

THE POTENTIAL OF PROTECTING GEOGRAPHICAL INDICATIONS OF KAHAYYA COFFEE TO IMPROVE THE ECONOMY OF LOCAL COMMUNITIES

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Abstract

The purpose of this study is to identify the potential of Kahayya coffee so that it can be registered through a geographic indication protection system in order to improve the economy of the local community. Data collection techniques used in this study were observation, interviews and literature study. Then analyzed using descriptive-qualitative technique. The results showed that kahayya coffee has the potential to obtain geographic indication protection because it has the reputation, quality and characteristics required in the protection of geographical indications. Protection of Geographical Indications can improve the economy of local communities and local governments, this can be seen from previous products that have registered geographical indications.

Keywords: economic improvement, geographical indication, Kahayya coffee

INTRODUCTION

On November 23, 2016, the government, in this case the president, has ratified Law No. 20 Year 2016 concerning Marks and Geographical Indications in the State Gazette of the Republic of Indonesia of 2016 Number 252. This law replaces the old law, namely, Law No. 15 Year 2001 concerning Marks which are valid for 15 years. The replacement of the trademark law was carried out because the substance of the old law was deemed irrelevant to the significant development of trade in goods and services in Indonesia.¹ Several things have changed from the old trademark law to Law No. 20 Year 2016 concerning Geographical Indications, in the new law the regulation of geographical indications gets more space than the old law.

The inclusion of Geographical Indications in this law is the result of an agreement between countries that entered into an international agreement, namely the TRIPs Agreement in 1994 which are members of the WTO (The World Trade Organization) member countries. The international agreement essentially regulates the use of geographic names as names or signs to indicate the origin of an item. Based on Article 1 Paragraph (1) of the TRIPs Agreement, it is determined that "Members shall be free to determine the appropriate method of implementing the provisions of this Agreement within their own legal system and practice". This means that every WTO member country, including Indonesia, is given the freedom to determine the appropriate method in the TRIPs agreement, including the provisions of Geographical Indications, according to the legal system and practice. This is the basis for the law regarding trademarks and geographical indications to be formed.²

Indonesia is a country that has abundant natural resources. There are many superior products produced so that they get a place in the international market. The diversity and abundance of natural resources should make Indonesia a country that prioritizes the protection of Geographical Indications. By strengthening the system and providing optimal protection of Geographical Indications, it can improve the country's economy, especially the regional economy. In addition, it can also improve the local community's economy, create more adequate employment opportunities in the region by developing regional potential through optimal protection of Geographical Indications.

Bulukumba is one of the regencies in South Sulawesi Province that has cultural diversity and adequate local potential. Bulukumba is not only famous for its marine potential but also for its tourism potential. The Phinisi ship is one of the icons of the area which is famous to foreign countries. The beautiful beaches are a destination for domestic and foreign tourists. The uniqueness of this district is not only in the marine sector and tourism but also in the plantation sector. One of them is the coffee plantation sector which is located in the west of Bulukumba Regency, Kahayya Village, Kindang District.

Kahayya Village is a village that has potential in terms of coffee plantations. This village is one of the largest coffee-producing villages in Bulukumba Regency. The coffee produced is called Kopi Kahayya after the name of the village. Kahayya coffee has been grown by local people for a long time at an altitude between 1000-1500 meters above sea level. Kahayya coffee has a distinctive taste such as cinnamon, brown sugar, floral, hazelnut, and passion fruit. When compared to some Arabica coffees in South Sulawesi, Kahayya coffee has an advantage, namely the acidity of Kahayya coffee which is at a medium level.³

Kahayya coffee is becoming widely known among coffee lovers because of its distinctive taste. The Bulukumba Regency Government itself has carried out many activities aimed at promoting Kahayya coffee. The Bulukumba Regency Government organizes the "singing coffee kahayya" festival which has been included in the annual activity calendar. This festival has been held four times. This activity is considered to provide welfare to the local population in the hope that it is an effort to maintain the continuity of the use of natural resources for the present and the future.⁴

However, there is something that has escaped the attention of the Bulukumba Regency government, namely protecting the Kahayya coffee commodity itself. This annual activity only provides added value to ecotourism, without providing added value to the economy of the Kahayya village community significantly. This is evidenced by a total of 325 family heads, 281 family heads are still classified as poor.⁵ In addition, these activities also do not provide legal protection that can prevent

¹ Marni Emmy Mustafa, *Aneka Penegakan Hukum Hak Cipta, Paten, Merek dan Indikasi Geografis*, Bandung: PT. Alumni, 2018.

² Wahyu Sasongko, *Indikasi Geografis: Rezim HKI yang bersifat Sui Generis*, Media Hukum. Vol 19, No. 1, 2019.

³ Andi Awal, see <https://pesona.travel/keajaiban/343/kopi-kahayya-khas-dataran-tinggi-bulukumba>

⁴ Baharuddin Patangngai, *Potensi Ekowisata dalam Kawasan Kebun Raya Kahayya Kabupaten Bulukumba*, Jurnal Pinisi Research (Jurnal Penelitian dan Pengembangan Daerah Bulukumba). Vol. 9 No. 1, 2017, p. 1-8

⁵ Andi Khairil A. Samsu, Syamsuddin Millang, and Muhammad Dassir, *Peranan Modal Sosial Terhadap Pengembangan Agroforestri di Kabupaten Bulukumba*, Jurnal Hutan dan Masyarakat, Vol 11, No. 1, 2019, p. 73-78

attempts to claim selling rights (brands and geographical indications) against the coffee.

The Bulukumba Regency Government should make efforts to provide legal protection for the Kahayya coffee commodity. Learning from the gloomy experience of the past, namely the registration of the Toraja Coffee IG South Sulawesi by Key Coffe in Japan under the brand "Toarco Toraja" complete with the traditional house of the Tanah Toraja community as the brand so that it does not happen again. The Bulukumba Regency Government needs to take policies in order to guarantee the protection of existing regional assets. The Bulukumba Regency Government needs to increase local revenue and improve the welfare of the community, especially the people in Kahayya Village, Kindang District, whose average population is still below the poverty line. The purpose of this study is to identify the potential of Kahayya coffee so that geographical indications can be registered in order to improve the economy of the local community.

METHOD

This research was conducted in Kahayya Village, Kindang District, Bulukumba Regency. Data collection techniques used in this study were observation, interviews, and literature study.⁶ Respondents in this study were the Kahayya Coffee Farmers Community, totaling 10 people, the Coffee Farmers Group, the Kindang Sub-district Head, and the Kahayya Village Head. The focus of the questions on the interview method is the characteristics of Kahayya coffee, from the planting process to the manufacturing process from coffee beans to ready-to-sell ground coffee. A literature study was used to obtain literature related to the legal protection of geographical indications and to relate it to the characteristics of Kahayya coffee whose information was obtained through interviews.

DISCUSSION

Kahayya Coffee's Reputation, Quality, and Characteristics

Registration of geographical indications indicates the reputation, quality, and characteristics of a product to be registered. Geographical indications provide protection for those who identify the rights of a country, or region as a source of goods, where the reputation, quality, and characteristics of goods are determined by geographical factors. The characteristics and quality of goods that are stored and can be maintained for a certain period of time will give rise to the reputation of the goods, which in turn allows the goods to have high economic value.

Geographical indications provide protection against signs that identify an area of a country, or a region or area within the region as the origin of the goods, where the reputation, quality, and characteristics of the goods are largely determined by the relevant geographical factors. The characteristics and quality of goods that are maintained and can be maintained for a certain period of time will give birth to a reputation for these goods, which in turn allows the goods to have high economic value.⁷

Kahayya coffee has been known for a long time, in fact, it has been produced for many years. Kahayya coffee has been grown by local people for a long time at an altitude of 1000-1500 meters above sea level. Its reputation is also not inferior to other coffees, especially among coffee lovers. Kahayya coffee has different characteristics in terms of taste. Kahayya coffee has a distinctive taste such as cinnamon, brown sugar, floral, hazelnut, and passion fruit. When compared to some arabica coffees in South Sulawesi, Kahayya coffee has an advantage, namely the acidity of Kahayya coffee which is at a medium level. Kahayya coffee has a different taste from other coffees because in Kahayya Village there are 2 types of coffee plants. One of them is Arabica coffee which will grow well at a soil acidity of 5-6.5 pH, while Robusta at an acidity level of 4.5-6.5 pH. Coffee plants are also very sensitive to the plants around them.

The taste of Kahayya Coffee is influenced by its protective tree. In one land that is cultivated, not only Kahayya coffee is planted, but also avocado, jackfruit, and mango. There are also protective trees such as suren trees, cinnamon, and palm trees. These plants make the taste of Kahayya coffee different, so it has characteristics compared to other coffees. In addition, routine pruning 2 times before harvest is also carried out to prevent pests that damage coffee. Kahayya coffee is also processed manually by local residents, picked and then ground manually, roasted in a hot stove, and then milled and made into coffee grounds. The results of the home-coffee production are then sold by the community independently.

⁶ Kadarudin, *Penelitian di Bidang Ilmu Hukum (Sebuah Pemahaman Awal)*, Semarang: Formaci Press, 2021.

⁷ Andi Khairil A. Samsu, Syamsuddin Millang, and Muhammad Dassir (2019), *Loc.Cit.*, p. 73-78

Figure 1. Kahayya Kopi Coffee Management Process



Based on the characteristics, registration of Geographical Indications needs to be done because it is not only of economic value but also of cultural value, regional and national pride. Other reasons are: First, geographical indication is an identification mark for goods originating from a certain area or the name of goods produced from a certain area and expressly cannot be used for similar products produced from other regions. Second, geographical indication is an indicator of quality, geographical indication informs consumers that the goods are produced from a certain location where the influence of the surrounding environment produces quality goods with certain characteristics that will continue to maintain its reputation. Third, geographical indication is a business strategy where geographical indication provides added commercial value to the product because of its originality and product limitations that cannot be produced in other regions. Fourth, based on the TRIPs agreement, geographical indications are determined as part of intellectual property rights whose ownership rights can be defended against any unlawful act and unfair competition.

Based on Article 53 of Law no. 20 of 2016 concerning Marks and Geographical Indications stipulates that protection of geographical indications may be granted to institutions representing the community in certain geographical areas and provincial or district/city regional governments. Kahayya coffee has the potential to get geographical indication protection when viewed from natural and human characteristics. Kahayya coffee only grows in the highlands of Kahayya Village and is processed directly by coffee farmers who are indigenous people who live in Kahayya village. In addition, Kahayya coffee has maintained its taste and quality for years.

Potential Geographical Indications of Kahayya Coffee in Improving the Economy of Local Communities

It is known that the population of Kahayya Village is 1,302 people, with 671 men and 631 women. The majority of Kahayya residents work as coffee farmers and farmers for other commodities such as tobacco and red beans, and there are only 2 civil servants in the village. The majority of people who work as coffee farmers sell their coffee in logs without being processed first due to limited human resources. Kahayya coffee is sold once a year because the fruiting time of Kahayya coffee ranges from June to August. Most people sell directly in the form of cans that contain about 20 liters at a price of around Rp. 100,000.00. In addition, some people also sell in the form of green beans or ready-to-roast at a price of Rp. 25,000-Rp. 40,000 per kg. The price difference depends on the type of coffee, namely Robusta and Arabica. So far, most people sell directly in the form of cans containing about 20 liters at a price of Rp. 100,000, some people also sell in the form of Greenbean or ready-to-roast at a price of Rp. 25,000 – Rp. 40,000 per kilo.

Learning from geographical indication products from European countries, by registering geographical indications these products can provide great benefits for the country's economy. For example, the sale of native Florida oranges from the state in the United States of America, Florida, which is widely known around the world for its distinctive taste, accounted for 9 million US Dollars and created approximately 80,000 new jobs and expanded 230, 670 hectares of land.⁸

From the potential, profits can occur if products that have a reputation, quality and criteria in the area are protected by a geographic indication protection system. Some of the benefits obtained from being protected by these products through geographical indications, namely:

1. Geographical indications can be used as a product marketing strategy in domestic and foreign trade;
2. Provide added value to the product and improve the welfare of the maker;
3. Improve the reputation of geographical indication products in international trade.
4. Equality of treatment as a result of promotions from abroad;

⁸ Ken Keck, Florida Orange Juice Healthy, Pure and Simple, Worldwide Symposium on Geographical Indications, Lima, June 22-24, 2011.

5. Protection of Geographical Indications as a tool to avoid fraudulent competition

The most important benefit of registering a product through the protection of a geographic indication system is to provide legal protection guarantees that are responsive to violations by other parties. For example, the violation of Toraja coffee and Gayo coffee. The case of registration of the Coffee brand under the name Toraja by Key Coffee Co. started when the owner of the "Toarco Toraja" brand filed an application for protection of a coffee brand that was gaining popularity in Japan. The threat of a competitor using a trademark with the same name became the basis for his trademark protection application in 1974 and his registration was granted in 1976.⁹ In the second case, Kopi Gayo as a trademark is claimed to belong to a company from the Netherlands as the holder of the rights whose Numbertabene Kopi Gayo is typical of Nanggroe Aceh Darussalam. The Dutch company (Holland Coffe B.V) claims that the company is the owner of the coffee trademark rights and is registered internationally under the name Gayo Mountain Coffee.¹⁰

In terms of ecology, the benefits of Geographical Indications include: (1) Maintaining and preserving nature. (2) Improve the reputation of the region. (3) Maintaining the sustainability of germplasm. From a socio-cultural perspective, the benefits of Geographical Indications include: (1) strengthening relations between planters. (2) improve the dynamics of the region, and (3) preserve the customs, knowledge and local wisdom of the community. From a legal perspective, the benefits of Geographical Indications are to provide legal protection and certainty for producers. For consumers, the benefits of geographic indication protection include: (1) providing quality assurance based on law according to consumer expectations for geographical indication products. (2) Provide legal guarantees for consumers if the product does not meet the expected standards.¹¹

The local government has made various efforts to improve kahayya coffee products, starting with the help of factory machines and empowering the community into cooperatives in the form of farmer groups. However, these efforts have not been able to significantly improve the local community's economy. Learn from the registration of Gayo coffee which is considered capable of increasing the economy of the coffee farming community in the area. Protection of geographical indications of gayo coffee is a manifestation of the government's efforts to encourage sustainable regional economic development by not relying on technology-intensive industries, but investments based on local raw materials.

Kahayya coffee can be registered with geographical indications in order to get protection and improve the economy of the people in Kahayya Village. Registering Kahayya coffee through a geographic indication system, it will improve the economy of the local community. From the results of the interview, it was found that Kahayya coffee was not registered through geographical indications due to various problems, one of which was the lack of public knowledge regarding the protection of geographical indications and administrative factors that could not be fulfilled as a condition for the application to register geographical indications of Kahayya coffee.

CONCLUSION

Kopi Kahayya has the potential to be registered for Geographical Indications. Kahayya coffee has the reputation, quality, and characteristics required for the protection of Geographical Indications. However, so far, the public does not understand the protection of geographical indications and there are several administrative requirements that cannot be fulfilled which are the inhibiting factors for not registering Kahayya coffee through the protection of geographical indications to date. Whereas by registering a product through the Geographical Indication system, it can improve the quality, price, and of course the welfare of Kahayya coffee farmers and can improve the local economy.

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⁹ Siti Asfiah, Perlindungan Hukum Potensi Indikasi Geografis di Kabupaten Brebes Guna Pengembangan Ekonomi Masyarakat Lokal, *Jurnal Idea Hukum* Vol. 1, No. 2, October, 2015, p. 113

¹⁰ Eddy Damian, et.al., Hak Kekayaan Intelektual Suatu Pengantar, Bandung: Alumni, Bandung, 2002, p. 15; See also Surip Mawardi, Establishment of Geographical Indication Protection System in Indonesia, Case in Coffee, Worldwide Symposium on Geographical Indications jointly organized by the World Intellectual Property Organization (WIPO) and the Patent Office of the Republic of Bulgaria, Sofia, June 10 –12, 2009, p. 11

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