

DIGITAL ELECTRONIC SYSTEM OF PROPERTY RIGHTS CERTIFICATION (CASE OF COFFEE GEOGRAPHICAL INDICATION OF TEMANGGUNG)

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ABSTRACT

The research was carried out relating to the empowerment of coffee farmers in the era of industrialization through increased understanding of intellectual property rights through the electronic system, especially for geographical indication coffee. Geographical Indications (GI) bring various impacts to the people of Indonesia, especially the Village and Communal communities. GI era provides opportunities for increasing the socioeconomic status of rural communities, so that they are able to compete at the global level. One of the GIs is the GI for coffee in Temanggung. Besides being known as a producer of tobacco, Temanggung Regency is now also known as a producer of coffee. In connection with the economic aspects, especially job creation, coffee commodities provide employment to 1.89 million households with an average ownership area of 0.6 hectares, until now coffee plants in Indonesia are still dominated by Robusta coffee (83%) compared to Arabica coffee (17%) while the international market prefers arabica coffee. This study aims to find out and analyze more deeply related to freedom of business for coffee farmers registered with geographical indications in Temanggung Regency in the industrial era and the development of information system technology as one of the guarantees of rights regulated in the rule of law in Indonesia.

Key words: geographical indication; coffee; property rights; digital electronic system registration

INTRODUCTION

The coffee industry in Indonesia continues to increase from year to year in line with industrial developments on a global scale. However, the productivity of coffee in Indonesia itself is apparently not directly proportional to the area of the coffee plantation itself. Although the area of coffee plantations in Indonesia is the second largest in the world after Brazil, coffee productivity in Indonesia is one of the lowest productivity indexes in the world. Coffee productivity index in Indonesia can only produce 520 kg/HA, less than Vietnam which can produce 2,445 kg/HA. Because of its large plantation area and low productivity, Indonesia is still the number four coffee exporter among The Bean Belt countries (Agustin & Maharani, 2019; Jampur, Yudiari, & Hubeis, 2015).

In fact, according to the Ministry of Industry, that Indonesia is the third largest coffee producing country after Brazil, and Vietnam. Having 9 (nine) production areas with a total area of 1,300,000 hectares, Indonesia produces more than 750,000 tons of coffee per year. Of the total production, around 67% of coffee is exported with a total transaction value of 1.6 billion dollars while the rest (33%) is for meeting domestic needs (Hartono, 2013). The high productivity makes coffee in Indonesia enter one of the promising industries from various aspects, not only economically.

Based on the Agriculture Data and Information System Center of the Ministry of Agriculture the national coffee consumption in 2016 reached around 250 thousand tons and grew 10.54% to 276 thousand tons. Indonesia's coffee consumption during the 2016-2021 period is predicted to grow an average of 8.22% per year. In 2021, coffee supply is predicted to reach 795 thousand tons with consumption of 370 thousand tons, resulting in a surplus of 425 thousand tons. Around 94.5% of coffee production in Indonesia is supplied by smallholder coffee entrepreneurs. As for 81.87% of national coffee production is a type of Robusta originating from coffee centers in South Sumatra, Lampung, Bengkulu, East and Central Java (Ministry of Agriculture of Republic of Indonesia, 2018).

However, the potential of the coffee industry is not directly proportional to the existing legal protection. In some number of cases in Indonesia, coffee producers suffered several losses, mainly related to economic aspects, both brand and geographical indications. For example the case of Toraja Coffee registered by a Japanese company (Poentadatri, & Antoni, 2013), the absence of legal protection for the geographical indications of coffee in the village of Tegalrejo (Haritsag, Santoso, Njatrijani, 2017), or even weak brand protection as happened in Gayo Arabica Coffee which was actually registered in the Netherlands (Herviandi, Susilowati, Njatrijani, 2017).

In fact, both brands or geographical indications, serve as identification that indicates the origin of goods and services, as well as linking the goods and services concerned with their producers (Aristeus, 2014; Djubaedillah & Djumhana, 2003; Waspiah, 2019). However, in fact, geographical indications are still dominated and monopolized by the Protection Society for Geographical Indications (MPIG) in their respective regions. MPIG in many studies shows the practice of trade monopoly. In fact, Geographical Indication is protected as a sign that shows the area of origin of a good, which due to geographical environmental factors including natural factors, human factors, or a combination of the two factors, gives certain characteristics and qualities to the goods produced (Waspiah & Arifin, 2020).

The research aims to examine the extent of the protection of coffee farmers with geographical indications through electronic registration of intellectual property rights in Temanggung Regency. In this study, the use of information technology in the industrialization era made one of the supporting factors in the success of the protection of coffee farmers.

METHOD

This research is a normative juridical research study, where the law has to be applied according to the higher rules, or the formulation has been established at the same time to find out how the law is implemented in the law enforcement process. This study examines the strengthening of coffee farmers registered with geographical indications in Temanggung Regency through the electronic information system of IPR in the context of Indonesia's national legal rules. This study examines coffee farmer communities registered with geographical indications to find out the extent of coffee farmers' understanding of the importance of electronic information on IPR registration for coffee farmers in Temanggung Regency.

RESULTS AND DISCUSSION

1. Geographical Indication: A Basic Overview in Intellectual Property Rights

Observed from the history of law, initially the legal basis for Geographical Indications is in Article 56 paragraph (1) of Law Number 15 of 2001 concerning Trademarks, which are further regulated by implementation instructions, namely Government Regulation Number 51 of 2007 concerning Geographical Indications. Until now, the legal history of the Geographical Indications is still running until finally the Geographical Indications are regulated in Law Number 20 of 2016 concerning Trademarks and Geographical Indications. In addition, Geographical Indications also have special arrangements by the Directorate General of Intellectual Property and are also recognized by the Ministry of Law and Human Rights as outlined and published in the Indonesian Geographical Indications Book.

Law No. 15 of 2001 concerning Marks contains the rules of Geographical Indications in summary, namely only in one chapter, namely VII (seven) chapters from Article 56 to Article 60 and only one part for the overall regulation of Geographical Indications. As the history of the development of the regulation of Geographical Indications, Geographical Indications have a new arrangement that is more optimal, and strict, which is regulated in Law Number 20 of 2016 concerning Geographical Indications and Indications [19]. In the new Law, the regulation on Geographical Indications is regulated in more detail and firmly in 4 chapters, namely in chapters VIII, chapter IX, chapter X, and chapter XI starting from Article 56 to Article 71 and has sections as subtitles for the regulation. The new regulation on Geographical Indications that the period of protection, substantive examination, supervision and guidance of Geographical Indications has been clearly regulated with each part different from the old regulations which still do not have a part of the regulation. It shows that normatively the arrangement has been very optimal and firm. The latest regulation provides understanding that a product that has the potential as a product of Geographical Indications must be protected.

Geographical Indications are regulated in Law of the Republic of Indonesia Number 20 of 2016 concerning Trademarks and Geographical Indications. According to Law Number 20 of 2016 concerning Marks and Geographical Indications, namely in Article 1 Number 6 that a Geographical Indication is a sign indicating the area of origin of goods and/or products due to geographical environmental factors including natural factors, human factors or the combination of both factors This gives a certain reputation, quality, and characteristics to the goods and/or products produced.

Big Indonesian Dictionary gives meaning of the word Indication are signs that attract attention. It can be concluded in other words that the indication also indicates a potential. Then geographical comes from the word geography comes from Greek that is geo is earth and graphein is written or explained. It is also very common that geography is the study of and explains location. Then, geographical is to indicate a location. Based on the brief description, the Geographical Indication is a sign that attracts attention in an area.

Geographical Indications is one of the Intellectual Property Rights (IPR) regimes. According to the literature Anglo Saxon knows Intellectual Property Rights as Intellectual Property Rights, in a translation that means intellectual property rights. Conceptually Intellectual Property Rights have three keywords, namely rights, property, and intellectual. Wealth is an abstraction that can be owned, transferred, bought, or sold. As for what is meant by intellectual property is the wealth of all the products of the production of intelligences such as technology, knowledge, art, literature, written works and so forth. This means that Intellectual Property Rights are the rights (authority/power) to do something about intellectual property that is governed by norms or applicable laws (Sutedi, 2009).

Geographical Indications have had an influence on the development of IPR law in Indonesia and have been recognized internationally since 1994, in line with the Agreement Establishing the World Trade Organization (WTO). Geographical factors of a particular region or region of a country and / or region are the deciding elements in shaping the quality, reputation or certain characteristics of an item or product that will obtain the protection of Geographical Indications.

Geographical Indication is a form of legal protection for the name of the area of origin of the goods. The essence of the legal protection of Geographical Indications is that unauthorized parties are not permitted to use Geographical Indications if the use tends to deceive the consumer community about the area of origin of the product, besides Geographical Indications can be used as a bridge to achieve added value in commercialization of Geographical Indications products. Understand more about Geographical Indications, starting with the scope of the arrangement:

- a. In terms of definition or understanding that Geographical Indications are the names of the regions used as indications that indicate the area /region of origin of the product.
- b. In terms of the nature that the Geographical Indications indicate the quality, reputation and characteristics of a product.

- c. In terms of ownership that Geographical Indications are owned communally.
- d. In terms of the period of protection that Geographical Indications do not have a time limit for protection during the preservation of reputation, quality and characteristics on which protection is given. Or protection of geographical indications ends if the area is no longer able to produce geographical indication products.

2. Coffee Farmers Perception for Electronic Geographical Indication

Mapping the level of geographical indication (GI) adoption through an electronic system for empowerment and increased production by farmers using descriptive analysis by describing the results of data analysis regarding the level of GI application in cultivation and post-harvest, farmers' perceptions of the benefits and constraints of the application of GI and other supporting information. For data collection using the Likert scale 1-5 (1: strongly agree to 5: strongly disagree) and data analysis using the scoring method. The use of Likert scale according to Sugiyono is "Likert scale is used to measure the attitudes, opinions and perceptions of a person or group of people about social phenomena" [21]. Data analysis uses a scoring method by dividing data into 5 classifications for adoption level (Awareness, Interest, Evaluation, Trial and Adoption) and 5 classifications for perceptions of the benefits and constraints of GI adoption (very low, low, moderate, high and very high).

The electronic adoption of the GI system by coffee farmers determined how farmers' perceptions of the benefits and constraints in applying the GI for increasing their production. This study aims to obtain a picture of the level of electronic adoption of the IG system by farmers and farmers' perceptions of the benefits and obstacles in adopting IG. The results of data analysis are as follows:

Table 1. Farmers' Perception of the Benefits of Coffee Geographical Indication Standards in Temanggung Regency

Perception	Score	Note
Implementing IG Coffee Standards can improve the quality of the coffee I produce	4,36	Very High
Applying IG Coffee Standards can produce coffee at prices better on the market	4,32	Very High
Applying IG Coffee Standards can increase productivity a coffee farm that I run	4,28	Very High
Applying IG Coffee Standards can improve Coffee's competitiveness Temanggung	4,42	Very High
Applying IG Standards Coffee provides economic benefits for me	4,25	Very High
Implementing IG Coffee Standards can attract potential buyers	4,32	Very High
Average Score	4,23	Very High

Coffee farmers also have a very high perception that the application of IG coffee standards can improve the family economy. By producing good quality coffee, farmers will get a higher price and it is hoped that the benefits obtained will also be higher. A very high perception related to the benefits of implementing the GI coffee standard is being able to attract potential buyers. This is because quality coffee is always in demand by the market. Buyers will consider quality when buying coffee. Good quality coffee will be easier to compete for potential buyers. The perception of the benefits of a technology or innovation will support the success of the technology. This is in line with the results of research [15]. that there is a relationship between the benefits of an agricultural technology and its adoption by farmers.

3. Procedure of Electronic Certification for Geographical Indication Coffee

With the enactment of Government Regulation No. 51 of 2007 concerning Geographical Indications regarding registration procedures on September 4, 2007 as the implementing regulations of Law Number 15 of 2001 governing the protection of Geographical Indications, this has paved the way for Geographical Indication products to be registered in the country. Government Regulation No. 51 of 2007 contains provisions regarding the procedure for registration of Geographical Indications while the stages of procedure can be grouped into:

- I. *First Stage:* Submitting an Application, that every Association, producer or organization that represents a Geographical Indication product can submit an application by fulfilling the requirements by attaching:
 - 1. The application shall be submitted in writing in the Indonesian language by the Applicant or through his attorney by filling out forms in 3 (three) copies to the Directorate General
 - 2. special power of attorney, if the Application is filed through a Proxy;
 - 3. proof of payment of fees
 - 4. Requirements book consisting of:
 - a. Name of Geographical Indication requested for registration;
 - b. Name of goods protected by Geographical Indications;
 - c. a description of the characteristics and qualities that distinguish certain goods from other goods that have the same category, and explain the relationship with the area where the goods are produced;

- d. a description of the geographical environment and natural factors and human factors which are a unity in influencing the quality or characteristics of the goods produced;
 - e. a description of the regional boundaries and / or a map of the area covered by Geographical Indications;
 - f. a description of the history and traditions relating to the use of Geographical Indications to mark goods produced in the area, including public recognition of the Geographical Indications;
 - g. a description describing the production process, processing, and manufacturing process used to enable each producer in the area to produce, process or make related goods;
 - h. a description of the methods used to test the quality of the goods produced; and
 - i. label used on goods and contains Geographical Indications.
 - j. A description of the boundaries of the area and/or a map of the area covered by Geographical Indications which have a recommendation from the competent authority.
- II. *Second Stage: Administrative Examination*, at this stage the examiner makes a careful examination of the request to see if there are deficiencies of the requirements submitted. In the event of a shortage the Examiner can communicate this to the applicant to be corrected within a period of 3 (three) months and if it cannot be corrected then the request is rejected.
- III. *Third Stage: Substance Examination*, at this stage the application is examined. Request Geographical Indications with different types of products, the Expert Team consisting of examiners who are experts in their fields check the contents of the statements that have been submitted to ensure their correctness with corrections, after being declared adequate, an Inspection Report will be issued, the proposal will be submitted to the Directorate General. In an application that is rejected, the applicant can submit a response to the rejection, the examination of the substance carried out for a maximum period of 2 years.
- IV. *Fourth Stage: Announcement*, within a period of not later than 10 (ten) days from the date of approval of the Geographical Indication to be registered or rejected, the Directorate General shall announce the decision in the Official Gazette of Geographical Indication for 3 (three) months. The announcement will include things such as: Application number, full name and address of the Applicant, name and address of the Proxy, Receipt Date, Geographical Indications, and abstracts from the Requirements Book.
- V. *Fifth Stage: Registration Opposition*, that anyone who observes the Official Gazette of Geographical Indications can submit opposition with the approval of the Registration of Geographical Indications contained in the Official Gazette of Geographical Indications. The opposition is filed by making an objection accompanied by the reasons thereof and the registrant / applicant Geographical Indication can file a rebuttal of the objection.
- VI. *Sixth Stage: Registration*, with respect to Requests for Geographical Indications which are approved and there is no opposition or there is a final decision on the opposition to remain registered. The registration date is the same as the date the application was submitted. The Directorate General then provides a certificate of Geographical Indication Registration, the certificate can be corrected if an error occurs.
- VII. *Seventh Stage: Monitoring of the Use of Geographical Indications*, at this stage the Geographical Indication Experts Team organizes and monitors the supervision of the use of Geographical Indications in the territory of the Republic of Indonesia. In this case it means that the Geographical Indications used remain in accordance with the requirements book submitted.
- VIII. *Eighth Stage: Appeal*, that an appeal request may be submitted to the Trademark Appeal Commission by the Applicant or his Proxy against the rejection of the Application within 3 (three Months) of the time the decision of the refusal is received by paying the stipulated fee.

CONCLUSION

This research concluded that online certification system for geographical indication certification has a large impact to socio-economic improvement of Coffee Farmers in Temanggung Regency, Central Java Indonesia. However, the stages or steps for online submission is quite difficulty to understand by Farmers. The improvement of quality of online system in urgently needed to provide an easiness and simple submission.

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