

- Rate of anchovy in the fermentation raw material

- Material of fermentation barrels
- Fermentation duration
- Stamps and labels
- Nitrogen values
- Color and odor
- Physical and chemical composition of the product

Compulsory control factors are compulsory, and also as the basis to build control methods and frequency of control.

#### *IV.3.2 Methods and frequency of control organization*

##### 1) Method and frequency of control of fermentation raw material:

The rate of anchovy in the fermentation raw material is an important factor affecting the quality of fish sauce, so the control system must be strictly performed to this content. In addition to the recording and monitoring of organizations and individuals (control basis), the internal control and external control must also be performed in accordance with the methods and frequency as follows:

| <b>Control content</b>                                 | <b>Method and frequency</b>  |   |
|--|--|---|
|  | <b>Internal control</b>  | <b>External control</b>   |
| - The rate of anchovy in the fermentation raw material | - Sensory inspection when loading material into the fermentation barrels;<br>- Frequency: 100% of individuals, organizations<br>- 100% of fermentation barrels | - Sensory inspection when loading material into the fermentation barrels;<br>- 50% of fermentation barrels registering for GIs. |

2) Method and frequency control of fermentation barrels: individuals or organizations must prepare all the facilities and recording profile before producing and using GIs. Internal control and post-inspection conducted by outside is done as follows:

| Control content                    | Method and frequency                           |  |
|------------------------------------|--|--|
|                                    | Internal control                               | External control                               |
| - Material of fermentation barrels | - Direct inspection and attaching codes to the | - Direct inspection of code attachment for the |

|  |   |  |
|--|---|--|
|  | fermentation barrels;<br>- 100% of individuals,<br>organizations;<br>- 100% of barrels<br>inspected and code<br>attached. | fermentation barrels<br>- 100% of individuals,<br>organizations;<br>- 100% of barrels<br>inspected and code<br>attached. |
|--|---|--|

3) Method and frequency of control of fermentation duration:

Fermentation duration is controlled based on the records of fermentation barrels, according to the method and frequency as follows:

| Control content                   | Method and frequency   |  |  |
|-----------------------------------|--|--|--|
|                                   | Self-control   | Internal control   | External control   |
| - Recording fermentation activity | - Recordkeeping according to general form;<br>- Frequency: 100% of fermentation barrels are fully recorded.                                  | - Inspecting the recording of users;<br>- Methods: direct inspection on field;<br>- Frequency: 3 month periodic inspection/visits, unscheduled inspection on detecting violations;<br>- Quantity: 30% of the barrels under management. | - Inspecting the recording of users;<br>- Methods: direct inspection on field;<br>- Frequency: 6 month periodic inspection/visits, unscheduled inspection on detecting violations;<br>- Quantity: 30% of the barrels under management. |
| - Using stamps and labels         | - Record of using stamps, labels in accordance with registered codes and samples.<br>- Frequency: regular inspection;<br>- Quantity: 100% of | - Direct inspection on sample of stamp and label, accuracy of granted codes;<br>- Frequency: 1 month periodic inspection/visits, unscheduled inspection  | - Direct inspection on sample of stamp and label, accuracy of granted codes;<br>- Frequency: 2 month periodic inspection/visits, unscheduled   |

|  |              |   |   |
|--|--------------|---|---|
|  | the product. | on detecting violations;<br>- Quantity: 10% of the products under management. | inspection on detecting violations;<br>- Quantity: 5% of the products under management. |
|--|--------------|---|---|

4) Method and frequency of control of quality indicators:

The inspection and evaluation of product quality is carried out when detecting signals of violation, falling under suspicion, complaint...control methods are implemented as follows:

| Control content                   | Method and frequency   |  |
|-----------------------------------|--|--|
|                                   | Internal control   | Internal control   |
| Nitrogen values                   | - On detecting signals of violation, complaint;<br>- Method: sampling and analyzing in laboratory.                           | - On detecting signals of violation, complaint;<br>- Method: sampling and analyzing in laboratory.         |
| Odor and taste                    | - On detecting signals of violation, complaint;<br>- Method: proposal Control Board to organize independent evaluation board | - On detecting signals of violation, complaint;<br>- Method: organization of independent evaluating board. |
| Physical and chemical composition | - On detecting signals of violation, complaint;<br>- Method: sampling and analyzing in laboratory.                           | - On detecting signals of violation, complaint;<br>- Method: sampling and analyzing in laboratory.         |

In addition to these indicators, organizations and individuals using GIs should perform fully recording of all activities carried out during the production, this content must be specified for each barrel in the production recording book.

*IV.3.3 Principles of using control tools*

The control tools include GIs stamp, physical and chemical quality analysis and organization of sensory evaluation board. These tools will be organized as follows:

- Principles for coding of origin-traceability stamp:

Stamp code: aiming to trace back origin of the product, the code will be provided in numerical order, granted by the Control Board of fish sauce according to following principles:

Stamp code consists of 2 part: letters and numbers: the letters consist of PQ - standing for Phú Quốc; the number part consists of at least 8 digits:

- + 2 first digits stands for the year of issuance, eg. If the stamp is issued in 2014, 2 first digits of the code will be 14;

- + 3 next digits is the number of certificate for using of GIs;

- + 3 last digits is the fermentation barrel code mentioned above.

- Conditions for organization of quality analysis: occurrence of claims, complaints or signs of suspected violations; the sampling and analysis will be conducted if it is irreconcilable and resolved. The cost for analysis will be paid:

- + By individuals or organizations in case that organization or individual has violated;

- + By individual or organization as claimant in case of false claims;

- + By the Control Board in the event that the analysis result is different to the evaluation of the Control Board.

- Principles for organization of independent quality evaluation board:

- + Publicity: the organization of the board has to make public in terms of operation time and members of the board;

- + Independence: established by the Control Board, independent to any related individual and organization;

- + Confidentiality: evaluation activities will be organized according to the principle of confidentiality, information about origins, types of products of evaluated products will be confidential.

## **V. SUGGESTIONS**

The amendment and supplement of regulations on management and use of GIs Phú Quốc for fish sauce has been agreed in principle by the PPC, assigned to DOST of Kien Giang province for implementation of redaction and amendment. We propose the amendments to Decision No. 2482/QĐ-UBND, focusing on all the main contents of the Decision. New regulations not only create favorable conditions for the management and



use of GIs Phú Quốc for fish sauce, but also must be consistent with the provisions of law and regulations of Vietnam and European Union in the management of GIs.

For these reasons, we recommend the following contents to DOST, PPC of Kien Giang Province, Phú Quốc fish sauce producers Association:

- Based on the above proposed contents, we recommend DOST to establish a compilation team for amendment of the Decision No. 2482/QĐ-UBND. The experts of Mutrap project are willing to participate and support for redaction of regulations on management and use of GIs Phú Quốc for fish sauce (amended version). During the redaction, the experts are willing to explain the proposed contents of this report, including the scientific basis, factual basis of amendments.

- Mutrap experts will also accompany the Control Board and the Phú Quốc fish sauce producers Association in building the control plan. The process of building control plan is compulsory (if the proposed contents of the report are accepted for issuance). Meanwhile, the process of building control plan requires the consensus of the producer community, so we also propose the Control Board and the Phú Quốc fish sauce producers Association to keep close contact with the expert team of Mutrap project for support.

- The process of adding new contents into the regulations should follow the principles of consensus and feasibility, which means that it needs the consensus of the producer community, the state management agencies, and the regulations must also ensure the ability to apply in practice.

- Development of institution and policy must be associated with the process of communication, dissemination and promotion, therefore, in parallel with the redaction and submission to PPC of Kien Giang province, we propose to build a program that propagandize and disseminates related regulations, as well as promotes fish sauce in the market.

## ANNEX: LIST OF MEETINGS DURING THIS ACTIVITY

**Mission 01:** Meeting with provincial managerial bodies in Kien Giang to discuss about the new regulation

| Date  | Person/Title and Organization/Country  | Subject   |
|---|--|---|
| <p style="text-align: center;"><b>01/04/2014</b></p> <p style="text-align: center;">8h30-12h00</p>  | <p>Mr Hai, Director of DOST of Kien Giang</p> <p>Mr. Dzung, Head of Intellectual Property Office, DOST Kien Giang</p> <p>- Cell phone: 0913 994 181</p> <p>- Email: <a href="mailto:dungkhenkg@yahoo.com.vn">dungkhenkg@yahoo.com.vn</a></p>   | <ul style="list-style-type: none"> <li>- Discuss on the structural framework of the new regulation</li> <li>- Raise some points that need to be discussed further in the afternoon entire meeting</li> </ul>  |
| <p style="text-align: center;"><b>01/04/2014</b></p> <p style="text-align: center;">13h30-17h00</p> | <p>Meeting with representatives of different provincial managerial bodies in Kien Giang</p> <p>Mr. Dzung, Head of Intellectual Property Office, DOST Kien Giang</p> <p>- Cell phone: 0913 994 181</p> <p>- Email: <a href="mailto:dungkhenkg@yahoo.com.vn">dungkhenkg@yahoo.com.vn</a></p> | <ul style="list-style-type: none"> <li>- Discussion about the new regulation:</li> <li>+ The structural framework</li> <li>+ Define quality criteria of protection of GIs Phú Quốc;</li> <li>+ Organizing the apparatus of control board on GIs Phú Quốc;</li> <li>+ Other content.</li> <li>- Unify the new regulation with local governmental offices.</li> </ul> |

**Mission 02:** Support the Phú Quốc DPC and Phú Quốc fish sauce producers Association to draft one report each providing concrete proposals to amend/revise the plan of control on the management of GIs of the Phú Quốc

| Date   | Person/Title and Organization/Country   | Subject  |
|--|---|--|
| <p style="text-align: center;"><b>16/06/2014</b></p> <p style="text-align: center;">8h00-11h30</p> | <p>Ms. Tịnh, Chairwoman of Phú Quốc fish sauce producers Association - Phone: 0913771895</p> <p>- Email: <a href="mailto:nuocmamthanhquoc@gmail.com">nuocmamthanhquoc@gmail.com</a></p> | <ul style="list-style-type: none"> <li>- Introduce new issues in the new regulation on management and usage of GI issued by PPC of Kien Giang province;</li> <li>- Discuss on issues that enterprises are interested in such as: use of label, regulation on bottling and</li> </ul> |

|  |   |  |
|--|---|--|
|  |   | <p>using GI stamp;</p> <ul style="list-style-type: none"> <li>- Informing and discussing about what enterprises need to do in accordance with the new regulation.</li> </ul>   |
| <p><b>16/06/2014</b><br/>13h30-17h00</p> | <p>Mr. Nhạn, Control board of Phú Quốc fish sauce</p> <ul style="list-style-type: none"> <li>- Phone: 0918 616 336</li> <li>- Email: <a href="mailto:nhanbankiemsoat@gmail.com">nhanbankiemsoat@gmail.com</a></li> </ul>                    | <ul style="list-style-type: none"> <li>- Agreeing on content, directions of control plan that the Association will work on;</li> <li>- Discussing and identifying common code of control and product designation of origin...</li> </ul> |
| <p><b>17/06/2014</b><br/>8h30-11h30</p>  | <p>Ms. Tịnh, Chairwoman of Phú Quốc fish sauce producers Association</p> <ul style="list-style-type: none"> <li>- Phone: 0913771895</li> <li>- Email: <a href="mailto:nuocmamthanhquoc@gmail.com">nuocmamthanhquoc@gmail.com</a></li> </ul> | <ul style="list-style-type: none"> <li>- Introducing and agreeing on content, time of the Communication Week;</li> <li>- Listing works that enterprises and the Association need to do in the Communication Week.</li> </ul>             |