National Seminar on TRIPS
Jerusalem, Israel – 21-22 February 2011

Geographical Indications in the WTO
News from the Doha Round of Negotiations

Wolf Meier-Ewet
Intellectual Property Division
World Trade Organization
Structure

- Background
- Current Regime for GIs under the TRIPS Agreement (Section 3 of Part II)
- Work on GIs in the WTO
  - Negotiations on a GI Register
  - Consultations on GI extension
  - “Claw-back” proposal in the Agriculture Negotiations
  - Dispute Settlement Case regarding EC-GI Regime
TRIPS in the WTO

- The GATT (General Agreement on Tariffs and Trade) 1948
  - Provisional application
  - Tariff concession
  - Rules
- Eight rounds of trade negotiations
- Uruguay Round 1986-1994
  - Tariffs and non-tariff barriers
  - Agriculture and textiles
  - Services and intellectual property rights
  - Strengthened dispute settlement system
  - Creation of the WTO
GI negotiations during the Uruguay Round

- Complex and controversial questions
- Longstanding discussions in the past (revision of Paris Convention, Art.10 quater, Lisbon Agreement, GATT 1947 provisions)
- Uruguay Round and the “deal”
- Typical arguments: commercial, economic, socio-historical, cultural, etc.
- Terminology (GIs, appellations of origin, denomination of origin)
Relevant TRIPS Provisions

- Definition (Article 22.1)
- Basic level of protection (Article 22.2-4)
- Additional protection for wines and spirits (Article 23)
- Exceptions (Article 24.3-9)
- Negotiations (Article 24.1)
- National and MFN treatment (Articles 3-5)
- Procedures of acquisition & maintenance of rights if registration is foreseen (Article 62)
- Enforcement (Part III)
- Transition periods
- Dispute settlement
Definition:
Geographical Indication - Art. 22.1

indications … identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.
Level of Protection

Outside TRIPS: national laws, bilateral, regional and other multilateral agreements (Lisbon Agreement)

Higher: Art. 23 (wines and spirits)

Minimum: Art. 22
  - Misleading/confusion test
  - Unfair competition
The TRIPS regime of GI protection

Basic level of protection for all GIs (Article 22.2):

- Obligation of Members to provide legal means for interested parties to prevent use of the GI which:
  - misleads the public as to the geographical origin of the good;
  - constitutes an act of unfair competition (Art. 10bis Paris Convention)
Additional protection for GIs for wines and spirits (Article 23):

- Obligation for Members to provide legal means for interested parties to prevent use of a GI for wines on wines (and for spirits on spirits) not originating in the place indicated by the GI:
  - without requirement to show misleading of the public or act of unfair competition
  - even where the true origin of the good is indicated; and
  - even where the GI is accompanied by expressions, e.g. kind, type, style, imitation
Exceptions – Art. 24

- Generic terms ("customary") (Art. 24.6)
  - For goods or services
  - For products of the vine for which the indication is identical with name of a grape variety customary before 1995

- Prior trademark rights (Article 24.5):
  - Good faith before date of application of TRIPS in the WTO Member;
  - Before the GI is protected in its country of origin
Exceptions – Art. 24 (cont.)

- Certain other prior use (Article 24.4) (grand-father clause):
  - Goods or services
  - At least 10 years before signature of Marrakech or in good faith preceding that date

- Personal names (Article 24.8)

- GIs not protected or used in their country of origin (Article 24.9)
Other Provisions

Article 23.4
In order to facilitate the protection of geographical indications for wines, negotiations shall be undertaken in the Council for TRIPS concerning the establishment of a multilateral system of notification and registration of geographical indications for wines eligible for protection in those Members.

Article 24.1
Members agree to enter into negotiations aimed at increasing the protection of individual geographical indications under Article 23. The provisions of paragraphs 4 through 8 below shall not be used by a Member to refuse to conduct negotiations or to conclude bilateral or multilateral agreements. In the context of such negotiations, Members shall be willing to consider the continued applicability of these provisions to individual geographical indications whose use was the subject of such negotiations.
Other Provisions

Article 24.3

In implementing this Section, a Member shall not diminish the protection of geographical indications that existed in that Member immediately prior to the date of entry into force of the WTO Agreement.
WTO Decision Making and Negotiations
Negotiation and Decision making

- Single undertaking
  - “Nothing is agreed until everything is agreed”

- Consensus rule
  - Each Member can block consensus
The Doha Development Agenda

- Doha Ministerial Declaration (WT/MIN(01)/DEC/1): Launch of the DDA
  - Negotiations
  - Other work
  - Originally negotiations to be concluded by 1 Jan 2005

- Main areas
  - Agriculture
  - Non-agricultural Market access (NAMA)
  - Services
  - Anti-dumping and some other WTO rules
  - Development

- Hong Kong Ministerial Declaration 2005 (WT/MIN(05)/DEC)

- State of Play
GI Register Negotiations
Negotiating Mandate: Article 23.4

“In order to facilitate the protection of geographical indications for wines, negotiations shall be undertaken in the Council for TRIPS concerning the establishment of a multilateral system of notification and registration of geographical indications for wines eligible for protection in those Members participating in the system.”

Highlighted: elements where delegations are having differences of views
Register of GIs for wines and spirits

Paragraph 18, first sentence, WT/MIN(01)/DEC/1:

With a view to completing the work started in the Council for Trade-Related Aspects of Intellectual Property Rights (Council for TRIPS) on the implementation of Article 23.4, we agree 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.

“Early harvest” not achieved
TRIPS Council since Doha: Regular Session and Special Session

- **REGULAR SESSION**, Review of legislation, public health, Biotech./TK/biodiversity, GIs (extension until end 2002), etc.
- **SPECIAL SESSION**, Negotiations on multilateral System of notification & registration of GIs for wines and spirits
GI Register Negotiations: Issues

Negotiating Positions:

- Main differences: legal effect and participation
  - Two basic approaches:
    - Commitment to consult a data base of registered GIs; legal effects under the domestic law; voluntary participation
    - A registration to have certain legal effects in all Members
  - Middle ground proposed Hong Kong, China: certain presumptions; voluntary participation
- Notification and registration
- Special and Differential Treatment, Costs, Fees.
GI Register Negotiations: The proposals on the table

- TN/IP/W/10 by the Joint Proposal Group (Argentina, Australia, Canada, Chile, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Japan, Korea, Mexico, New Zealand, Nicaragua, Paraguay, South Africa, Chinese Taipei and the United States) (March 2005) *(Voluntary participation, commitment to consult the register, legal effects only under national law)*

- TN/IP/W/8 by Hong Kong, China (April 2003) *(Voluntary participation, certain rebuttable legal presumptions)*

- TN/C/W/52 (para. 1-3 and 9) by the “Modalities Group” (Albania, Brazil, China, Colombia, Croatia, Ecuador, the European Communities, Georgia, Iceland, India, Indonesia, the Kyrgyz Republic, Liechtenstein, Moldova, the Former Yugoslav Republic of Macedonia, Pakistan, Peru, Sri Lanka, Switzerland, Thailand, Turkey, the ACP Group and the African Group) (July 2008) *(Mandatory participation, register information is prima facie evidence for meeting the GI definition, assertions of genericism have to be substantiated)*
The Way Forward

- Secretariat Summary note TN/IP/W/12/Add.1 of the discussion up to mid 2007
- Most recent Chairman’s report in TN/IP/20
- Since January 2011 -> small group consultations to develop a composite text, reflecting different positions
- Next formal meeting of the Special Session is scheduled for 3 March 2011
GI Extension
GI Extension: the proposal

= Extension of the higher protection of GIs for wines and spirits to GIs for other products

● What do proponents (GI Friends) want? (TN/C/W/52)
  ● Article 23 to apply to all GIs
  ● Article 24 exceptions to apply *mutatis mutandis*
  ● Multilateral register (of GIs for wines and spirits) to apply to all GIs
  ● Part of Single Undertaking
  ● Linkage and Parallelism
GI Extension: the actors

TN/C/W/52 – Sponsors
Albania, Brazil, China, Colombia, Croatia, Ecuador, the European Communities, Georgia, Iceland, India, Indonesia, the Kyrgyz Republic, Liechtenstein, Moldova, the Former Yugoslav Republic of Macedonia, Pakistan, Peru, Sri Lanka, Switzerland, Thailand, Turkey, the ACP Group and the African Group

Non-Demandeurs:
New Zealand, Australia, United States, Canada, Chile, Argentina, Japan, Chinese Taipei (etc.)
GI Extension: some points made and issues raised (1)

<table>
<thead>
<tr>
<th>Proponents</th>
<th>Opponents</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>For producers in the area indicated by the GI</strong></td>
<td><strong>For producers not in the area that use the GI</strong></td>
</tr>
<tr>
<td>Discrimination against non-wines and spirits is unjustified</td>
<td>Discrimination: can go back to Art. 22 for all products</td>
</tr>
<tr>
<td>Legitimacy of use</td>
<td>Legitimacy: terms used by immigrants or terms in public domain.</td>
</tr>
<tr>
<td>Certainty and clarity of protection</td>
<td>Unfair to current users/holders of trademarks containing GIs (= expropriation)</td>
</tr>
<tr>
<td>Better price for producers, in part. SMEs</td>
<td>Quality production and better competition</td>
</tr>
<tr>
<td>Encourage quality production</td>
<td>Costs for changing brands, labelling</td>
</tr>
<tr>
<td>Burden of proving infringement, less costs, etc.</td>
<td>Costs and burdens in third country markets, etc.</td>
</tr>
<tr>
<td>Costs and burdens in third markets, etc.</td>
<td></td>
</tr>
</tbody>
</table>
GI Extension: some points made and issues raised (2)

<table>
<thead>
<tr>
<th>Proponents</th>
<th>Opponents</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>For consumers</em></td>
<td><em>For consumers</em></td>
</tr>
<tr>
<td>Help make choice (better identification; quality)</td>
<td>Consumer confusion (not able to find products he is used to)</td>
</tr>
<tr>
<td>More choice (more producers, in particular SMEs, of the GI product)</td>
<td>Less choice (only one product, etc.)</td>
</tr>
<tr>
<td>If impact on prices, freedom of consumers to choose between a GI product and a generic etc.</td>
<td>Impact on prices (cost of re-branding, re-labelling; less producers → less competition → higher prices too)</td>
</tr>
<tr>
<td></td>
<td>No guarantee about quality etc.</td>
</tr>
</tbody>
</table>
DG’s Reports to Members

- Report of 12 March 2010

- Report of 27 July 2009
EC „claw back“ proposal in Agriculture

- A list of names currently used by producers of agricultural products other than the right holders in the country of origin to be established so as to prohibit such use
- The proposal intended to be complementary to the work on GIs in the context of TRIPS
- Decision of 1 August 2004 on the Doha Work Programme; Annex A on the Framework for Establishing Modalities in Agriculture:
  → Issues of interest, but not agreed (para. 49)
EC „claw back“ proposal in Agriculture

Beaujolais, Bordeaux, Bourgogne, Chablis, Champagne, Chianti, Cognac, Grappa di Barolo (del Piemonte, di Lombardia, del Trentino, del Friuli, del Veneto, dell'Alto Adige), Graves, Liebfrau(en)milch, Malaga, Marsala, Madeira, Médoc, Moselle, Ouzo, Porto, Rhin, Rioja, Saint-Emilion, Sauternes, Jerez, Xerez, Asiago, Azafrán de la Mancha, Comté, Feta, Fontina, Gorgonzola, Grana Padano, Jijona y Turrón de Alicante, Manchego, Mortadella Bologna, Mozzarella di Bufala Campana, Parmigiano Reggiano, Pecorino, Romano, Prosciutto di Parma, Prosciutto di San Daniele, Prosciutto Toscano, Queijo São Jorge, Reblochon, Roquefort

(Source: Commission Press Release IP/03/1178)
Complaints:

- by the US (WT/DS174/20) and Australia (WT/DS290/18)
- against the EU Regulation 2081/92 on GIs (foodstuffs)

Result:

- EU's treatment of relationship between GIs and TMs is **not in violation** of TRIPS (limited co-existence of TMs and GIs),
- but the system discriminates against non-EU GIs and thus **violates** the national treatment obligation under TRIPS

wolf.meier-ewert@wto.org

Consult the website
www.wto.org