

WORLD TRADE ORGANIZATION

TN/IP/W/7
18 February 2003

(03-1021)

Council for Trade-Related Aspects
of Intellectual Property Rights
Special Session

DISCUSSIONS ON THE ESTABLISHMENT OF A MULTILATERAL SYSTEM OF NOTIFICATION AND REGISTRATION OF GEOGRAPHICAL INDICATIONS FOR WINES AND SPIRITS: COMPILATION OF ISSUES AND POINTS

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Introduction

1. The third Special Session of the Council for TRIPS, held on 20 September 2002, agreed to ask the WTO Secretariat to prepare a factual compilation of points made under the four categories of issues identified in the Chairperson's informal note of June 2002 (JOB(02)/49).¹ The compilation would be made on the basis of the written communications and interventions made by delegations on the subject of the establishment of a multilateral system of notification and registration of geographical indications (GIs) for wines and spirits.

2. This note attempts to respond to the above-mentioned request. It follows the structure of the Chairperson's informal note (JOB(02)/49) by subdividing the points and issues according to the four main categories listed by the Chair:

- definition of the term "geographical indications" and eligibility of geographical indications for inclusion in the system;
- the purpose of the notification and registration system;
- what is meant by a "system of notification and registration";
- and participation.

3. Being a summary compilation, this note cannot, by its very nature, include a full reflection of all the documents submitted and interventions made since 1997. For a full appreciation of the position of a particular Member, the original documents submitted by that Member and records of its statements in the Council's minutes should be consulted. For this purpose, a list of documents issued since 1997 is contained in Annex 1 to this note.

4. This document is based on papers submitted to, and the minutes of, the Special Session of the Council for TRIPS together with the previous documents submitted to the Council for TRIPS to which delegations have referred to in the meetings of the Special Session.

5. The first Special Session (8 March 2002) was to a large extent devoted to organizational matters. The second, third and fourth meetings (28 June, 20 September and 28 November 2002) dealt with points and issues as identified by the Chairperson in his informal note (JOB(02)/49).

6. In this paper, the terms "multilateral system" or "system" are used in the interest of brevity and relate to the multilateral system of notification and registration of GIs for wines and spirits as mentioned in paragraph 18 of the Doha Declaration.

General

Scope of the mandate

7. At the second meeting, as well as in TN/IP/W/5 ("Proposal for a Multilateral System for Notification and Registration of Geographical Indications for Wines and Spirits Based on Article 23.4 of the TRIPS Agreement") and TN/IP/W/6 ("Multilateral System of Notification and Registration of Geographical Indications for Wines (and Spirits)"), the scope of the mandate in Article 23.4 and of the negotiations has been addressed. Two issues have been addressed: the first is whether the mandate in Article 23.4 and of the Doha Declaration covers GIs for spirits; the second relates to clarifications

¹ TN/IP/M/3, para. 110.

concerning whether or not a communication made by a group of Members (TN/IP/W/3) is meant to cover GIs for products other than wines and spirits.

Spirits

8. With regard to the question of the inclusion of spirits in the mandate, the following points have been made:

- The mandate under Article 23.4 does not cover spirits. The Singapore Ministerial Declaration only included "spirits" in the scope of preliminary work to be carried out relevant to the negotiations specified in Article 23.4. The reference in paragraph 18 of the Doha Declaration to the TRIPS Council "*completing the work started...on the implementation of Article 23.4...*" confirms the intention of Ministers that, with the exception of geographical indications for spirits, the multilateral system be otherwise established in accordance with the mandate provided in Article 23.4.²
- Members should therefore see, in the negotiating process, how to include a specific obligation related to GIs for spirits so as to create a legal obligation under the TRIPS Agreement. To reflect the current limitation of the mandate in Article 23.4 to wines, the term "and spirits" should appear in square brackets in documents.³

9. In reply, the followings point has been made:

- Paragraph 18 of the Doha Declaration clearly mandates that spirits, in addition to wines are to be covered by the system.⁴

Products other than wines and spirits

10. TN/IP/W/3 ("Negotiations Relating to the Establishment of a Multilateral System of Notification and Registration of Geographical Indications") states in paragraph 1 that "[p]ursuant to Article 23.4 of the TRIPS Agreement, WTO Members shall negotiate in the TRIPS Council, the establishment of a multilateral system of notification and registration of geographical indications". This communication has raised concerns that the lack of an explicit mention of wines and spirits might give the impression that the proposed system would also cover other products.⁵ In this regard, the point has been made that there is no mandate for such a system to cover any other product nor any interest in it being extended thereto.⁶ The inclusion of other irrelevant issues would delay or impede progress in the negotiations regarding the multilateral system for wines and spirits.⁷ In reaction to these concerns, a point has been made that the system should be open to all GIs alike.⁸

11. The Chairperson has said that Members have a very clear mandate to negotiate the establishment of a multilateral system of notification and registration of geographical indications for wines and spirits by the Fifth Session of the Ministerial Conference. He said that the Special Session is required to fulfil the mandate in its entirety and not to go beyond the mandate.⁹

² TN/IP/W/5, page 2, section A; TN/IP/M/2, para. 18; see also IP/C/W/189, footnote 1.

³ TN/IP/M/2, para. 18.

⁴ TN/IP/M/2, paras. 19, 25, 27, 30, 32; TN/IP/M/3, para. 12.

⁵ TN/IP/M/1, para. 17; TN/IP/M/2, paras. 14, 17, 18, 19, [21], 30.

⁶ JOB(02)/94, page 2; TN/IP/M/2, paras. 14, 55.

⁷ TN/IP/M/2, paras. 14, 18, 30, 55.

⁸ TN/IP/M/2, para. 24.

⁹ TN/IP/M/2, paras. 20, 137.

I. DEFINITION OF THE TERM "GEOGRAPHICAL INDICATIONS" AND ELIGIBILITY OF GEOGRAPHICAL INDICATIONS FOR INCLUSION IN THE SYSTEM

12. In the List of Points and Issues for Discussion at the June 2002 meeting circulated by the Chairperson (JOB(02)/49, paragraph 4), he identified the following points and issues on this subject:

Delegations may wish to comment on the definition of the term "geographical indications" for wines and spirits for the purposes of the Special Session's work, including on whether it is accepted that the operative definition is that contained in Article 22.1 of the TRIPS Agreement. As regards possible differences of view about whether a given term may or may not fall within the definition of Article 22.1, the question that arises is whether this is a matter which should be addressed in the work of the Special Session or whether this is a matter best left to be handled on a case-by-case basis in the implementation of the notification and registration system once it is negotiated and in force. Under this item, delegations could also take up other issues relating to the eligibility of geographical indications for inclusion in the system.

13. With regard to the **applicability of the definition of geographical indications contained in Article 22.1** of the TRIPS Agreement, the Chairperson in his concluding remarks at the June 2002 meeting of the Special Session said that he:

"...did not detect any delegation questioning that the definition of geographical indications that should be used was that contained in Article 22.1 of the TRIPS Agreement."¹⁰

14. With regard to the requirement that a geographical indication must be protected in its country of origin and the **applicability of Article 24.9 of the TRIPS Agreement** and with regard to the **applicability of the exceptions to protection provided for in Article 24**, the Chairperson in his concluding remarks at the June 2002 meeting of the Special Session said that he did not:

"...detect any disagreement with the proposition that, in determining eligibility, the exceptions provisions of Article 24 would be relevant. That included the notion that, to be eligible for inclusion in the multilateral notification and registration system, a geographical indication should be protected in its country of origin."¹¹

15. As regards the issue of whether the Special Session needs to **clarify in advance the definition contained in Article 22.1**, the following main views have been expressed:

- One view has been that it is necessary to reach a greater measure of common understanding of the scope and operation of the definition in Article 22.1 and therefore what would be covered by a notification and registration system for wines and spirits.¹²

¹⁰ TN/IP/M/2, para. 138.

¹¹ TN/IP/M/2, para. 138.

¹² JOB(02)/94, page 2; TN/IP/M/2, paras. 33, 36, 43, 48, 53; TN/IP/M/3, para. 54.

- Another view has been that, since the definition in Article 22.1 has to be taken as it is, such an exercise is not necessary and, indeed, does not fall within the mandate of the Special Session.¹³

16. The following points have been made in support of the view that a greater measure of common understanding of what would be covered by the definition in Article 22.1 is necessary:

- The need for greater clarity arises from some countries who have different interpretations or a far-reaching and expansive approach to the definition under Article 22.1.¹⁴ It would shed light on what is to be "facilitated" by the system¹⁵ and on how Members might expect others to interpret the definition of a GI.¹⁶ It was difficult to take a view on the possible elements of a system, particularly the question of legal effect, without greater clarity on what might be covered.¹⁷
- Leaving the issue of whether a particular geographical indication for a wine or a spirit is covered by the system to be determined on a case-by-case basis in the operation of the system would be a recipe for unnecessary difficulties and disputes under the system and might pose a particular burden on smaller countries, especially given the sheer number of terms that may be registered.¹⁸
- It would be a mistake to assume that all disagreements over specific terms could easily be resolved on a case-by-case basis after the multilateral system had been negotiated, particularly in accordance with a cumbersome, highly regulatory and costly arbitration system suggested by a Member.¹⁹

17. Those holding the view that an effort to reach a greater measure of common understanding of what is covered by Article 22.1 is not called for have made the following points in support of their view²⁰:

- Such an exercise would not be in accordance with the mandate given to the Special Session by the Doha Ministerial Conference and the terms of Article 23.4. The mandate does not call for any such clarifications.²¹
- The establishment of a multilateral system would have no implications for the definition under Article 22.1; therefore, no Member would have to make changes to the definition.²²

18. The issue has been discussed of **how it could be ensured that terms that do not meet the provisions of Articles 22.1 or 24.9 or fall under one of the exceptions provided for in Article 24 are not made inappropriately eligible for protection under the system.** In this regard, two main views have been expressed:

¹³ TN/IP/M/2, para. 57.

¹⁴ JOB(02)/94, page 2; TN/IP/M/2, paras. 36, 43, 48.

¹⁵ JOB(02)/94, page 2; TN/IP/M/2, para. 36.

¹⁶ TN/IP/M/2, paras. 48, 53.

¹⁷ TN/IP/M/2, para. 43.

¹⁸ TN/IP/M/2, para. 43.

¹⁹ JOB(02)/94, page 2; TN/IP/M/2, paras. 36, 48.

²⁰ TN/IP/M/2, paras. 28, 34, 57.

²¹ TN/IP/M/2, paras. 34, 57.

²² TN/IP/M/2, paras. 28, 34.

- One view is that a **"challenge" or "opposition" mechanism** should be provided in order to filter out such terms on a case-by-case basis.²³ A number of ways in which this could be done have been suggested:
 - One is that, under an opposition mechanism, a challenge should remain valid until the disagreement has been settled through bilateral negotiations. WTO Members would be free to challenge those names that, *prima facie*, do not meet the requirements of Article 22.1 of the TRIPS Agreement or have become "the term customary in common language as the common name for such goods or services".²⁴
 - Another is that, under an opposition mechanism, if bilateral consultations do not settle the disagreement, there should be provision for a multilateral possibility to settle the dispute, possibly in the form of a specific arbitration system.²⁵ The effect of an arbitration decision in the case of challenges in relation to Articles 22.1 and 24.9 should be of an *erga omnes* nature, meaning that the term would not be entered onto the register. This would save time and effort for all participants and protect the interests of those Members who had not challenged a notification. In the case of successful challenges based on Article 24.4, 24.5 and 24.6, the registration would not be applicable in the territory of the successful challenger.²⁶
 - It has also been suggested that other options could be envisaged, such as independent verification by experts, the WTO Secretariat or another ad hoc body.²⁷
- Another view is that disputes over the eligibility of a particular term notified by a Member should be **resolved under the national law**, rather than through an opposition procedure managed under the auspices of the WTO. In this regard, the following points have been made:
 - The national legislation of each WTO Member defines the scope and the eligibility criteria to establish the link between the product and the geographical origin. The protection of the geographical indications is granted according to the criteria established in Members' national laws. Discrepancies regarding whether or not certain indications meet the definition of Article 22.1 should not be resolved in the context of the multilateral system of notification and registration but by each individual Member, in accordance with its national legal system.²⁸
 - It is important to bear in mind that geographical indications are territorial rights; therefore, the conditions for granting and exercising them are established in the national legislation of WTO Members.²⁹ The territorial nature of GIs is reflected in the use, particularly in connection with

²³ TN/IP/M/2, paras. 29, 34.

²⁴ JOB(02)/70, para. 14.

²⁵ IP/C/W/234 and 255; TN/IP/M/2, para. 35; TN/IP/M/3, paras. 29, 42.

²⁶ TN/IP/M/2, para. 35.

²⁷ TN/IP/M/2, para. 29.

²⁸ TN/IP/W/6, para. 7; TN/IP/M/2, paras. 42, 54, 59, 61.

²⁹ TN/IP/W/6, para. 9; JOB(02)/94, pages 3-4; TN/IP/M/2, paras. 41, 54, 56, 59.

exceptions under Article 24, paragraphs 4 to 8, of the phrases "in the territory of that Member" and "in that Member".³⁰

- Further, it had to be recalled that, pursuant to Article 1.1 of the TRIPS Agreement, Members are free to establish in their national systems their own criteria for determining eligibility for protection of GIs, within the parameters of Section 3, Part II of the TRIPS Agreement.³¹
- In the first instance, the best means of resolving a dispute over a notification might be through recourse by any interested party under the national law of the notifying Member. If that were successful, the Member would have to withdraw the notification. If unsuccessful and the term kept on the multilateral register, its eligibility for protection should depend on the national law of each other WTO Member where protection is sought, given the territorial nature of the protection of geographical indications, like that of other intellectual property rights.³² The point has also been made that all the existing multilateral systems of registration (e.g., for patents and trademarks) rely ultimately on determinations under domestic law to ascertain eligibility and protection.³³

19. The view has been expressed that, while the opposition mechanisms proposed in IP/C/W/107/Rev.1 and IP/C/W/255 provide a way of ensuring that registrations did not improperly affect countries, the proposal contained in TN/IP/W/5 seems to allow for the notification of GIs that do not meet the requirements of Article 22.1 of the TRIPS Agreement and still require national authorities to refer to it.³⁴ In response, it has been said that it should be noted that Article 23.4 refers to "...geographical indications for wines eligible for protection in those Members participating in the system". It does not refer to "geographical indications for wines protected in those Members participating in the system". This provision recognizes that a geographical indication protected in accordance with national legislation by a WTO Member participating in the system can appear on the register even though another WTO Member participating in the system does not consider that same geographical indication for wine (and spirit) as eligible in its territory.³⁵

20. In concluding the discussion at the June 2002 meeting, the Chairperson said that:

"...even on the question of how to deal with differences of view about what might qualify for protection as a geographical indication, he believed that there might be a common view that it was ultimately a matter for national authorities to determine whether a given term met the criteria of national legislation – which should, of course, be consistent with the requirements of the TRIPS Agreement."³⁶

21. The point has been made that, if a Member accepts certain terms notified by another Member as being eligible for inclusion in the system, the same criteria for eligibility should be applied to the other WTO Members on a **non-discriminatory basis**.³⁷

³⁰ TN/IP/M/2, para. 56.

³¹ TN/IP/W/6, paras. 1-2; TN/IP/M/3, para. 45.

³² TN/IP/M/2, paras. 55-56.

³³ JOB(02)/94, page 5; TN/IP/M/2, paras. 71-72.

³⁴ JOB(02)/70, para. 15.

³⁵ TN/IP/W/6, para. 10.

³⁶ TN/IP/M/2, para. 140.

³⁷ TN/IP/M/3, para. 125.

22. The point has been made that the provisions of the TRIPS Agreement relating to geographical indications concern **only goods**, and do not cover services, concepts or symbols.³⁸ The view has also been expressed that the system should cover not only names but also **signs or representations** that evoke a geographical origin or place in relation to a product and meets the requirements of the definition under Article 22.1, in particular the link between the quality, reputation or other characteristics of that product and its geographical indication.³⁹

23. In regard to **non-geographical names** (i.e., terms that are not names of a locality, a region, etc.), doubts have been expressed as to whether they would qualify under the definition contained in Article 22.1 and thereby be eligible for notification and registration.⁴⁰ In response, it has been said that nothing prevents non-geographical names from being protected as GIs if they correspond to the definition of Article 22.1; that is, as long as the link of the product with a quality, reputation and other characteristic is proven. There have been some precedents (e.g., "Vinho verde", "Cava", "Cachaça").⁴¹

24. Concern has been expressed that some Members might seek to notify and register "**traditional expressions**", such as "vintage", "quality liqueur wine", "ruby", "tawny" or "château", under the multilateral system. The view has been expressed that it would be unacceptable that common language terms such as these be capable of meeting the definition in Article 22.1.⁴² The concern has also been expressed that some Members might seek to reserve such generic production-related terms or descriptive terms to certain individual geographical indications, thereby extending to such terms the benefits of the legal effects flowing from the register. Similar concerns have also been expressed in regard to efforts to reserve certain packaging configurations to certain individual geographical indications.⁴³ The point has been made that this issue needed to be examined in the Special Session and clarifications provided so as to facilitate the work and avoid disagreements in the future. A footnote clarifying that a traditional expression was not a GI should be provided.⁴⁴ It has been said that, if such terms were to find their way, de facto or otherwise, onto the register proposed in IP/C/W/107/Rev.1, other Members would be deprived of using such generic terms, processes and labels in the market of any country which had failed to lodge an opposition in time.⁴⁵

25. In response, the point has been made that traditional expressions are attached to a wine bearing a geographical indication and there was therefore a distinction between a "traditional expression" and a "geographical indication". Since traditional expressions were not protected as geographical indications in their country of origin, in accordance with Article 24.9, they would not be eligible for notification and registration as GIs under the multilateral system.⁴⁶

26. The view has been expressed that the TRIPS Agreement clearly provides for **country names** to be capable of constituting a geographical indication.⁴⁷ It would not be legitimate to limit the size or type of geographical unit that could be considered a GI.⁴⁸ Hence, country names should be accepted as GIs.⁴⁹ The point has been made that, notwithstanding this, Members have had difficulty, in some

³⁸ TN/IP/M/2, para. 33.

³⁹ TN/IP/M/2, para. 28.

⁴⁰ TN/IP/M/2, paras. 33, 44.

⁴¹ TN/IP/M/2, para. 63; TN/IP/M/3, paras. 118, 129.

⁴² TN/IP/W/6, para. 8; JOB(02)/94, pages 2-3; TN/IP/M/2, paras. 37, 45, 52, 54, 60, 62; TN/IP/M/4, para. 108.

⁴³ TN/IP/M/2, para. 45.

⁴⁴ JOB(02)/94, page 3; TN/IP/M/2, para. 37; TN/IP/M/3, para. 117.

⁴⁵ TN/IP/M/2, para. 45.

⁴⁶ TN/IP/M/2, para. 63; TN/IP/M/3, para. 122; TN/IP/M/4, para. 113.

⁴⁷ TN/IP/M/2, paras. 28, 46, 49, 59, 61.

⁴⁸ JOB(02)/94, page 3; TN/IP/M/2, para. 38.

⁴⁹ TN/IP/M/2, paras. 46, 49, 59; TN/IP/M/3, paras. 119, 126.

instances, in securing acceptance by some other Members of their country names as GIs.⁵⁰ Members who are interested in having their country names registered as GIs should bear this in mind, especially since the final decision on whether a name would be accepted as a GI would be made by the country where protection is sought.⁵¹ There is need for confirmation of the right to use a country name as a geographical indication and to have it accepted by the notification and registration system.⁵²

27. In response, the view has been expressed that Article 22.1 does not contain any limitation regarding the use of a country name as a geographical indication. Any country name could be protectable as a GI as long as the quality, reputation and characteristics of the product are essentially attributable to the geographical origin designated by the GI.⁵³ This means that it cannot be automatic that a country name fits the definition of Article 22.1.⁵⁴ For example, if a country has various GIs for a product (e.g., wines) with various qualities, it would be difficult to create an "umbrella" GI which would have one unique homogeneous quality. The decision of whether a Member's name would meet the definition of a GI is a question of evidence to be assessed by the national authorities of that Member.⁵⁵

28. Concerns have been raised about how to prove the **linkage between the quality, reputation or other characteristic of a product and the geographical origin**.⁵⁶ It has been suggested that this could only be done on a case-by-case basis, taking into account all the relevant specifics of individual situations.⁵⁷ Another view is that it is necessary to have a collective understanding about the kind of information to be included.⁵⁸

29. Two questions have been raised in relation to **process or production methods**. One concerns whether a replicable production process can have an inherent link to a geographical indication and be thus capable of constituting a geographical indication.⁵⁹ The second question concerns how much, or which stages, of the process in producing a good needs to be conducted in the geographical location in question in order for that product to be able to use the geographical indication referring to that area.⁶⁰ In response to the second question, the point has been made that the answer may vary depending on the product and the process involved (e.g., in the case of wines, transportation may impact on the quality).⁶¹ The general point has been made that IP/C/W/107/Rev.1 does not touch upon the question of oenological practices or manufacturing specifications.⁶²

30. The point has been made that **indications of origin or indications of source** would not fall within the definition of GIs provided for in Article 22.1 because they only refer to the place from which a product originates and by themselves do not provide for the necessary link between the origin of the product and its quality, reputation or other characteristic.⁶³

⁵⁰ TN/IP/M/2, para. 49; TN/IP/M/3, paras. 116, 124.

⁵¹ TN/IP/M/2, para. 61.

⁵² TN/IP/M/2, para. 46.

⁵³ TN/IP/M/2, para. 63; TN/IP/M/3, paras. 119, 126.

⁵⁴ TN/IP/M/2, paras. 34, 63, 64.

⁵⁵ TN/IP/M/2, para. 63; TN/IP/M/3, para. 121.

⁵⁶ JOB(02)/94, page 3; TN/IP/M/2, paras. 33, 40, 50, 54.

⁵⁷ TN/IP/M/2, paras. 34, 63.

⁵⁸ TN/IP/M/2, para. 40.

⁵⁹ TN/IP/M/2, para. 45.

⁶⁰ JOB(02)/94, page 3; TN/IP/M/2, paras. 39, 51.

⁶¹ TN/IP/M/2, para. 63.

⁶² TN/IP/M/1, para. 36.

⁶³ TN/IP/W/6, para. 8; TN/IP/M/2, para. 54.

31. Proposals have been made concerning **homonymous GIs**:

- Under TN/IP/W/5, it is stated that "the same or similar [GI] ... may be submitted by more than one WTO Member, provided that the [GI] is recognized by each notifying WTO Member in accordance with its national regime for protecting [GIs] ...".⁶⁴
- Under IP/C/W/107/Rev.1, it has been proposed that "[I]n the case of homonymous [GIs], each indication shall be registered subject to the provisions of Article 22, paragraph 4 of the TRIPS Agreement".⁶⁵

32. It has been said that it is not clear, under IP/C/W/107/Rev.1, what would happen if there is no opposition to the notification of two homonymous; presumably, all other WTO Members would have to protect both geographical indications.⁶⁶

II. THE PURPOSE OF THE NOTIFICATION AND REGISTRATION SYSTEM

33. The List of Points and Issues for Discussion at the June 2002 meeting, circulated by the Chairperson (JOB(02)/49, paragraph 5), identifies the following points and issues on this subject:

Delegations may wish to comment on this matter, including on the meaning of the words "in order to facilitate the protection of" in Article 23.4. A basic question that arises is whether the purpose of the work is to facilitate, through appropriate procedures, the obtaining of the level of protection that already has to be given to geographical indications for wines and spirits pursuant to the TRIPS Agreement, not to enhance that level of protection. In this connection, delegations may wish to comment on the way in which the provisions of Article 24 should be taken into account.

34. The point has been made that the purpose of the multilateral system of notification and registration of geographical indications should be to **facilitate the implementation of the level of protection already provided for in the TRIPS Agreement for geographical indications for wines and spirits, i.e. the implementation of existing obligations, not to enhance that level of protection.**⁶⁷ It was said that this flows from the fact that the obligation to protect geographical indications was derived from the TRIPS Agreement itself and not from the register.⁶⁸ The view has been expressed that there is an important difference between Article 23.4 which refers to facilitation and Article 24.1 which refers to increasing protection under Article 23 and that, for this reason, Article 24.1 is not linked to the current negotiations.⁶⁹

35. In his concluding remarks at the June 2002 meeting of the Special Session, the Chairperson said that:

"...delegations who had spoken on the issue had said that the purpose of the multilateral system should not be to increase the level of protection for geographical indications for wines and spirits provided for in the TRIPS Agreement, but to facilitate the obtaining of that level of protection."⁷⁰

⁶⁴ TN/IP/W/5, page 5, section 2.

⁶⁵ IP/C/W/107/Rev.1, D.2.

⁶⁶ TN/IP/W/1, page 2.

⁶⁷ TN/IP/W/6, para. 11; JOB(02)/70, para. 17; TN/IP/M/2, paras. 68, 70, 71, 76, 79, 80.

⁶⁸ TN/IP/M/2, para. 80.

⁶⁹ TN/IP/M/2, paras. 70, 77.

⁷⁰ TN/IP/M/2, para. 141.

36. A number of views have been expressed on **how the term "to facilitate"** as contained in Article 23.4 of the TRIPS Agreement **should be understood**. These include:

- the making available of the means of identifying which geographical indications Members have to protect⁷¹;
- the establishment of a register where participating Members would make known, in the framework of the WTO, geographical indications that are protected in their territories and, in that way, make it "easier" for countries to obtain protection for GIs identifying wines and spirits⁷²;
- to "facilitate" the legal protection, a multilateral system should help administering bodies to implement, and producers and consumers to avail themselves of, the legal protection⁷³;
- connoting movement forwards, along a horizontal pathway, towards a defined goal. Its meaning is thus clearly distinct from the concepts of enhancing or increasing, which would involve an upwards trajectory⁷⁴;
- to simplify the process of protecting national interests⁷⁵;
- not to imply that the system of notification and registration is aimed at guaranteeing protection of particular geographical indications for wines and spirits; it does not mean "make mandatory".⁷⁶

37. Views have been expressed on a number of aspects of **what is the protection that should be facilitated by** the multilateral system of notification and registration. In regard to the **exceptions** to protection provided under Article 24 of the TRIPS Agreement, the point has been made that, given that the system does not foresee any increase in existing levels of protection, it is clear that all the exceptions set out in Article 24, in particular the grandfather clause for geographical indications for wines and spirits (Article 24.4), the trademark exception (Article 24.5) and the exception for customary use (Article 24.6), must continue to apply.⁷⁷ The point has also been made that, in order to enable these exceptions to continue to apply, provision has been made in one of the proposals on the table for their exercise via an opposition procedure.⁷⁸

38. In his concluding remarks at the end of the June 2002 meeting, the Chairperson said that he:

"...understood all delegations to recognize that...the exceptions provided in Article 24 should remain valid" [under the multilateral system].⁷⁹

39. The question of whether the protection that should be facilitated is only that provided for in Article 23 (in conjunction with Article 24) or also that provided for in **Article 22** has been discussed. In this regard, the following views have been expressed:

⁷¹ TN/IP/M/2, para. 66.

⁷² TN/IP/M/2, para. 76.

⁷³ JOB(02)/70, para. 18; TN/IP/M/2, paras. 68, 81.

⁷⁴ JOB(02)/94, page 4; TN/IP/M/2, para. 70.

⁷⁵ TN/IP/M/2, para. 79.

⁷⁶ TN/IP/M/2, para. 78; TN/IP/M/3, para. 131.

⁷⁷ TN/IP/M/2, paras. 72, 77, 80.

⁷⁸ TN/IP/M/2, para. 82.

⁷⁹ TN/IP/M/2, para. 141.

- that the multilateral system does not need to facilitate the protection under Article 22, given that Article 23 is a *lex specialis* which takes precedence over the general rule for the protection of geographical indications set out in Article 22⁸⁰;
- wines and spirits benefit from protection under both Articles 22 and 23. Article 23 prohibits the use of a geographical indication of a specific wine on another wine, or of a specific spirit on another spirit. Use of such GIs on other products would not be covered by Article 23 but could be covered by Article 22.⁸¹ The protection be facilitated should be that under both Articles.⁸²

40. The question of **whether the establishment of a multilateral system should entail new obligations** for WTO Members has been discussed. In this regard, the following views have been expressed:

- the system should not create any obligations additional to those already set out in the Agreement, including new administrative burdens, nor diminish in any way the rights contained in Article 23⁸³;
- the system should not create new substantive obligations in the sense that the level of protection provided for geographical indications for wines and spirits would not be raised under the system.⁸⁴ However, this does not mean that there would be no new burdens: notification is itself a new burden and it is not clear how Members can establish a system without creating some new burdens.⁸⁵

41. Different views have been expressed about **whether a system with legal effects at the national level is necessary** if it is to facilitate protection. One view is that the **systems proposed in IP/C/W/107/Rev.1 and IP/C/W/255** would make GI protection easier to implement by providing that registered GIs should benefit from a presumption of eligibility for protection. Asking those using names notified by other countries to defend their case first before local courts would discourage piracy and would benefit the entire spectrum of interested parties: producers, consumers and administrations:

- Producers intending to conduct a policy of international expansion would be able to make cost savings when defending their names around the world. Occasional free-riding on notified names would be discouraged as producers using GIs notified by other countries would have to prove their case before domestic courts first (and incur the associated litigation costs) if asked to do so.⁸⁶ Without a presumption of eligibility, in most cases it would be difficult, if not impossible, for the average right holder of a geographical indication, for example a wine grower in a small village, to enforce his rights under Article 23, because he would have to build a case from scratch before local courts, in certain cases thousands of kilometres from home and under completely different legal systems. This would threaten to defeat the clear intention of WTO Members to provide Article 23-level protection to geographical indications for wines and spirits.⁸⁷

⁸⁰ JOB(02)/94, pages 4-5; TN/IP/M/2, paras. 70, 84.

⁸¹ TN/IP/M/2, paras. 82, 90.

⁸² TN/IP/M/4, paras., 120, 125.

⁸³ TN/IP/W/6, para. 11; JOB(02)/94, page 5; TN/IP/M/2, paras. 71, 79.

⁸⁴ TN/IP/M/2, para. 68.

⁸⁵ JOB(02)/70, para. 19; TN/IP/M/2, para. 89.

⁸⁶ JOB(02)/70, para. 20; TN/IP/M/2, para. 69.

⁸⁷ TN/IP/M/2, para. 73.

- Consumer associations with less resources than producers and yet willing to prevent consumer deception could more easily defend their interests against those who market products using names notified by others to the WTO.⁸⁸
- Usurpation would diminish and, in turn, litigation and administration costs would decrease. Public administrations would have timely information that will allow them, for example, to not register trademarks containing GIs as prescribed by Article 23.2 of the TRIPS Agreement.⁸⁹

42. In response, concern has been expressed about such a system on the following counts:

- it would create new burdensome obligations for Members and add to the level of protection for GIs for wines and spirits that presently exists under the TRIPS Agreement;
- it would not be consistent with the principle of the territoriality of intellectual property rights and the national freedom for determining ways of implementing the TRIPS Agreement, including in the areas of GIs, as recognized in its Article 1.1.

43. On the first of these points, **the claim that the proposed system would create new burdensome obligations and add to the existing level of protection**, the following arguments have been advanced in support of this view:

- Whereas under the TRIPS Agreement there was no time-limit on the exercise of exceptions contained in Article 24, Members would lose under the proposals in IP/C/W/107/Rev.1 and IP/C/W/255 their right to use certain exceptions if they were not the subject of an opposition lodged within 18 months of the notification.⁹⁰
- As a result, all Members would have to review a considerable number of notifications of geographical indications and possibly oppose them, thus creating a new and burdensome obligation.⁹¹ The proposals might also require Members to put in place a domestic examination structure, something which is not a requirement under the TRIPS Agreement.⁹²
- Members might also be required to handle oppositions through a potentially costly mechanism in Geneva rather than under national law, as the TRIPS Agreement was currently drafted.⁹³ Nothing in the TRIPS Agreement presently obliges a Member to enter into an arbitration proceeding requested by another Member.⁹⁴
- If a Member lodges an opposition in respect of a notified geographical indication, it might not be required to protect the term in question in its own territory, but its producers would lose their rights in the markets of all other Members who did not challenge the notification.⁹⁵

⁸⁸ JOB(02)/70, para. 21; TN/IP/M/2, para. 69.

⁸⁹ JOB(02)/70, para. 22; TN/IP/M/2, paras. 69, 81.

⁹⁰ TN/IP/M/2, paras. 78, 93, 95; TN/IP/M/3, para. 78; TN/IP/M/4, paras. 16, 122.

⁹¹ TN/IP/M/2, para. 78.

⁹² TN/IP/M/4, para. 122.

⁹³ TN/IP/M/2, para. 78; TN/IP/M/4, para. 122.

⁹⁴ TN/IP/M/2, para. 78.

⁹⁵ TN/IP/M/4, para. 129.

- The reversal of the burden of proof envisaged in the proposals itself amounts to a new substantive obligation.⁹⁶

44. In response, it has been said that these proposals would create no new substantive obligations.⁹⁷ The exceptions would continue to be available, only they would be exercised in a different way, through an opposition procedure.⁹⁸ Once a Member has lodged an opposition on the basis of an exception, the exception would continue to be applicable as far as that Member is concerned unless agreed otherwise as a result of bilateral negotiations. In this sense, all challenges would be successful.⁹⁹ As for the protection of the geographical indication in third countries, this was a matter for the authorities of those countries and could not give rise to rights on behalf of Members other than the Member that is the country of origin of the geographical indication.¹⁰⁰

45. The question has been raised as to what would be achieved by the system proposed in IP/C/W/107/Rev.1 if, after a Member has opposed a geographical indication, all that would happen is that consultations would be held, the matter discussed and, if there is no agreement, each of the Members concerned would go its separate way.¹⁰¹

46. In response, the point was made that this is why the system proposed in IP/C/W/255 provided for a multilateral possibility to settle the dispute in the event that there was no settlement at the end of the bilateral consultation process. This would also help address problems of imbalance of economic power in the consultation process. This proposal also envisaged that, in appropriate cases, the effect of a successful challenge should be *erga omnes* in order to take into account the problems mentioned with respect to third markets. Moreover, it should be remembered that, while registration would result in a rebuttable presumption of eligibility for protection, the ultimate decision on whether a term was eligible for protection would remain at the national level.¹⁰²

47. In regard to the concern regarding **territoriality and national legislative discretion** that has been expressed about the proposals in IP/C/W/107/Rev.1 and IP/C/W/255, the view has been expressed that it would be difficult to see how a multilateral opposition procedure could be consistent with the principle of territoriality. The system that was being proposed in IP/C/W/255 would entail an arbitration panel of Members of unknown nationality who would not be in a position to understand the determinations made by national courts and the perceptions of consumers as to whether a term has become generic.¹⁰³ Consistent with the principle of territoriality, Members should not be deprived of the right to apply their own laws in making determinations about intellectual property protection within their borders. In this regard, the point has been made that existing multilateral systems of notification and registration, such as under Article 6*ter* of the Paris Convention, the Hague Agreement in the field of industrial designs and the Madrid Protocol in the field of trademarks, all rely ultimately on determinations under domestic law to determine eligibility and protection.¹⁰⁴ The need to respect the freedom of Members, recognized in Article 1.1 of the TRIPS Agreement, both to determine the appropriate method of implementing the provisions of the TRIPS Agreement within their own legal

⁹⁶ TN/IP/M/4, paras. 122, 126.

⁹⁷ TN/IP/M/2, para. 69.

⁹⁸ TN/IP/M/2, para. 92.

⁹⁹ TN/IP/M/2, para. 92; TN/IP/M/4, para. 123.

¹⁰⁰ TN/IP/M/4, para. 130.

¹⁰¹ TN/IP/M/4, para. 127.

¹⁰² JOB(02)/94, pages 4-5; TN/IP/M/4, para. 132.

¹⁰³ TN/IP/M/2, para. 84; TN/IP/M/3, para. 25.

¹⁰⁴ TN/IP/M/2, paras. 70, 71.

system and practice as well as to determine the degree of protection to be accorded provided it meets the minimum required under the TRIPS Agreement has also been emphasized.¹⁰⁵

48. In response, the view has been expressed that the proposals in question for a multilateral register fully respect the principles contained in Article 1.1 of the TRIPS Agreement.¹⁰⁶ There is no intention to advocate the establishment of a supranational court that would impose decisions on national authorities and courts. Registration would merely mean that those who use the names of others that are registered multilaterally would have to prove their cases in court, if challenged.¹⁰⁷ National courts or authorities would remain free to examine independently the value of a registration as evidence and would thereby maintain their freedom to assess whether there actually was, in the specific case, any infringement.¹⁰⁸ Further, the system of challenge and opposition that has been proposed would allow WTO Members to take full account of their territorial specificities and thus respect the principle of territoriality.¹⁰⁹

49. As regards **the system proposed in TN/IP/W/5**, it has been said that this system would facilitate protection by making readily available to all WTO Members the information contained in notifications and registrations of geographical indications for wines and spirits for use in their decision-making processes relating to the protection of such geographical indications.¹¹⁰ Illustrating this point, it was said that such a system would be useful for helping ensure that when wine is imported with a label bearing a geographical indication that geographical indication is authorized in the country of production.¹¹¹

50. In response, it has been questioned whether the system proposed in TN/IP/W/5 would facilitate protection, for the following reasons:

- The system does not provide for a mechanism to filter out names that should not be protected and therefore risks creating more confusion than clarity about which names should be given Article 23-level protection.¹¹² Legal uncertainty regarding the effect of the system could increase litigation and eventually administrative costs.¹¹³
- While national authorities would be bound to refer to the list, the list gives rise to no national legal effects and the national authorities could choose to ignore it in their domestic administrative decisions.¹¹⁴ TN/IP/W/5 does not provide for any mechanism to monitor the obligation for national authorities to "refer" to the lists of GIs on the database.

¹⁰⁵ TN/IP/W/5, page 3; TN/IP/W/6, paras. 1-2, 20; TN/IP/M/2, paras. 71, 76; TN/IP/M/3, para. 69; TN/IP/M/4, para. 72.

¹⁰⁶ JOB(02)/70, para. 17; TN/IP/M/2, paras. 67, 73.

¹⁰⁷ TN/IP/M/2, para. 74; TN/IP/M/3, 132.

¹⁰⁸ TN/IP/M/2, para. 69.

¹⁰⁹ TN/IP/M/2, para. 82.

¹¹⁰ TN/IP/W/5, page 3; TN/IP/M/3, para. 131.

¹¹¹ TN/IP/M/3, para. 132.

¹¹² TN/IP/M/2, para. 75.

¹¹³ TN/IP/M/2, para. 69.

¹¹⁴ JOB(02)/70, para. 24; TN/IP/M/2, paras. 69, 75.

III. WHAT IS MEANT BY A "SYSTEM OF NOTIFICATION AND REGISTRATION"

51. In the List of Points and Issues for Discussion at the June 2002 Meeting circulated by the Chairperson (JOB(02)/49, paragraph 6), he suggested the following:

It might be useful to consider how such terms have been understood in intellectual property contexts, both at the national and international level. This is a subject on which the Special Session could, if so wished, ask the WTO and/or the WIPO Secretariat to provide factual material, in particular about the different types of "registration system" that can be found at the international level, with their main features, procedures and legal effects. Delegations may wish to express their views on these matters as well as on the costs and benefits of different possible systems.

52. Discussions on this category of issues in the Special Session have been organized following a structure suggested by the Chairperson:

The Special Session could go into issues of "mechanics" in greater detail, including such matters as procedures for notification, opposition, registration and modification as well as issues of costs and the possible role of the Secretariat, having regard to the various proposals that have already been made and new or modified proposals.¹¹⁵

Accordingly, this section of this paper is organized using the same headings.

A. PROCEDURES

53. This section outlines points made by participants with respect to the "mechanics" of the proposed system of notification and registration. Two main sets of proposals have been made on these matters:

- (i) the proposal contained in TN/IP/W/5;
- (ii) the proposal contained in IP/C/W/107/Rev.1. Some variations or additions to this proposal have also been suggested:
 - the proposal contained in IP/C/W/255 for the addition of a multilateral arbitration mechanism to resolve challenges that cannot be settled by bilateral negotiation;
 - the suggestion that provision should be made for a brief examination of notifications as to form by the administering body¹¹⁶;
 - the suggestion that provision should be made for a summary examination as to form by the administering body as to whether challenges are well-founded or not.¹¹⁷

The parts of the formal documents containing the above-mentioned proposals as to procedures are reproduced in Annex 2 of this document.

¹¹⁵ TN/IP/M/2, para. 145; TN/IP/M/3, para. 14.

¹¹⁶ TN/IP/M/3, para. 27.

¹¹⁷ TN/IP/M/3, para. 29.

54. The issue of the extent to which the proposals that have been made respond appropriately to the procedural steps set out in the Special Session's mandate namely, notification and registration, has been discussed. One view has been that it is of great importance that a clear distinction be made between the phases of notification and registration¹¹⁸ since the two phases serve different purposes, and that the proposal in TN/IP/W/5 does not achieve this.¹¹⁹ Another view has been that this proposal does make a distinction between the two phases. "Notification" would be the responsibility of an individual Member to identify and submit its list of domestic geographical indications; "Registration" would be the WTO Secretariat's responsibility to compile a database of such notifications to facilitate sharing of the information with all WTO Members.¹²⁰ However, "notification" and "registration" should be understood as elements of a single act; i.e. that the system should consist of a register of notifications.¹²¹ Proposals in IP/C/W/107/Rev.1 and IP/C/W/255 amount to advocating a four-stage system: notification; formal examination; opposition; and registration.¹²²

55. Regarding the question of **how the term "registration" in Article 23.4 should be understood**, one view is that this term refers to a specific way of implementing TRIPS requirements that differs, for example, from the common law approach based on case law. Registration in the field of intellectual property is normally understood as involving the grant of a title of protection with a genuine legal effect, for example in the area of trademarks and certification marks.¹²³ Under a system where registration has no legal effect, the act of registration would not add value to that of notification and would not be in line with Article 23.4.¹²⁴ To give such added-value, registration should follow a phase of examination which would give it greater legitimacy.¹²⁵

56. In response, the point has been made that none of the definitions of the term "registration" in the Collins dictionary make any reference to a legal effect. Any suggestion that the term refers to a specific way of implementing TRIPS obligations would be inconsistent with Article 1.1 of the TRIPS Agreement and amount to an increase in the level of Members' obligations. "Registration" for the purposes of the Special Session should be understood to involve the act of entering a notified term in a list set up and maintained for that purpose by the administering body. While the TRIPS Agreement does refer to "registration" in other sections, those references are to national registration systems. It is clear that the TRIPS Agreement allows Members to use a variety of mechanisms to protect geographical indications and thus there is no value in seeking to make reference to registration in different parts of the TRIPS Agreement.¹²⁶

57. In this regard, reference has been made to **WIPO systems of notification and registration**. On these systems, the following points have been made:

- These international systems were meant to have legal effects, albeit of varying degrees; this was consistent with the approach suggested in IP/C/W/107/Rev.1.¹²⁷
- The WIPO systems are aimed at the acquisition of protection, as indicated in paragraph 5 of the Secretariat note TN/IP/W/4. Article 23.4, by contrast, uses the words "to facilitate protection". "Application" suggests a path to acquiring rights but the drafters of Article 23.4 selected the term "notification", not "application". Thus,

¹¹⁸ TN/IP/M/2, para. 99.

¹¹⁹ TN/IP/M/2, paras. 99, 103, 108, 110; TN/IP/M/3, paras. 35, 40; TN/IP/M/4, para. 71.

¹²⁰ TN/IP/M/2, para. 106.

¹²¹ TN/IP/M/2, para. 104.

¹²² TN/IP/M/3, para. 46.

¹²³ TN/IP/M/2, paras. 103, 108.

¹²⁴ TN/IP/M/2, para. 108.

¹²⁵ TN/IP/M/2, para. 110.

¹²⁶ JOB(02)/94, pages 4-5; TN/IP/M/2, paras. 101, 114.

¹²⁷ TN/IP/M/3, para. 18.

they clearly mean something different. Other Articles in the TRIPS Agreement refers to "application" (e.g. Article 15.3) or to "applicant" (e.g., Article 29); it is, therefore, clear that the drafters of Article 23.4 could have used the term "application" if they had so desired.¹²⁸

- Except for the Patent Cooperation Treaty, there are few signatories to the systems described in TN/IP/W/4. As has been noted by earlier speakers, this fact suggests that the international community had not readily accepted approaches where the registration process has an objection procedure and results in the granting of substantive rights. The Special Session should not adopt an approach that past history demonstrates has not proved acceptable to a large number of countries.¹²⁹
- The Lisbon Agreement for appellations of origin, the Madrid system for marks and the Hague Agreement for designs, as international registration systems for applicants seeking national protection through the international system, have a different purpose from that envisaged under Article 23.4.¹³⁰

1. Notification

58. The following **substantive conditions** to be met by notified GIs have been mentioned in the proposals and interventions:

- GIs notified are those "domestic geographical indications recognized as eligible for protection under their national legislation..."¹³¹ or those "which identify goods as originating in its territory, corresponding to the definition in Article 22, paragraph 1 of the TRIPS Agreement".¹³²
- Only indications that receive protection in the notifying Member at the time of notification and which have not fallen into disuse within the meaning of Article 24.9 should be notified.¹³³

59. The question of who should be the administering body which would receive notifications and provide other secretariat services under the multilateral system is addressed in paragraphs 121-128 below.

60. With regard to the **information** that should be contained in the notification of a GI, the proposals provide that this should include the **date** that the geographical indication received protection in the notifying Member, as well as any time-limit or date of expiry for that protection.¹³⁴

61. With regard to **other data or documentation** that should be included in the notification, the following proposals have been made:

- In TN/IP/W/5, it has been proposed that "[I]n the interest of transparency and to ease the use of information by WTO Members participating in multilateral agreements for the protection of GIs, those WTO Members participating in such agreements must

¹²⁸ TN/IP/M/3, para. 32.

¹²⁹ TN/IP/M/3, paras. 32, 53.

¹³⁰ TN/IP/M/3, para. 69.

¹³¹ TN/IP/W/5, page 5, section 1; TN/IP/M/3, para. 101.

¹³² IP/C/W/107/Rev.1, B.2; TN/IP/M/2, paras. 26, 29, 35; TN/IP/M/3, para. 39.

¹³³ TN/IP/M/3, para. 40.

¹³⁴ TN/IP/W/5, page 5, section 1; IP/C/W/107/Rev.1, B.3; TN/IP/M/3, para. 33.

indicate the agreements under which each of the notified geographical indications is protected."¹³⁵

- In IP/C/W/107/Rev.1, it is proposed that "[t]he notification to the Secretariat [shall] be accompanied by copies of national legislative, administrative or judicial decisions and, if necessary, bilateral, regional or multilateral agreements indicating the date on which each geographical indication first received protection in the country of origin. Any time-limit on that protection and the type of product as well as prima facie evidence of the geographical indication's conformity with the provisions of the Agreement, should also be provided".¹³⁶
- It has also been suggested that each participating Member may provide any other information it considers useful for the TRIPS Agreement's implementation and for the application at the national level of the prohibition regarding the use of the geographical indications for non-originating products.¹³⁷
- The information required might also include the spelling of the GI, the identification of the applicant, the territory from which the goods originate and a description of the characteristics or qualitative features of the goods.¹³⁸

62. The following views have been expressed on these proposals:

- The proposal concerning the notification of international agreements should not be looked at in isolation from the legal effects of the system. What would be the implications of a GI that is notified on the basis that it has been included in a bilateral or multilateral agreement? For example, how would one know whether a notified GI that two countries have committed themselves to protect does not fall under Article 24.9? The proposal would give rise to uncertainty.¹³⁹
- The proposal that international agreements could be used as a basis for the validity of notified GIs means that obligations contracted by some Members under those agreements would indirectly be transferred to other WTO Members which have not ratified such multilateral agreements.¹⁴⁰
- With regard to information to be provided such as national legislative, administrative or judicial decisions and bilateral, regional or multilateral agreements, notifications should be short summaries of the information to be provided. Supporting documents could be retrieved from the website; circulation to Members would hence not be necessary.¹⁴¹
- The requirement concerning the notification of laws and regulations regarding geographical indications could constitute a duplication of existing obligations (e.g. the notification obligation under Article 63.2), or might be considered as an

¹³⁵ TN/IP/W/5, page 5, section 1.

¹³⁶ IP/C/W/107/Rev.1, B.3.

¹³⁷ IP/C/W/107/Rev.1, B.3-5; TN/IP/M/3, paras. 19, 27, 36.

¹³⁸ TN/IP/M/3, para. 36.

¹³⁹ TN/IP/M/3, para 45.

¹⁴⁰ TN/IP/M/3, para. 45.

¹⁴¹ TN/IP/M/3, para. 59.

additional obligation and would therefore be equal to an amendment to the TRIPS Agreement.¹⁴²

- The point was made that the system might concern not only terms already protected in a WTO Member but also those eligible for protection in that Member. In the latter case, it would not always be possible to provide specific documentation making the case that the term is already protected at the national level. This would be the case where Members are implementing a system of GI protection on a common law basis, which does not necessarily require prior registration of a term.¹⁴³

63. In response, the following comments have been made:

- The proposal of having copies of international agreements is intended to cover cases where the legal basis for the protection of a GI in the country of origin could not be found in a national legal, administrative or judicial text but rather in a regional agreement. For example, under the Bangui Agreement, a single title of protection would be granted for a GI and produce effect in the country of origin as well as in the other contracting parties of the Bangui Agreement.¹⁴⁴
- Notification of laws and regulations as well as of international agreements should not be too burdensome for Members since in most cases these texts have been notified to the TRIPS Council under Article 63.2; a cross-reference would therefore suffice. Experience with a regional system shows that the necessary information can be summarized on one or two pages.¹⁴⁵

64. It has been suggested in the proposals and various interventions that notifications should be made according to an **agreed format**.¹⁴⁶ In this regard, the following comments have been made:

- The format of submissions could be established through negotiations or, if the WTO Members so agree, by the Secretariat¹⁴⁷, after the multilateral system itself is established.¹⁴⁸
- The format should be so designed as to make the Secretariat's task of compiling the initial and subsequent notifications as simple as possible and to make the resulting database as user-friendly as possible.¹⁴⁹
- It has also been suggested that in accordance with normal WTO practice, the format of notifications be kept simple.¹⁵⁰

¹⁴² TN/IP/M/3, para. 45.

¹⁴³ TN/IP/M/3, para. 54.

¹⁴⁴ TN/IP/M/4, para. 59. The Bangui Agreement is the abridged name of the "Agreement Revising the Bangui Agreement of 2 March 1977 on the Creation of an African Intellectual Property Organization" of 24 February 1999.

¹⁴⁵ TN/IP/M/4, paras. 59, 64.

¹⁴⁶ TN/IP/M/3, paras. 19, 33.

¹⁴⁷ TN/IP/W/5, footnote 4; TN/IP/M/3, para. 33.

¹⁴⁸ TN/IP/M/3, para. 33.

¹⁴⁹ TN/IP/M/3, para. 33.

¹⁵⁰ TN/IP/M/3: para. 59.

65. It has also been suggested that the Member notifying a geographical indication should be required to provide not only translations in all three WTO languages but also in the languages of the Members where protection is sought.¹⁵¹

66. As regards **the accompanying information and data** that would be contained in the notification of a geographical indication, it has been suggested that this information should be notified in one of the three WTO languages. It would then be translated by the notifying Member, or depending on the circumstances and arrangement made, by the administering body into the other WTO languages for circulation to WTO Members.¹⁵² The point has been made that this information should not be voluminous since most of the information is already available in the WTO, for example in the context of notifications made under Article 63.2 obligations, and a cross-reference would be sufficient.¹⁵³

67. With regard to the proposal in TN/IP/W/5, the view has been expressed that, since Article 23.1 prohibits the use of geographical indications even in translation, it would seem that from the point of view of translation costs the two approaches do not seem to be substantially different, provided that the relevant authorities actually refer to the database.¹⁵⁴

68. With regard to the **language of notification and translation**, the discussion has addressed first the treatment of the geographical indication itself and second the treatment of accompanying information to be contained in the notification of a geographical indication. With regard to the **geographical indication itself**, it has been suggested that the notification should be made in the language of the country of origin. The responsibility for determining what the translation of a notified term was in the language of other Members where protection is sought would lie with the national authorities of those Members. It has been suggested that the burden of such translation should not be great since it would be limited to one or two words.¹⁵⁵

69. In response, the point has been made that the translation of the geographical indication itself is a highly important matter since Article 23.1 requires GIs to be protected also in translated form and Members would need to know exactly what they are being requested to protect.¹⁵⁶ Under the system proposed in IP/C/W/107/Rev.1, the translation of the GI in the jurisdiction of each WTO Member would need to be known since the notification would trigger a legal effect in every Member. If a notified term is to be translated from the language of the country of origin into a national language through a WTO language, this would not be an easy exercise, in particular into languages with different script or spelling and from languages the pronunciation of which is not well known.¹⁵⁷

70. It has been said that if notified, such national authorities of countries which do not use a WTO language have to translate their information as details of the area of production and of the product covered by a GI for the purposes of trademark examination, this could be a considerable problem.¹⁵⁸ Since every Member would be obliged to examine every notification if it is not to waive prematurely any of its rights under Articles 22 and 24 depending on the linguistic ability of the individual examiner a complete translation of the notification would be required before the task could even begin.¹⁵⁹

¹⁵¹ TN/IP/M/4, para. 89.

¹⁵² TN/IP/M/3, para. 19.

¹⁵³ TN/IP/M/4, para. 61.

¹⁵⁴ TN/IP/M/4, para. 92.

¹⁵⁵ TN/IP/M/4, para. 61.

¹⁵⁶ TN/IP/M/4, para. 62.

¹⁵⁷ TN/IP/M/4, paras. 17, 66.

¹⁵⁸ TN/IP/M/4, para. 66.

¹⁵⁹ TN/IP/M/4, para. 85.

71. Concern has also been expressed about the large number of geographical indications for wines and spirits that might be notified and the consequent burden of translation.¹⁶⁰ In response, it has been said that nothing had been said to justify the concern about a very large number of notifications and that ways and means of ensuring that the system was not excessively burdened in this way should be explored.¹⁶¹

72. With regard to the proposal contained in TN/IP/W/5, it has been said that the issue of language and translation is less significant since registration would not have a legal effect at the national level.¹⁶²

73. It has been proposed that the administering body should undertake for each notification a brief or **summary examination as to form** after it has been received from a Member. If the administering body considers that the notified GI clearly does not meet the basic conditions, the national authority of the notifying Member would be informed and would be expected to provide confirmatory information or to renounce the notification. It would be open to the Member to repeat the notification at a later stage if it so decides. Such a procedure would help ensure that GIs clearly not meeting the requirements under Article 22.1 would not be registered under the system and that Members were not faced with a large number of improper notifications.¹⁶³

74. With regard to this proposal, the following comments have been made:

- A summary examination as to form would not be necessary since Members would be notifying GIs that are recognized as eligible for protection domestically, that is GIs that meet the TRIPS definition as transposed into domestic legislation.¹⁶⁴
- Although there might be a need for ways and means to refuse registration of mischievously notified terms, it would be difficult for the administering body to ascertain with any degree of finality whether a particular term meets the requirements of Article 22.1. Because of the territoriality principle, this would be a matter for individual Members to determine. This would go beyond the mandate of Article 23.4.¹⁶⁵
- Rather than by providing for an examination as to form by the administering body, the best way to avoid an excessive number of inappropriate notifications would be by reaching a better common understanding of the definition contained in Article 22.1 of the TRIPS Agreement.¹⁶⁶

75. In response to these comments, it has been said that the examination proposed is not meant to check whether each notified geographical indication respects the national legislation of the country which has notified it or the TRIPS Agreement. It is just a brief examination as to formal requirements to ensure that there is some basis for the notification. It is not intended to substitute the administering body for Members, which are the ones to make the determination as to substance on the basis of national law and the TRIPS Agreement.¹⁶⁷ The WTO Secretariat could, without putting in jeopardy

¹⁶⁰ TN/IP/M/4, para. 62.

¹⁶¹ TN/IP/M/4, para. 67.

¹⁶² TN/IP/M/4, para. 62.

¹⁶³ TN/IP/M/3, para. 27; TN/IP/M/4, paras. 109, 112.

¹⁶⁴ TN/IP/M/4, para. 62.

¹⁶⁵ JOB(02)/94, page 6; TN/IP/M/2, para. 101; TN/IP/M/3, para. 64; TN/IP/M/4, paras. 62, 106.

¹⁶⁶ TN/IP/M/3, para. 54.

¹⁶⁷ TN/IP/M/4, para. 109.

its neutrality, assume the task of providing a "sanity check" on the notifications and acting as a "formal filter".¹⁶⁸

76. In regard to **communicating the notifications of GIs to other Members and making them accessible to the public**, the following proposals have been made (see also paragraphs 121-128 below on the possible role of the Secretariat and on costs.):

- TN/IP/W/5 provides that "[c]opies of the registered geographical indications for wines and spirits shall be distributed to all WTO Members. To ensure maximum transparency, the Secretariat shall, in addition to distributing copies of the lists to WTO Members, make the list accessible, in searchable form, on the WTO's Internet Web Site ...".¹⁶⁹
- In IP/C/W/107/Rev.1, it is proposed that the notified GIs be "published as soon as possible by the WTO Secretariat and notified to Members".¹⁷⁰ It has been said that the possibility of having this publication made via the WTO website should be considered.¹⁷¹

2. Opposition

77. **Section C of IP/C/W/107/Rev.1**, entitled "Multilateral Examination of Geographical Indications Published", provides for a challenge or opposition mechanism aimed at resolving disagreements between Members about the protection of an individual geographical indication that has been notified. **IP/C/W/255** proposes the addition to this mechanism of a multilateral arbitration system to be used when bilateral negotiations have failed to resolve the dispute.

78. The proposal contained in **TN/IP/W/5** does not provide for a multilateral opposition or challenge mechanism. It has been explained that, since this proposal does not provide for registrations that trigger legal effects in Members, there is no need for such a mechanism. Any opposition would be exclusively at the national level. If any WTO Member objects to the registration of a GI notified by another Member, the former may oppose the recognition of that geographical indication in accordance with the laws of the notifying Member. If an opposition is successful, the notifying Member would request that the administering body remove the registration of the challenged indication from the multilateral system. The registration of that indication would be removed from the multilateral system and would not be included in any updated lists circulated to Members.¹⁷²

79. Given the importance of the legal system of the notifying Member as the forum for oppositions, stress has been placed on the need to ensure that the opposition procedure within the notifying Member's legal system and practice is available to the nationals of all other WTO Members on a **non-discriminatory basis** in accordance with the requirements of Articles 3 and 4 of the TRIPS Agreement.¹⁷³ In this regard, it has been recalled that, under the proposal in **TN/IP/W/5**, oppositions would be initiated by private parties, not only by governments. This also helps to explain why the making available of information on notifications of GIs to the public under the proposal is important for providing interested parties an opportunity to challenge them.¹⁷⁴

¹⁶⁸ TN/IP/M/4, para. 113.

¹⁶⁹ TN/IP/W/5, page 5, section 2, para. 2.

¹⁷⁰ IP/C/W/107/Rev.1, para. B.7.

¹⁷¹ TN/IP/M/3, para. 62.

¹⁷² TN/IP/W/5, page 5, section 2.

¹⁷³ TN/IP/M/3, paras. 34, 56.

¹⁷⁴ TN/IP/M/3, para. 34.

80. In this regard, it has been said that the proposal in T/IP/W/5 would provide a way of resolving disputes in the same way as disputes concerning the patentability of inventions or the registrability of marks are handled; this is to say by specifying that disputes would be resolved solely under the national laws of Members. That is currently the state under the existing international notification and registration systems cited by the Secretariat in TN/IP/W/4, namely the Madrid system for trademarks, the Hague system for industrial designs and the Patent Cooperation Treaty. In each of those cases, determinations were made solely with respect to national law without any requirement for consultations or any further complicated procedures. Only the Lisbon Agreement for the Protection of Appellations of Origin and the Stresa Agreement on cheeses, cited in the Secretariat's document, do not solely apply national law in determining whether protection should be extended or not. These two treaties are not broadly accepted.¹⁷⁵

81. The suggestion has been made that the proposals contained in IP/C/W/107/Rev.1 and IP/C/W/255 might be complemented by a requirement for the body administering the multilateral system to **examine, in a formal and summary way**, whether the challenge seemed to be well-founded or not. This would help avoid the risk of the system becoming paralysed by an excessive number of challenges.¹⁷⁶ In response, it has been said that this proposal seemed to presume that there would not be any confusion as to the criteria relating to definition and eligibility for protection. In this regard, reference was made to the points regarding a lack of a sufficient common understanding made in the Special Session's discussion on the first category of issues (see paragraphs 15-17 and 22-30 above).¹⁷⁷

82. Regarding the **information that should be provided when a challenge is lodged**, it has been said that challenges should be accompanied by a statement of the grounds on which the challenging Member is invoking Article 22.1, 22.4 or paragraphs 4 or 6 of Article 24. Filing a challenge should not be an onerous procedure. The type of evidence to be provided would be that relating to the national law of the Member lodging the challenge, for example how the notion of generic is interpreted in its national law.¹⁷⁸ During the 18-month examination period, participating WTO Members could ask questions and request further information or explanations from the notifying Member.¹⁷⁹

83. With regard to the **appropriate period for the filing of oppositions**, the following views have been expressed:

- The period of 18 months suggested in this proposal should be sufficient to enable other Members to examine notifications and decide whether or not to lodge an opposition. However, other time-frames could be considered.¹⁸⁰
- It has been questioned, whether it would be possible to analyse within the proposed time-frame of 18 months all the information that would accompany every notification.¹⁸¹
- In response, it has been said that it would not be necessary for a Member to make a final determination within the 18-month period, for example on whether a name was generic or not. What was proposed was that Members gather prima facie evidence on whether a name might have become generic. This did not mean that all possible lines

¹⁷⁵ TN/IP/M/4, para. 72.

¹⁷⁶ TN/IP/M/3, para. 29; TN/IP/M/4, para. 109.

¹⁷⁷ TN/IP/M/3, para. 64.

¹⁷⁸ TN/IP/M/4, para. 67.

¹⁷⁹ TN/IP/M/3, paras. 20, 41.

¹⁸⁰ TN/IP/M/3, para. 41.

¹⁸¹ TN/IP/M/3, para. 45.

of defence and pieces of evidence had to be provided, but that at least the opposition should be initially founded and that there should be some evidence that the name might have become generic. Afterwards, and in the course of the bilateral negotiations that would follow, the situation would be clarified.¹⁸²

- It has also been suggested that the period should be "reasonable and proportionate".¹⁸³ The point has been made that the duration of this procedure should be long enough for Members, including developing countries, to examine all notifications in the context of the multilateral system.¹⁸⁴

84. It has been said that there are limited cases where countries may have an interest in the same geographical indication. Since systems explored (expert committee, mediation or dispute settlement) have their limits and can be time-consuming and costly or raise problems of compatibility with the WTO Dispute Settlement Understanding and enforcement by national courts, it has been proposed to have recourse to direct bilateral negotiations. It would be simple and efficient since it involves only the parties concerned; they should communicate the results to the administering body.¹⁸⁵

85. The question has been asked as to **how the bilateral negotiations** that would follow an opposition **would be carried out**.¹⁸⁶ In response, it has been said that the duration of the bilateral negotiations could vary greatly and much depended on the goodwill of the parties in trying to reach a settlement.¹⁸⁷

86. The issue of what would be the proposed **legal effect of the lodging of an opposition** under the proposal in IP/C/W/107/Rev.1 has been discussed. The question has been raised as to whether recourse to judicial avenues in the countries that are parties to the negotiations would be affected. It has also been asked whether producers in the Member that has lodged an opposition, for example because the term is considered generic, would or would not be prevented from continuing to use the term.¹⁸⁸ In response, it was said that the opposing country could continue to use the term during the course of the consultations as well as after the consultations, if the consultations do not lead to agreement otherwise.¹⁸⁹

87. In response, a concern has been expressed that, whereas the term could continue to be used in the country that has lodged the opposition, its producers would not be able to continue to use the term in the markets of other WTO Members which had not also lodged an opposition.¹⁹⁰ The view has been expressed that, during the period of bilateral negotiations, it should be ensured that the rights of producers should not be undermined in third countries also.¹⁹¹ For example, the right of a producer to go on using a name which it had been using in good faith in a third market before 1994 should not be impaired, even if the name is protected as a GI in other Members.¹⁹²

¹⁸² TN/IP/M/4, para. 60.

¹⁸³ TN/IP/M/3, para. 38.

¹⁸⁴ TN/IP/M/4, para. 71.

¹⁸⁵ IP/C/W/107/Rev.1, page 2, paras. 9-10.

¹⁸⁶ TN/IP/M/4, para. 77.

¹⁸⁷ TN/IP/M/4, para. 78.

¹⁸⁸ TN/IP/M/4, para. 77.

¹⁸⁹ TN/IP/M/4, para. 78.

¹⁹⁰ TN/IP/M/4, para. 79.

¹⁹¹ TN/IP/M/4, para. 81.

¹⁹² TN/IP/M/4, para. 83.

88. In response, it has been said that the possibility to lodge an opposition is not limited to Members producing a product under a generic name, but could also apply to other Members where the product is marketed and the name is generic. In accordance with the principle of territoriality, it would be up to each Member to decide whether a name is generic or not in its territory.¹⁹³ The proposed system does not lead to any undermining of the rights of producers in third countries. If, in a given country, a GI is not generic and is considered to qualify for protection, that protection is already applicable in that Member by virtue of the TRIPS Agreement itself: the registration merely brought to light an existing protection.¹⁹⁴

89. Concerns have been expressed about the possible **implications of a multilateral opposition system** of the sort proposed in IP/C/W/107/Rev.1 **for national systems** to implement the provisions in the TRIPS Agreement on geographical indications. It has been said that this proposal would require each Member to establish a system to examine each notified geographical indication and that the multilateral system should not force Members who have decided not to implement an examination system domestically to do so.¹⁹⁵ Any register negotiated should not prejudice the continue right of Members participating in it not to establish a national registration system. To do otherwise would imply a significant change to existing Members rights and obligations under Article 23.¹⁹⁶

90. In response, the question has been raised as to the procedures used to identify GIs for wines and spirits eligible for protection by Members that do not have national registries. Do such Members examine conformity with the definition in Article 22.1? For example, is this done under the certification mark system? How would Members that do not have national registries establish a list of names to be notified under the system? It has been said that responses to these questions would help shed light on the kind of opposition procedure that is needed in the multilateral register.¹⁹⁷

91. It has been proposed that the opposition procedure should be divided into two phases: that of bilateral negotiations; and, as a last resort, if such negotiations do not yield a mutually acceptable solution, a multilateral phase.¹⁹⁸ Proposals have been made for this multilateral phase to take the form of an **arbitration system** (IP/C/W/234 and IP/C/W/255), the decisions of which would be final and binding.¹⁹⁹ It has been said that when developing the procedure for arbitration, Members should, to the fullest extent possible, build upon existing WTO procedures and principles including those set out in the DSU.²⁰⁰ Alternative systems for settling differences that would have the same multilateral character and be simple and effective could also be considered.²⁰¹

92. The following reasons for having an arbitration system have been given:

- The proposal would help ensure that smaller countries, which have limited bilateral bargaining power, enjoy the same opportunities for representing their legitimate commercial interests as bigger ones.²⁰²
- The arbitration system would prevent abuses of the opposition procedure since it would not be left to individual countries to determine whether a challenge is justified

¹⁹³ TN/IP/M/4, para. 80.

¹⁹⁴ TN/IP/M/4, para. 82.

¹⁹⁵ TN/IP/M/3, para. 24.

¹⁹⁶ TN/IP/M/4, paras. 68, 72.

¹⁹⁷ TN/IP/M/3, para. 65; TN/IP/M/4, para. 64.

¹⁹⁸ TN/IP/M/3, paras. 29, 42.

¹⁹⁹ IP/C/W/234 and IP/C/W/255; TN/IP/M/3, paras. 29, 52.

²⁰⁰ IP/C/W/234, para. 9.

²⁰¹ TN/IP/M/2, para. 35; TN/IP/M/3, para. 42.

²⁰² IP/C/W/234, para. 5; TN/IP/M/2, para. 35; TN/IP/M/3, para. 42; TN/IP/M/4, para. 132.

or not²⁰³; it would be an "investment" in the sense that it would prevent ever-lasting negotiations.²⁰⁴

- The proposed arbitration mechanism is not alien to the WTO system (Articles 25 and 22.6 of the DSU) and has a precedent (Article 8.5 of the Agreement on Subsidies and Countervailing Measures).²⁰⁵

93. In reaction to the proposal for a system of arbitration, the following comments have been made:

- Nothing in the TRIPS Agreement obliges a Member to go into an arbitration. The proposal would change the existing level of obligation.²⁰⁶ It would also go beyond the Special Session's mandate.²⁰⁷
- By virtue of the territoriality principle of IPRs, the question of how a Member territorially applies the TRIPS Agreement should not be left to arbitrators who do not know how the system of that Member works or how a term is regarded (e.g., by consumers) in that Member.²⁰⁸ Decisions regarding the exceptions under Article 24 can only be made by the national courts or the administrative bodies applying the national law in the country where protection is sought.²⁰⁹
- The (universal) *erga omnes* effect of challenge may have a disproportionate impact. It is likely that just a few WTO Members will be forced to carry out the collective burden of challenge, especially since the vast majority of WTO Members are not likely to have the administrative means to reviews thousands of GIs.²¹⁰
- An arbitration system at multilateral level could not be applied effectively.²¹¹
- If GIs were to be dealt with by adjudicators, then there would be a comparable need for a standing group of adjudicators and dispute settlement specialists to solve all the problems in the area of GIs, and this aspect should not be considered lightly.²¹²
- The system would be cumbersome, highly regulatory and entail costs.²¹³

3. Registration

94. The proposal contained in **TN/IP/W/5** does not provide for a multilateral opposition procedure. Registration takes place following receipt by the administering body of notifications from participating Members. It takes the form of inclusion of the notification in a searchable database of all notified geographical indications for wines and spirits. The database would include: the geographical indication for the wine or spirit that has been notified, the WTO Member who made the notification, the date on which the indication was protected by the notifying Member, the expiration

²⁰³ IP/C/W/234, para. 5; TN/IP/M/2, para. 35.

²⁰⁴ TN/IP/M/3, para. 75.

²⁰⁵ IP/C/W/234, para. 6; TN/IP/M/2, para. 35.

²⁰⁶ TN/IP/M/2, para. 88; TN/IP/M/3, paras. 25, 46.

²⁰⁷ TN/IP/M/3, paras. 25, 46.

²⁰⁸ TN/IP/M/2, paras. 84, 95; TN/IP/M/3, para. 25.

²⁰⁹ TN/IP/M/3, para. 25.

²¹⁰ TN/IP/W/1, page 2.

²¹¹ TN/IP/M/2, para. 84.

²¹² TN/IP/M/3, para. 64.

²¹³ TN/IP/M/2, para. 36; TN/IP/M/3, para. 127.

date of this protection, if any, in the notifying Member, and any agreement for geographical indications for wines and spirits under which the indication is protected.²¹⁴

95. With regard to the question of legal effects under national legislation, WTO Members choosing to participate in the system would commit themselves to consult, along with other sources of information, the database when making decisions regarding recognition and protection of geographical indications for wines and spirits in accordance with their national legislation. Information from the database would be taken into account in making such decisions. All Article 24 exceptions would remain in force under national law. WTO Members not participating in the system would be encouraged to refer to the database, along with other sources of information, in making such decisions under their national legislation.²¹⁵

96. With regard to the proposal in **IP/C/W/107/Rev.1**, registration would take place at the end of the 18-month period following publication of the notification of the geographical indication by the administering body. The registration would include annotations of the challenges that had been lodged, such as the name of the opposing country and the TRIPS provisions invoked. The registration would only have legal effect in Members who have not lodged an opposition. Members who have not challenged the geographical indication within the time-limit cannot refuse its protection on the basis of Articles 22.1, 22.4 and 24.6.²¹⁶ It has been said that other reasons could be invoked at any time before domestic courts such as Article 24.8 or 24.9.²¹⁷ Exceptions under Article 24.4 and 24.5 would operate at the national level.²¹⁸

97. With regard to the proposal made in **IP/C/W/255**, it has been said that only geographical indications that have not been opposed would be registered after 18 months from the date of publication. With regard to those that have been opposed, geographical indications successfully challenged on the basis of Article 22.1 and Article 24.9 of the TRIPS Agreement would not be registered. That is to say the arbitrators decision in the case of such challenges would be of an *erga omnes* nature. Geographical indications successfully challenged on the basis of paragraphs 4, 5 and 6 of Article 24 would be registered with a note that the registration does not have a legal effect in the successful challenging Member.²¹⁹ Another suggestion made is similar, except that Articles 24.9 and 24.5 have not been referred to as the basis of a multilateral challenge.²²⁰

98. With regard to the differences between the legal effects flowing from challenges under Article 22.1 and Article 24.9, on the one hand, and Articles 24.4, 5 and 6, on the other, it has been said that an *erga omnes* effect is important for the former because it would save time and effort for the participants in the system, since a single challenge would prevent the registration of a notified name not fitting the definition or not under protection in the country or origin. Further, it would prevent the situation where the failure of a participant to challenge a notification could lead to unwarranted economic losses. As regards the latter provision, challenges would only have an *inter partes* effect since their applicability would depend on the particular circumstances of the challenging Member concerned.²²¹

²¹⁴ TN/IP/W/5, page 4.

²¹⁵ TN/IP/W/1, page 2; TN/IP/W/5, page 5.

²¹⁶ IP/C/W/107/Rev.1, D.4; TN/IP/M/3, para. 21.

²¹⁷ TN/IP/M/3, para. 30.

²¹⁸ TN/IP/M/4, para. 84.

²¹⁹ TN/IP/M/3, para. 43.

²²⁰ TN/IP/M/3, para. 30.

²²¹ TN/IP/M/3, para. 43.

99. With regard to the nature of the legal effects that would result from registrations under the proposals in IP/C/W/107/Rev.1 and IP/C/W/255 in the Members where the registrations have such effects, it has been said that they would give rise to a presumption of the protectability of the geographical indication in question under the national law of each of the Members concerned. It has been said that presumption would not apply in respect of reasons which had not been open to challenge in the opposition procedure, for example the exception contained in Article 24.8. Under the proposal contained in IP/C/W/255, this would also apply to the requirement of Article 24.9.²²² Points made regarding this matter can be found in paragraphs 41-48 above.

100. All the proposals provide for copies of registered geographical indications to be distributed to all WTO Members as well as made accessible on the WTO website.²²³

4. Updates and modifications

101. The proposals provide for the multilateral register to be updated so as to take into account the following:

- the registration of new GIs;
- and any modification of existing registrations or cancellations, for example because the GI is no longer protected in the country of origin or has fallen into disuse in that country.²²⁴

102. It has been suggested that the procedures applying to new GIs and modifications be the same as those applying to original notification of GIs.²²⁵

5. Review/monitoring of the system

103. TN/IP/W/5 proposes that the TRIPS Council examine the operation of the multilateral system four years after its establishment, to evaluate its effectiveness in facilitating protection of Members' GIs for wines and spirits in accordance with Section 3, Part II of the TRIPS Agreement. This examination would not constitute a re-negotiation of the system.²²⁶

6. Contact point at Members' level

104. Under the approach proposed in IP/C/W/107/Rev.1, each participating Member must provide a contact point in its administration.²²⁷

105. In reaction to this proposal, it has been said that this would be a duplication of an existing obligation under the TRIPS Agreement (Article 67 concerning notification of contact points) or might constitute an additional burden for Members.²²⁸

²²² TN/IP/M/3, para. 30.

²²³ TN/IP/W/5, page 4; IP/C/W/107/Rev.1, D.6.

²²⁴ TN/IP/W/5, section 1; TN/IP/M/3, paras. 31, 61.

²²⁵ IP/C/W/107/Rev.1, D.6, E.2.

²²⁶ TN/IP/W/5, page 6, section 5.

²²⁷ IP/C/W/107/Rev.1, B.6; TN/IP/M/3, para. 27.

²²⁸ TN/IP/M/3, para. 45.

B. COSTS

106. After setting out general points, this subsection summarizes the issues raised and points made structured according to the persons or bodies that initially bear the costs of establishing and running a multilateral system: that is to say, Member governments, producers, consumers and the administering body. The points made in regard to who should ultimately bear these costs, for example the extent to which the costs of Members should be passed on to producers and the costs of the administering body passed on to Members and/or producers, are summarized under the relevant heading.

107. It has been said that it is difficult to address the issue of costs and to make useful estimates without information on the likely number of registrations.²²⁹ The point has also been made that the cost-benefit ratio of systems needs to be analysed at the national level for each country taking into account each country's specific interests.²³⁰

108. The following general points about the proposals have been made:

- The proposal contained in IP/C/W/107/Rev.1 would establish a system that would be far more costly than the one in TN/IP/W/5. The more complex the system is, the higher the cost.²³¹ There is also a direct relationship between the structure of the system and the cost involved.²³²
- In response, it has been said that not only the costs incurred should be taken into account but also the effect of the outcome or the benefits that could be drawn from the system.²³³ A system genuinely helping producers, consumers and administrations to get protection under Article 23 could more than justify higher implementation costs than one which provides no such help.²³⁴ The costs of the system would be relatively small compared to the costs incurred in other fields of intellectual property rights.²³⁵
- In regard to the proposal in TN/IP/W/5, it has been said that the system would be a simple one, not place undue financial burden upon participating Members nor have any legal or financial obligation upon non-participating Members.²³⁶

1. Costs to governments

109. In regard to the proposal contained in **IP/C/W/107/Rev.1**, it has been said that the following costs to governments would arise²³⁷:

- the cost of putting new legislation into place;
- the cost of establishing a national system for the examination of geographical indications in those Members which do not already have such a system;
- the cost of creating a file regarding each notification;

²²⁹ TN/IP/M/3, para. 76; TN/IP/M/4, para. 88.

²³⁰ TN/IP/M/2, para. 105.

²³¹ TN/IP/M/2, para. 105; TN/IP/M/3, para. 88; TN/IP/M/4, paras. 85, 86, 91, 97.

²³² TN/IP/M/3, para. 101.

²³³ TN/IP/M/2, paras. 109, 111, 112; TN/IP/M/3, para. 75; TN/IP/M/4, para. 94.

²³⁴ TN/IP/M/2, para. 109; TN/IP/M/4, para. 94.

²³⁵ TN/IP/M/3, para. 83.

²³⁶ TN/IP/W/6, paras. 24, 42.

²³⁷ TN/IP/M/2, para. 107; TN/IP/M/3, para. 77; TN/IP/M/4, paras. 85, 86.

- the cost of translating the notified geographical indication and the information accompanying the notification where necessary;
- the cost of investigations necessary to determine whether a notified GI falls under one of the exceptions in Article 24.4 and 24.6 and is consistent with the definition in Article 22.1;
- the cost of establishing whether there is a conflict with an existing trademark. Where a country protects unregistered trademarks, this would involve public consultations;
- the cost of engaging in bilateral negotiations and, in the case of the supplementary proposal in IP/C/W/255, of entering into an arbitration procedure.

110. The view has been expressed that the demands of the system in terms of **examination** might be such that national administrations would not be capable of completing the work involved within the prescribed 18 months. This could lead to a large number of oppositions.²³⁸ What is involved is not the costs associated with one or two notifications, but rather those associated with analysing and assessing the history of geographical indications in certain countries which have had systems for their protection in place for a long time. Countries which are new to the protection of geographical indications have significant concerns about the workload and costs entailed.²³⁹ Further, the point has been made that the system envisaged in IP/C/W/107/Rev.1 would not be cost-effective since it might oblige Members to examine notifications of geographical indications even where the applicant has no commercial interest in the markets of the Members concerned.²⁴⁰ A survey of the costs of examination of a single mark indicates costs that range from a few hundred to over US\$1,000 according to the Member. A rough estimate of the cost of examining a single geographical indication in all Members is thus in the order of US\$50,000, costs which would have to be borne by governments, not the applicant.²⁴¹

111. In response, it has been said that the advantages of the system have to be looked at as well as its costs.²⁴² For example, the phase of examination would allow Members to collect information on notified geographical indications before making formal opposition would reduce the number of disputes. In the same vein, although the system of arbitration might, at first sight, seem a source of additional cost, it should be considered as an "investment" in finally resolving differences and saving costs that would otherwise be incurred in bilateral negotiations or national procedures.²⁴³ The system would also facilitate the task of trademark examiners in applying Articles 22.3 and 23.2.²⁴⁴ A register with the legal effect of a presumption of protectability would help national administrations. Usurpation would diminish, and in turn, litigation (and administration costs) would decrease.²⁴⁵

112. In regard to the proposal in **TN/IP/W/5**, it has been said that only minimal changes to existing national regimes would be required.²⁴⁶ There would be some costs – compiling notifications in the agreed format, those arising out of any opposition under national law, monitoring national geographical indications to notify new ones or withdraw lapsed ones – but these would be less than under the other proposals.²⁴⁷ It has been said that, whereas under the proposal in IP/C/W/107/Rev.1,

²³⁸ TN/IP/M/4, para. 85.

²³⁹ TN/IP/M/4, para. 100.

²⁴⁰ TN/IP/M/4, para. 85.

²⁴¹ TN/IP/M/4, para. 86.

²⁴² TN/IP/M/2, paras. 109, 111; TN/IP/M/3, para. 77.

²⁴³ TN/IP/M/3, para. 75.

²⁴⁴ TN/IP/M/3, para. 72.

²⁴⁵ JOB(02)/70, para. 22; TN/IP/M/2, para. 69.

²⁴⁶ TN/IP/M/3, para. 78.

²⁴⁷ TN/IP/M/3, para. 68.

the costs of examination and opposition, including translation costs, would not be borne by the applicant but would fall on governments²⁴⁸, the costs of oppositions at the national level that might flow from the system foreseen in TN/IP/W/5 might fall on interested parties, not always on governments.²⁴⁹

113. In regard to the proposal in IP/C/W/107/Rev.1, it has been said that there is nothing in the system outlined in that document that would put governments under an obligation to provide "**ex officio**" **enforcement of** geographical indications. Governments could leave this to the holders of rights in geographical indications, who could avail themselves of the presumption established by the system in proceedings before courts or administrative agencies.²⁵⁰

114. The issue of the costs that might be incurred by the **governments of Members with little or no producer interest** in the system because they do not have industries producing wines or spirits has been discussed. The point has been made that a Member which does not examine notifications and lodge oppositions would not incur the associated administrative costs.²⁵¹ In response, it has been said that this would mean that such a Member would become a passive subject of obligations. Moreover, the question has been raised as to how could such a country know whether or not a term notified in its language was generic if it did not make a translation?²⁵²

115. In regard to the issue of **how the costs on governments might be allocated or financed**, it has been suggested that a system whereby producers would directly file notifications under the system could be envisaged.²⁵³ The view has also been expressed that the costs involved in examining geographical indications should be borne solely by the applicant.²⁵⁴

116. In regard to the **translation** costs that might fall on governments, a summary of the points made on the tasks involved by translation can be found in paragraphs 66-72 above.

117. It has been suggested that a system by which a registration of a geographical indication would be **accepted by courts as prima facie evidence**, in much the same way as some courts treat registrations of works in copyright registries, would be simple and inexpensive but yield substantial benefits.²⁵⁵

2. Costs to producers

118. With regard to **producers producing in the area that is designated by a geographical indication**, the following points have been made concerning the costs and benefits that could be involved in the multilateral system:

- The view has been expressed that the systems proposed in IP/C/W/107/Rev.1 and IP/C/W/255 would enable such producers to make savings as they would have easier access to the legal means available to them to secure and enforce the level of protection prescribed in Articles 22 and 23.²⁵⁶ Producers would not feel compelled to seek protection of their GIs by way of prevention in each Member. Occasional free-riding a notified GI would be discouraged because producers using GIs notified by

²⁴⁸ TN/IP/M/4, para. 86.

²⁴⁹ TN/IP/M/3, para. 34.

²⁵⁰ TN/IP/M/3, para. 72.

²⁵¹ TN/IP/M/4, para. 72.

²⁵² TN/IP/M/4, para. 74.

²⁵³ TN/IP/M/3, para. 72.

²⁵⁴ TN/IP/M/4, para. 76.

²⁵⁵ TN/IP/M/3, para. 87.

²⁵⁶ TN/IP/M/3, para. 73.

other countries would have to bear the burden of proof and incur litigation costs.²⁵⁷ In case of litigation, the register would prove to be a tool for these producers which would "facilitate" the protection of their GIs by reversing the burden of proof. This could be particularly valuable for producers in developing countries who might not otherwise have the means to assert their rights in all markets. The notification, examination and opposition phases should therefore be considered as an investment in the usefulness and viability of the system; the costs involved would be off-set by the benefit that would be derived from a real facilitated protection.²⁵⁸

- Further, the holders of rights in geographical indications would have a clearer view regarding countries in which their geographical indications might have become generic. That would facilitate investment and export decisions.²⁵⁹
- The view has also been expressed that the proposal contained in TN/IP/W/5 would benefit this category of producers very little since it does not provide for reversal of the burden of proof or any other legal effect.²⁶⁰

119. With regard to the effects on **producers other than those in the area indicated by a geographical indication**, the following points have been made:

- The cost of the proposal contained in IP/C/W/107/Rev.1 to such producers could be very significant. While a Member may not have to protect a term that is generic in its own territory, other Members not having opposed the notification within the time-limit of 18 months would be obliged to protect it and would have to stop the importation of all products bearing that term coming from any Member other than the notifying one.²⁶¹
- The costs of an opposition system as suggested in IP/C/W/107/Rev.1 would be very heavy; as shown by the WTO dispute settlement system, not only are the costs high for governments but there are also many costs for producers and exporters. Furthermore, Members would live in a state of uncertainty as regards their future as exporters or producers because of the length of the opposition procedure.²⁶²
- In response, it has been said that such producers would not be required to re-label their products and would not incur costs. If they have been exporting products to countries in which the names are not generic, they would be able to continue exporting to such countries until the "legitimate producer" challenges that practice. These exports may continue, if justifiable under any of the other exceptions of Article 24 of the TRIPS Agreement. Where the exports cannot be justified under those exceptions, use of a protected name and use of that name would have to cease if so demanded by the right holder. In that regard, the situation with a register is not different from that which exists without it: if the right holder were to challenge such a practice solely under domestic legislation, the outcome would have to be the same.²⁶³

²⁵⁷ JOB(02)/70, para. 20.

²⁵⁸ TN/IP/M/4, para. 94.

²⁵⁹ TN/IP/M/3, para. 73.

²⁶⁰ TN/IP/M/4, para. 94.

²⁶¹ TN/IP/M/3, para. 78; TN/IP/M/4, para. 129.

²⁶² TN/IP/M/2, para. 95; TN/IP/M/4, para. 54.

²⁶³ TN/IP/M/3, para. 73.

3. Costs to consumers

120. The following views have been expressed:

- The system proposed in IP/C/W/107/Rev.1 would reduce competition and thus impose some costs on consumers, especially those who have been used to having access to products bearing notified geographical indications but not coming from the geographical area so indicated and which cost less than the genuine product.²⁶⁴ This might apply in particular to the produce of "new world" wine producers who have been endeavouring to bring to consumers a wider diversity of wines at competitive prices.²⁶⁵
- Since the proposal in IP/C/W/107/Rev.1 provides that the obligations flowing from the register would be applied in all WTO Members regardless of whether they are participating or not, these costs would be incurred by consumers in all WTO Members, and not just in those Members with interest in producing wines and spirits.²⁶⁶
- In response, it has been said that consumers have a genuine interest in gaining easier access to those legal means that the TRIPS Agreement makes available to them in order to prevent misuse of geographical indications in their markets.²⁶⁷ Consumer associations, which have fewer resources than producers, could more easily defend their interests under the system in IP/C/W/107/Rev.1 against persons who market their products using notified geographical indications.²⁶⁸
- Any costs on consumers from the cessation of infringing activity would be no different from those incurred in the field of trademarks from action against counterfeiting.²⁶⁹
- In regard to the proposal in TN/IP/W/5, the view has been expressed that it would not bring any added value to the legal standing of consumers in being able to prevent infringement of geographical indications in their territories.²⁷⁰

4. Costs to the administering body

121. It has been said that, under the proposal in **TN/IP/W/5**, since the administering body's main tasks would be to design, compile and maintain the notifications in a searchable database (also accessible on the WTO website)²⁷¹, the administrative cost to the administering body would not be substantially different from that incurred by the WTO Secretariat in administering existing WTO notification systems.²⁷² In regard to the proposal in **IP/C/W/107/Rev.1**, it has also been said that the costs to the administering body would basically consist of the costs of compiling and distributing notifications, possibly translating them if the system so requires, annotating challenges and updating the system.²⁷³ In this regard, it has also been suggested to have the documents accessible on the WTO website.²⁷⁴

²⁶⁴ TN/IP/M/3, paras. 79, 91.

²⁶⁵ TN/IP/M/1, para. 39.

²⁶⁶ TN/IP/M/3, para. 91.

²⁶⁷ TN/IP/M/1, para. 2.

²⁶⁸ JOB(02)/70, para. 21.

²⁶⁹ TN/IP/M/3, para. 85.

²⁷⁰ JOB(02)/70, para. 26; TN/IP/M/2, para. 69.

²⁷¹ TN/IP/M/3, para. 68.

²⁷² TN/IP/M/3, para. 88.

²⁷³ TN/IP/M/3, paras. 71.

²⁷⁴ TN/IP/M/3, para. 59.

122. In regard to the issue of the **most appropriate way of financing or allocating the costs** that would be incurred by the administering body, it has been said that it would be inappropriate to apportion the cost of compiling and maintaining the searchable database to all WTO Members because not all are wine or spirit producers for international trade and are likely to participate in the system.²⁷⁵ Non-participating Members should not be required to share the costs of running the system.²⁷⁶ It has been suggested that a system based on user fees which would be apportioned on the basis of a number of GIs notified be foreseen.²⁷⁷ This would be consistent with other similar multilateral systems.²⁷⁸ It has also been noted that Members would be free to determine at the national level who would bear the fees, the government or the producers.²⁷⁹

123. The suggestion has been made that, to minimize costs to Members of running the system, the involvement of the **International Bureau of WIPO** could be envisaged. On the basis of an arrangement between WIPO and the WTO, the International Bureau of WIPO could be asked to manage the system.²⁸⁰

124. In response to questions, the International Bureau of WIPO has provided information on its experience regarding the inclusion of an a new official language for procedure in the framework of the Madrid Protocol. Preliminary explanations have been given regarding various fees under the Patent Cooperation Treaty, such as translation fees.²⁸¹

125. This issue of the costs that would be incurred by **developing and least-developed countries** has been discussed, including special and differential treatment. In this regard, the following views have been expressed:

- If the system were to be based on fees, it might be onerous for developing countries.²⁸²
- The suggestion has been made that there be a "waiver" or exemption regarding the payment of fees by such countries and that there be some way of financing the participation of these countries in the system through technical assistance.²⁸³
- The system proposed in TN/IP/W/5 would not impose undue burdens and would satisfy the needs for S&D measures for LDCs and developing countries because it is entirely voluntary.²⁸⁴

C. POSSIBLE ROLE OF THE SECRETARIAT

126. It has been said that, under the proposal contained in **TN/IP/W/5**, the role of the Secretariat would include the following: receiving the information notified by each Member and placing it on a readily accessible and searchable register; distributing the information to Members concerning changes either by notifications or withdrawals; and providing basic information to Members on procedural aspects of notifications and withdrawals. However, it would be up to Members to ensure

²⁷⁵ TN/IP/M/3, paras. 68, 71, 86.

²⁷⁶ TN/IP/M/4, para. 33.

²⁷⁷ TN/IP/M/2, para. 102; TN/IP/M/3, paras. 68, 75.

²⁷⁸ TN/IP/M/2, para. 102.

²⁷⁹ TN/IP/M/3, para. 75; TN/IP/M/4, para. 95.

²⁸⁰ TN/IP/M/3, paras. 82, 113, 114, 115; TN/IP/M/4, para. 93.

²⁸¹ TN/IP/M/3, paras. 97, 98.

²⁸² TN/IP/M/4, para. 91.

²⁸³ TN/IP/M/3, para. 75; TN/IP/M/4, paras. 95, 98.

²⁸⁴ TN/IP/W/5, pages 4-5, section 4; TN/IP/M/3, para. 9.

that the information they have notified to the system has been accurately recorded and is kept up-to-date.²⁸⁵

127. Under the approach in **IP/C/W/107/Rev.1**, the administering body would have to undertake the tasks listed in that proposal. In addition, the suggestions to complement this proposal would entail the administering body having to carry out a brief examination as to form of notifications and oppositions²⁸⁶, as well as the task of servicing arbitration panels.²⁸⁷ Regarding notification, this would mean examining compliance with the formal requirements of all notifications, publishing the notified geographical indications and ensuring that Members are informed about those geographical indications. Regarding registration, it would mean administering the register, entering geographical indications onto the register, publishing registered geographical indications periodically in a transparent manner, and handling cancellations of registrations under clearly set conditions. During a specified time-period, it should take evidence of all challenges made by Members as well as of the results of such challenges.²⁸⁸

128. The question of whether it would be appropriate for the administering body to conduct **summary examinations as to form** of notifications and challenges has been discussed. In addition to the points already set out on this matter in paragraphs 73-75 above, the following views have been expressed:

- Placing the WTO Secretariat in a position of having to take a view as to whether a notification is consistent with the definition of a geographical indication or falls within one of the Article 24 exceptions would be inconsistent with its long-standing practice of not commenting on legal matters.²⁸⁹
- The proposal would not be feasible since it would require the administering body to become familiar with the national systems of all WTO Members.²⁹⁰
- In response, it has been said that the administering body's task is not to examine whether or not each notified geographical indication respects the national legislation of the country which has notified it or the TRIPS Agreement. It would be a brief examination as to form to ensure that there was some basis for the notification.²⁹¹ If such a role would be inappropriate for the WTO Secretariat, it could be considered whether the task of administering the system should be entrusted to a special body set up for this purpose²⁹² or another organization with technical skill in the area.²⁹³

IV. PARTICIPATION

129. In the List of Points and Issues for Discussion at the June 2002 Meeting circulated by the Chairman (JOB(02)/49, paragraph 7), he identified the following points and issues on this subject:

What is meant in Article 23.4 by, on the one hand, the requirement to establish a "multilateral" system and, on the other hand, the provision that it should relate only to geographical indications "eligible for protection in those Members participating in the

²⁸⁵ TN/IP/W/5; TN/IP/M/4, paras. 104, 116.

²⁸⁶ TN/IP/M/4, para. 94.

²⁸⁷ TN/IP/M/3, para. 114.

²⁸⁸ TN/IP/M/4, para. 115.

²⁸⁹ TN/IP/M/4, paras. 108, 116.

²⁹⁰ TN/IP/M/4, para. 110.

²⁹¹ TN/IP/M/4, paras. 112, 113.

²⁹² TN/IP/M/4, paras. 109, 115.

²⁹³ TN/IP/M/4, paras. 22, 109.

system"? It would be helpful for delegations to express their views on whether they see a tension between these two concepts, and, if so, how best it should be resolved.

130. The point has been widely made that the language in Article 23.4 referring to the facilitation of the protection of geographical indications eligible for protection "in those Members participating in the system" makes it **clear that WTO Members should be free to decide whether or not to participate in the system and thereby to seek the facilitation of the protection of their geographical indications under it.**

131. Most of the discussion under this heading has concerned the question of whether notifications and registrations of geographical indications under the system should have any effect in WTO Members that do not participate in the system. Differing views have been expressed on this issue.

132. **One view is that the fact that Article 23.4 refers to a "multilateral system" makes it clear that it is intended that notifications and registrations of geographical indications should have effects in all WTO Members, including those that do not participate in the system.** In support of this view, the following points have been made:

- It is necessary for the system to have effects for non-participating as well as participating Members if it is to meet its objective of facilitating the protection of geographical indications.²⁹⁴ Given that the future system would not create new rights and obligations even if the notifications entail legal effects, it would be logical that these legal effects apply in all WTO Members, bearing in mind that the rights that are being protected already exist in all Members under Article 23 without registration.²⁹⁵ It was not clear how a voluntary system with no legal effect and constituting a mere list of GIs could facilitate the protection of GIs.²⁹⁶
- Determining the meaning of the term "multilateral" can only be done by contrasting it with the word "plurilateral". In the context of the WTO, "plurilateral" is understood as referring to a system in which participation is entirely voluntary. Conversely, "multilateral" systems are understood to be instruments by which all Members are bound.²⁹⁷
- It would not have been logical for the negotiators of Article 23.4 to have envisaged a voluntary system in the sense that there would be legal effects only on the participating countries, since a voluntary system already existed, namely the Lisbon Agreement, and this had not been a successful instrument due to its voluntary nature.²⁹⁸

133. **Another view is that the system should not give rise to any mandatory effects on WTO Members not participating in it.** The reference in Article 23.4 to a "multilateral system" should not be taken to suppress or override the voluntary nature of the system made clear by the words "Members participating in the system".²⁹⁹ In this regard, the following reasons for the use of the word "multilateral" have been advanced:

²⁹⁴ TN/IP/M/2, para. 120; TN/IP/M/4, para. 28.

²⁹⁵ TN/IP/M/4, para. 28.

²⁹⁶ TN/IP/M/4, para. 29.

²⁹⁷ JOB(02)/70, para. 34; TN/IP/M/4, paras. 21, 28.

²⁹⁸ TN/IP/M/4, para. 22.

²⁹⁹ TN/IP/W/6, para. 18; TN/IP/M/2, para. 122; TN/IP/M/4, paras. 16, 23, 24, 44.

- The word "multilateral" refers to the fact that the negotiation of the system is a multilateral negotiation, taking place in a multilateral forum and pursuant to a multilaterally agreed mandate and that the outcome of the negotiations would be a multilaterally agreed result. The term does not relate to the scope and character of the system to be negotiated; that is a function of the voluntary nature of the participation in the system.³⁰⁰ The multilateral nature of the negotiating process meant that all Members would participate in setting up the system, so that their concerns could be taken into account in the system, thus facilitating implementation as and when they might decide to become part of it and also ensuring that they are familiar with what the system required.³⁰¹
- Rather than comparing the word "multilateral" with the term "plurilateral", the word "multilateral" should be seen as opposed in meaning to "bilateral" (between two countries) and "regional" (among countries of a region). The term "multilateral" could cover two or more countries and need not cover all Members.³⁰²
- At the time that Article 23.4 was negotiated, it was not possible to know whether or not all WTO Members would choose to participate in the system to be established pursuant to that provision and it would not have been appropriate to have prejudged this question by using the word "plurilateral".³⁰³
- The key consideration in determining whether an agreement can be considered multilateral is whether it is open to all Members. The fact that participation might be voluntary does not detract from its multilateral character. Reference has been made in this regard to the criteria used for determining what is a multilateral environmental agreements.³⁰⁴
- In regard to the argument that paragraph 18 of the Doha Declaration means that all WTO Members have committed themselves or showed willingness to participate in the system, the point has been made that paragraph 18 of the Doha Declaration still refers to the implementation of Article 23.4 of the TRIPS Agreement.³⁰⁵

134. In regard to the argument advanced relating to the Lisbon Agreement, it has been pointed out that not all of those Members who advocate a mandatory system were signatories of the Lisbon Agreement at the time that Article 23.4 was negotiated, thus putting into doubt the argument that the WTO system should be mandatory. Moreover, it has to be taken into account that the Lisbon Agreement does not have a dispute settlement mechanism and that this might have been a fundamental consideration to those delegations who advocated Article 23.4.³⁰⁶

135. In response, it has been said that understanding the term "multilateral" to make it clear that the negotiations should take place in a multilateral forum would mean that the word is redundant given that Article 23.4 states explicitly that negotiations must be undertaken in the Council for TRIPS. Such a method of construing this provision would not be consistent with the approach of the Appellate Body which has held that agreements should be interpreted in such a way that all terms are given appropriate meaning, that is without nullifying the meaning of individual terms within any

³⁰⁰ TN/IP/W/6, para. 16; TN/IP/M/2, paras. 122 and 123; TN/IP/M/4, paras. 23, 25.

³⁰¹ TN/IP/M/4, para. 23.

³⁰² TN/IP/M/4, paras. 23, 25.

³⁰³ TN/IP/M/2, para. 122; TN/IP/M/4, para. 24.

³⁰⁴ TN/IP/M/2, para. 126; TN/IP/M/4, paras. 33, 34.

³⁰⁵ TN/IP/M/4, para. 34.

³⁰⁶ TN/IP/M/4, para. 25.

agreement. The same consideration applies to the argument that the term "multilateral" refers to the nature of the negotiating mandate.³⁰⁷

136. The issue of whether the proposals that have been made would establish **a proper balance of rights and obligations between participating Members and non-participating Members** has been discussed. In this regard, the following points have been made:

- The proposals contained in IP/C/W/107/Rev.1 and IP/C/W/255 attempt to strike a balance by making some of the effects of the system applicable to all WTO Members and limiting other effects to participating Members only.³⁰⁸ Given that the register would only facilitate the protection of geographical indications that Members are already obliged to protect under the TRIPS Agreement, the proposed legal effects on non-participating Members is not disproportionate since the system would merely create a presumption of the eligibility for protection of a registered and non-challenged geographical indication and not create any new rights.³⁰⁹
- In response, it has been said that it could not be accepted that a balance is achieved when for those Members participating in the system there are rights and obligations, but for those Members who chose not to participate in the system there are no rights but only obligations.³¹⁰
- The systems proposed in IP/C/W/255 and IP/C/W/107/Rev.1 would impose mandatory substantive new obligations and costs on Members which do not produce wine and stand to benefit little from the proposed systems. This stems from the foreclosing of the possibility to use exceptions if this is not done within 18 months following the notification of a GI.³¹¹
- On the other hand, the proposal contained in TN/IP/W/5 provides an appropriate balance. For those who choose to participate in the system, there are rights and obligations and, for those who do not, there are none.³¹²

137. In regard to **least-developed countries**, the view has been expressed that it would be inappropriate for the obligations flowing from the proposal contained in IP/C/W/107/Rev.1 to apply to such Members.³¹³ The necessary solutions and flexibilities for these Members should be explored.³¹⁴ This could be done through a reference to special and differential treatment.³¹⁵

138. In regard to **special and differential treatment**, the view has been expressed that this is effectively applied by the proposal in TN/IP/W/5 since, as a consequence of participation being voluntary, Members who do not wish to participate in the system would not find themselves facing the same obligations as those who do.³¹⁶ The proposal thus provides a self-regulating mechanism for special and differential treatment.³¹⁷

³⁰⁷ TN/IP/M/4, para. 22.

³⁰⁸ JOB(02)/70, para. 36.

³⁰⁹ TN/IP/M/4, para. 28.

³¹⁰ TN/IP/M/2, para. 130.

³¹¹ TN/IP/M/4, para. 16.

³¹² TN/IP/M/2, para. 130.

³¹³ TN/IP/M/2, para. 127; TN/IP/M/4, para. 20.

³¹⁴ TN/IP/M/4, para. 20.

³¹⁵ TN/IP/M/2, para. 133.

³¹⁶ TN/IP/M/4, para. 15.

³¹⁷ TN/IP/W/5, para. 4; TN/IP/M/3, para. 9; TN/IP/M/4, para. 18.

ANNEX 1 – LIST OF DOCUMENTS OF THE COUNCIL FOR TRIPS (1997-2003)

Document Symbol	Communicated by	Title	Distribution Date
2003			
TN/IP/M/4	Secretariat	Minutes of the Meeting of 28 November 2002	6 February 2003
2002			
TN/IP/W/4/Add.1	Secretariat	Multilateral Notification and Registration Systems - Addendum	27 November 2002
TN/IP/W/6	Argentina, Australia, Canada, Chile, New Zealand and the United States	Multilateral System of Notification and Registration of Geographical Indications for Wines (and Spirits)	29 October 2002
TN/IP/W/5	Argentina, Australia, Canada, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Japan, Namibia, New Zealand, the Philippines, Chinese Taipei and the United States	Proposal for a Multilateral System for Notification and Registration of Geographical Indications for Wines and Spirits Based on Article 23.4 of the TRIPS Agreement	23 October 2002
TN/IP/M/3	Secretariat	Minutes of the Meeting of 20 September 2002	21 October 2002
TN/IP/W/4	Secretariat	Multilateral Notification and Registration Systems	18 September 2002
TN/IP/M/2	Secretariat	Minutes of the Meeting of 28 June 2002	26 August 2002
JOB(02)/94	Australia	Intervention Made by the Delegation of Australia at the Special Session of 28 June 2002	26 July 2002

Document Symbol	Communicated by	Title	Distribution Date
TN/IP/W/3	Bulgaria, Cyprus, the Czech Republic, the European Communities and their member States, Georgia, Hungary, Iceland, Malta, Mauritius, Moldova, Nigeria, Romania, the Slovak Republic, Slovenia, Sri Lanka, Switzerland and Turkey ³¹⁸	Negotiations Relating to the Establishment of a Multilateral System of Notification and Registration of Geographical Indications	24 June 2002
JOB(02)/70	The European Communities and their member States	Negotiations Relating to the Establishment of a Multilateral System of Notification and Registration of Geographical Indications – Issues for Discussion at the Special Session of the TRIPS Council of 28 June 2002 - Informal Note	24 June 2002
JOB(02)/49	Chairperson	List of Points and Issues for Discussion at the June 2002 Meeting	4 June 2002
JOB(02)/44	The European Communities and their member States	How to achieve a Focused and Structured Agenda to Negotiate the Establishment of a Multilateral System of Notification and Registration	28 May 2002
TN/IP/W/2	United States	Issues for Discussion in the Negotiation Under Article 23.4	10 April 2002
TN/IP/W/1	United States	Questions and Answers – Comparison of IP/C/W/107/Rev.1 ("EC Proposal"), IP/C/W/133/Rev.1 ("Joint Proposal"), IP/C/W/255 ("Proposal by Hungary")	9 April 2002
TN/IP/M/1	Secretariat	Minutes of the Meeting of 8 March 2002	22 March 2002
2001			
IP/C/M/33	Secretariat	Minutes of the Meeting of 19-20 September 2001	2 November 2001
IP/C/M/32	Secretariat	Minutes of the Meeting of 18-22 June 2001	23 August 2001
IP/C/M/30	Secretariat	Minutes of the Meeting of 2-5 April 2001	1 June 2001

³¹⁸ For Estonia see document TN/IP/M/2, para. 21.

Document Symbol	Communicated by	Title	Distribution Date
IP/C/W/259	The European Communities and their member States	Establishment of a Multilateral System of Notification and Registration of Geographical Indications Under Article 23.4 of the TRIPS Agreement – Comparative Table of the Main Proposals Submitted to Date	31 May 2001
IP/C/W/260	The European Communities and their member States	Establishment of a Multilateral System of Notification and Registration of Geographical Indications under Article 23.4 of the TRIPS Agreement - Comments on the Proposal Jointly Submitted by Canada, Chile, Japan and the United States (IP/C/W/133/Rev.1)	30 May 2001
IP/C/W/255	Hungary	Incorporation of Elements Raised by Hungary in IP/C/W/234 into the Proposal by the European Communities and their member States on the Establishment of a Multilateral System of Notification and Registration of Geographical Indications	3 May 2001
IP/C/M/29	Secretariat	Minutes of the Meeting of 27-30 November and 6 December 2000	6 March 2001
2000			
IP/C/W/234	Hungary	Opposition/Challenge Procedure in the Multilateral System of Notification and Registration of Geographical Indications	11 December 2000
IP/C/M/28	Secretariat	Minutes of the Meeting of 21-22 September 2000	23 November 2000
IP/C/M/27	Secretariat	Minutes of the Meeting of 26-29 June 2000	14 August 2000
IP/C/W/189	New Zealand	New Zealand's System of Protection for Geographical Indications and the Multilateral Notification and Registration System for Geographical Indications Under Article 23.4 of the TRIPS Agreement	22 June 2000
IP/C/W/107/Rev.1	The European Communities and their member States	Implementation of Article 23.4 of the TRIPS Agreement Relating to the Establishment of a Multilateral System of Notification and Registration of Geographical Indications - Revision	22 June 2000
IP/C/M/26	Secretariat	Minutes of the Meeting of 21 March 2000	24 May 2000
1999			
IP/C/M/25	Secretariat	Minutes of the Meeting of 20-21 October 1999	22 December 1999
IP/C/M/24	Secretariat	Minutes of the Meeting of 7-8 July 1999	17 August 1999

Document Symbol	Communicated by	Title	Distribution Date
IP/C/W/133/Rev.1	Canada, Chile, Japan and the United States	Proposal for a Multilateral System for Notification and Registration of Geographical Indications for Wines and Spirits Based on Article 23.4 of the TRIPS Agreement	26 July 1999
IP/C/M/23	Secretariat	Minutes of the Meeting of 21-22 April 1999	2 June 1999
IP/C/M/22	Secretariat	Minutes of the Meeting of 17 February 1999	9 April 1999
IP/C/W/134	United States	Suggested Method for Domestic Recognition of Geographical Indications for WTO Members to Produce a List of Nationally-protected Geographical Indications	11 March 1999
IP/C/W/133	Japan and the United States	Proposal for a Multilateral System for Notification and Registration of Geographical Indications for Wines and Spirits Based on Article 23.4 of the TRIPS Agreement	11 March 1999
IP/C/M/21	Secretariat	Minutes of the Meeting of 1-2 December 1998	22 January 1999
1998			
IP/C/M/20	Secretariat	Minutes of the Meeting of 17 September 1998	15 October 1998
IP/C/M/19	Secretariat	Minutes of the Meeting of 16 July 1998	5 August 1998
IP/C/W/107	The European Communities and their member States	Proposal for a Multilateral Register of Geographical Indications for Wines and Spirits Based on Article 23.4 of the TRIPS Agreement – Establishment of the Register and Registration Procedure	28 July 1998
IP/C/M/18	Secretariat	Minutes of the Meeting of 12 May 1998	11 June 1998
IP/C/M/17	Secretariat	Minutes of the Meeting of 24 February 1998	23 March 1998
1997			
IP/C/M/16	Secretariat	Minutes of the meeting of 17-21 November 1997	5 December 1997
IP/C/W/85	Secretariat	Overview of Existing International Notification and Registration systems for Geographical Indications Relating to Wines And Spirits	17 November 1997
IP/C/M/15	Secretariat	Minutes of the Meeting of 19 September 1997	15 October 1997
IP/C/M/14	Secretariat	Minutes of the Meeting of 15 July 1997	15 August 1997

ANNEX 2 – PROPOSALS FROM DELEGATIONS

EXCERPT FROM IP/C/W/107/REV.1

"REVISED PROPOSAL BY THE EUROPEAN COMMUNITIES AND THEIR MEMBER STATES

ESTABLISHMENT OF A MULTILATERAL SYSTEM OF NOTIFICATION AND REGISTRATION OF GEOGRAPHICAL INDICATIONS

A. MEMBERS' PARTICIPATION IN THE MULTILATERAL SYSTEM

1. All Members may participate in the multilateral system of notification and registration by making a voluntary declaration to the Secretariat.
2. Having made such a declaration, Members shall apply the operating rules of the multilateral system of notification and registration.
3. The participation or non-participation of Members in the multilateral system of notification and registration shall be without prejudice to their rights and obligations under section 3 of Part II of the TRIPS Agreement, unless otherwise foreseen in this multilateral system.

B. NOTIFICATION AND PUBLICATION OF GEOGRAPHICAL INDICATIONS

1. A participating Member shall notify, without delay, the Secretariat its declaration of participation in the system.
2. It shall notify all geographical indications which identify goods as originating in its territory, corresponding to the definition in Article 22, paragraph 1 of the TRIPS Agreement.
3. Notification to the Secretariat shall be accompanied by copies of national legislative, administrative or judicial decisions and, if necessary, bilateral, regional or multilateral agreements indicating the date on which each geographical indication first received protection in the country of origin. Any time-limit on that protection and the type of product in question, as well as prima facie evidence of the geographical indication's conformity with the provisions of the Agreement, should also be provided.
4. Each participating Member may provide any other information it considers useful for the Agreement's implementation and for national application of the prohibition on the use of geographical indications for non-originating products.
5. National provisions implementing the multilateral system of notification and registration shall also be notified.
6. Each participating Member shall provide a contact point in its administration.
7. The geographical indications, notified by participating Members, shall be published as soon as possible by the WTO Secretariat and notified to Members.

C. MULTILATERAL EXAMINATION OF GEOGRAPHICAL INDICATIONS PUBLISHED

1. Members may examine the published geographical indications. They may send questions to and ask for explanations from the participating Member in question within a period of 18 months following publication by the Secretariat.
2. Where a Member challenges, in a duly justified manner, the protection of an individual geographical indication notified by another Member, these Members shall enter into negotiations, within the period of 18 months, aimed at resolving the disagreement.
3. These provisions are without prejudice to the application of the WTO Dispute Settlement Understanding.

D. REGISTRATION

1. Geographical indications, which have been notified and published, shall be registered within 18 months of publication. Registration shall refer to any challenge under provision C.2.
2. In the case of homonymous geographical indications, each indication shall be registered subject to the provisions of Article 22, paragraph 4 of the TRIPS Agreement.
3. Participating Members shall facilitate the protection of an individual registered geographical indication by providing the legal means for interested parties to use the registration as a presumption of the eligibility for the protection of the geographical indication.
4. Members who have not challenged, within 18 months, the registration of an individual geographical indication under provision C.2 shall not refuse its protection on the basis of Articles 22.1, 22.4 and 24.6 of the TRIPS Agreement.
5. The obligation to protect an individual geographical indication shall be suspended if the geographical indication is not or ceases to be protected in its country of origin or has fallen into disuse in that country.
6. The Secretariat shall publish the registered geographical indications and inform Members of them.

E. UPDATING THE MULTILATERAL SYSTEM

1. Participating Members shall notify the Secretariat of any additions or amendments to or deletions from their initial notification of geographical indications.
2. The same examination and registration as well as publication procedures shall apply."

EXCERPT FROM IP/C/W/255

"The following text seeks to incorporate the points raised in Hungary's submission (IP/C/W/234) into the proposal by the European Communities and their member States (IP/C/W/107/Rev.1) on the establishment of a multilateral system of notification and registration of geographical indications:

a. The following two sentences would be added at the end of Paragraph C2:

'If such bilateral negotiations do not yield a mutually satisfactory result within the 18 month period the dispute arising from the challenge shall be settled by multilateral arbitration. The decision of the arbitrator shall be final and binding upon the parties.'

b. Part D would read as follows:

- '1. Geographical indications, which have been notified, published and have not been challenged, shall be registered within 18 months of publication.
- '2. Until a challenge made in connection with the multilateral registration of an individual geographical indication is not settled under the provisions in paragraph C2, the notified geographical indication shall not be registered.
- '3. Geographical indications successfully challenged on the basis of Article 22.1 or Article 22.4 of the Agreement on TRIPS shall not be registered.
- '4. Geographical indications successfully challenged on the basis of Article 24.4, Article 24.5 or Article 24.6 of the Agreement on TRIPS shall be registered and the registration shall refer to the successful challenge.
- '5. Participating Members shall not refuse protection for registered geographical indications. A successful challenge made on the basis of Article 24.4, Article 24.5 or Article 24.6 of the Agreement on TRIPS shall justify the refusal of protection only in respect of the Member or Members which successfully challenged registration.
- '6. Participating Members shall facilitate the protection of an individual registered geographical indication by providing the legal means for parties to use the registration as a presumption of the eligibility for the protection of the geographical indication.
- '7. The obligation to protect an individual geographical indication shall be suspended if the geographical indication is not or ceases to be protected in its country of origin or has fallen into disuse in that country.
- '8. The Secretariat shall publish the registered geographical indications and inform Members of them."

EXCERPT FROM TN/IP/W/5

"Multilateral System for Notification and Registration of Geographical Indications Established under Article 23.4 of the TRIPS Agreement"

1. Notification

WTO Members wishing to participate in the system will submit³¹⁹ to the Secretariat a list of domestic geographical indications for wines and spirits recognized as eligible for protection under their national legislation indicating for each indication the date on which recognition was granted by the notifying Member and the date, if any, on which protection will expire.

In the interests of transparency and to ease use of the information by WTO Members participating in multilateral agreements for the protection of geographical indications for wines and spirits, those WTO Members participating in such agreements must indicate the agreements under which each of the notified geographical indications is protected.

Subsequently, Members participating in the system will notify only additional domestic geographical indications for wines and spirits recognized as eligible for protection under their national legislation and will withdraw the notification of any previously notified geographical indication for wine or spirits no longer recognized as eligible for such protection under their national legislation.

WTO Members may decide to participate or discontinue participation in the system at any time by withdrawing their notifications.

2. Registration

Following receipt of notifications from participating Members, the Secretariat shall compile a list on behalf of all WTO Members in the form of a searchable database of all notified geographical indications for wines and spirits. This database shall be known as the World Trade Organization Geographical Indications Multilateral System for Wines and Spirits (the "Multilateral System for Wines and Spirits"). The Multilateral System for Wines and Spirits shall include: the geographical indication for the wine or the spirit that has been notified, the WTO Member who made the notification, the date on which the indication was protected by the notifying Member; the expiration date of this protection, if any, in the notifying Member and any agreement for geographical indications for wines and spirits under which the indication is protected. In accordance with Article 23.3, the same or similar geographical indication for wines and spirits may be submitted by more than one WTO Member, provided the geographical indication is recognized by each notifying WTO Member in accordance with its national regime for protecting geographical indications for wines and spirits.

Copies of the registered geographical indications for wines and spirits shall be distributed to all WTO Members. To ensure maximum transparency, the Secretariat shall, in addition to distributing copies of the lists to WTO Members, make the lists accessible, in searchable form, on the WTO's Internet Web Site (www.wto.org).

After the initial notification, the WTO Secretariat shall revise the database of notified geographical indications for wines and spirits, adding or deleting indications in accordance with WTO

³¹⁹ The format for submissions shall be established through negotiations or, if the WTO Members so agree, by the Secretariat.

Members' notifications or a request for removal received from the WTO Member who originally made the notification.

Decisions to grant protection for geographical indications for wines and spirits shall occur at the national level. If any WTO Member objects to the registration of a geographical indication for wines or spirits notified by another Member, the former may oppose the recognition of that geographical indication in accordance with the laws of the notifying Member.

If an opposition is successful, the notifying Member shall request that the Secretariat remove the registration of the challenged indication from the Multilateral System for Wines and Spirits. The registration for that indication shall be removed from the Multilateral System and shall not be included in any updated lists circulated to Members.

3. Legal Effects under National Legislation

WTO Members choosing to participate in the system will commit to consult, along with other sources of information, the WTO Geographical Indications Multilateral System for Wines and Spirits when making decisions regarding recognition and protection of geographical indications for wines and spirits in accordance with their national legislation. Information obtained from the WTO Multilateral System for Wines and Spirits would be taken into account in making those decisions in accordance with that national legislation. This proposal does not affect the applicability of Article 24 of the TRIPS Agreement; all Article 24 exceptions to protection would remain in force under national law.

WTO Members not participating in the system will be encouraged to refer to the WTO Multilateral System for Wines and Spirits, along with other sources of information, in making decisions under their national legislation involving recognition or protection of geographical indications for wines and spirits in order to ensure that such decisions are based on the most complete information available. However, this system would not give rise to specific obligations for Members that decide not to participate. Members are therefore free to consider their own capacity to take on obligations emanating from participating in the proposed system.

Any geographical indication for wines or spirits established in accordance with national legislation is entitled to protection under Section 3 of Part II of the TRIPS Agreement, whether or not it is registered in the WTO database.

4. Voluntary Participation

Participation in this system is voluntary. Furthermore, the system will not prejudice or affect the protection already contained in Section 3 of Part II of the TRIPS Agreement for geographical indications for those Members choosing not to participate. Requiring participation would increase TRIPS obligations for WTO Members outside a full trade round and would be contrary to Article 23.4 of the TRIPS Agreement. A voluntary participation system fully adheres to the mandate in paragraph 18 of the Ministerial Declaration.

This system satisfies the need for special or differential treatment measures for least-developed and developing countries because it is entirely voluntary.

5. Monitoring the System

The TRIPS Council shall examine the operation of the multilateral system for notification and registration of geographical indications for wines and spirits four years after its establishment to evaluate its effectiveness in facilitating protection of Members' geographical indications for wines and spirits in accordance with Section 3 of Part II of the TRIPS Agreement. This examination shall not constitute a re-negotiation of the system."
