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Special Union for the International Deposit of Industrial Designs (Hague Union)

Assembly

Forty-Third (24th Ordinary) Session Geneva, July 6 to 14, 2023

PROPOSED AMENDMENTS TO THE SCHEDULE OF FEES ANNEXED TO THE COMMON REGULATIONS UNDER THE 1999 ACT AND THE 1960 ACT OF THE HAGUE AGREEMENT

Document prepared by the Secretariat

SUMMARY

1. This document contains proposed amendments to the Schedule of Fees for adoption by the Assembly of the Hague Union (hereinafter referred to as "the Assembly"), with a proposed date of entry into force of January 1, 2024. The following paragraphs provide background information and summarize the proposed amendments as reproduced in Annex I (using "track-changes") and Annex II ("clean" text).

PROPOSED AMENDMENTS TO THE SCHEDULE OF FEES

PROPOSED AMENDMENTS FOLLOWING THE RECOMMENDATIONS OF THE EIGHTH SESSION OF THE WORKING GROUP

- 2. At its eighth session, held in 2019, the Working Group on the Legal Development of the Hague System for the International Registration of Industrial Designs (hereinafter referred to as "the Working Group") considered a proposal contained in document H/LD/WG/8/4, entitled "Financial Sustainability of the Hague System; Possible Revision of the Schedule of Fees", to increase the amount of the basic fee for each additional design included in an international application, as set out in item 1.2 of the Schedule of Fees.
- 3. The above-mentioned document recalled the principle of financial sustainability of the Hague Union and presented a comparative analysis of the fee structure in 37 jurisdictions concluding that the amount charged for each additional design in an international application under the Hague System remained far lower than the prevailing average rates in other multiple design systems.
- 4. In view of the outcome of the analysis, the Working Group recommended the submission of a proposal to increase the amount of the basic fee for each additional design set out in item 1.2 of the Schedule of Fees from 19 Swiss francs to 50 Swiss francs¹ (hereinafter referred to as "the proposal") to the Assembly for adoption, with the then proposed date of entry into force of January 1, 2021².
- 5. However, the proposal was not submitted to the Assembly for consideration at its fortieth session, held in 2020, because that session was held with a reduced agenda owing to the COVID-19 pandemic. Moreover, in light of the pandemic's continuing negative economic impact on users as well as its unpredictable evolution, the International Bureau did not submit the proposal to the Assembly for consideration at its forty-first and forty-second sessions, held in 2021 and 2022, respectively.
- 6. At its eleventh session, held in 2022, the Working Group took note of document H/LD/WG/11/INF/1 Rev. entitled "Update on the Submission of the Proposal Regarding the Revision of the Schedule of Fees to the Hague Union Assembly", which provided an update on the evolution of the COVID-19 pandemic as well as the global economic situation. In this document, the International Bureau expressed the view that the initial reasons for not proceeding with the recommendation of the Working Group no longer held, and indicated its intention to consult with the members of the Hague Union ahead of the next Assemblies of the Member States of WIPO with a view to determining whether the proposal could be put on the agenda of the Assembly for adoption at its forty-third session.
- 7. The above-mentioned consultation was held in hybrid format on March 30, 2023. During the consultation, the members in attendance³ expressed their overall support with the submission of the proposal to the Assembly for consideration at its forty-third session, emphasizing the importance of the financial sustainability of the Hague System⁴.

¹ It was also proposed to increase the reduced amount of the same fee, applicable to international applications filed by applicants from least developed countries (LDCs), from 2 to 5 Swiss francs (see Annex IV to document H/LD/WG/8/4).

See document H/LD/WG/8/8 "Summary by the Chair". It is also to be recalled that the last time that the basic fees (for both international applications and renewals) were increased was in 1996.

Moreover, the invitation to the informal session noted that Hague Union members not participating in the informal consultation were deemed to agree that the International Bureau proceed with the submission of the proposed amendments to the Assembly at its upcoming session.

In this regard, when preparing the present document, the International Bureau carried out a simulation to assess the possible impact of the amended amount of the basic fee for each additional design on users of the Hague System as well as the income of the Hague Union. According to this simulation, if, for example, the amended amount had already been in force in 2022, it would have resulted in an increase of three per cent in the average of fees due in respect of an international application. As far as the income for 2022 is concerned, the application of the amended amount would have resulted in an estimated additional income of around 0.5 million Swiss francs, which would have

Accordingly, the present document has been prepared, with the adjusted proposed date of entry into force of January 1, 2024, in view of the recommendation by the Working Group at its eighth session that the amendments enter into force at the beginning of the year following the adoption by the Assembly.

PROPOSED ADDITIONAL AMENDMENT

8. Additionally, the opportunity is seized to delete Item 23 of the Schedule of Fees "Surcharge for the communication of extracts, copies, information or search reports by telefacsimile (per page)" because the use of facsimile for communications with the International Bureau has been discontinued with effect from January 1, 2019⁵. It is recommended that this amendment also enter into force on January 1, 2024.

ENTRY INTO FORCE OF THE PROPOSED AMENDMENTS

9. As explained in paragraphs 7 and 8, it is recommended that the proposed amendments to the Schedule of Fees with respect to Items 1.2 and 23 enter into force on January 1, 2024.

10. The Assembly of the Hague Union is invited to adopt the proposed amendments to the Schedule of Fees, as set out in Annexes I and II to the present document, with a date of entry into force of January 1, 2024.

[Annexes follow]

represented an increase of seven per cent of the total income under the Hague Agreement. The annual deficit of the Hague Union for 2022 was approximately 10 million Swiss francs (preliminary and unaudited figure at the time of writing this document). Thus, the above estimated additional income would have represented a five per cent reduction of the deficit for 2022.

⁵ See document H/LD/WG/7/10 "Summary by the Chair", paragraph 16, and Information Notice No. 17/2018.

Common Regulations Under the 1999 Act and the 1960 Act of the Hague Agreement

SCHEDULE OF FEES (as in force on January 1, 2024)

Swiss Francs

- I. International Applications
- 1. Basic fee*
 - 1.1 For one design 397
 - 1.2 For each additional design included in the same international application

1950

[...]

23. Surcharge for the communication of extracts, copies, information or search reports by telefacsimile (per page)

[...]

[Annex II follows]

For international applications filed by applicants whose sole entitlement is a connection with a least developed country (LDC), in accordance with the list established by the United Nations, or with an intergovernmental organization the majority of whose member States are LDCs, the fees intended for the International Bureau are reduced to 10% of the prescribed amounts (rounded to the nearest full figure). The reduction also applies in respect of an international application filed by an applicant whose entitlement is not solely a connection with such an intergovernmental organization, provided that any other entitlement of the applicant is a connection with a Contracting Party which is an LDC or, if not an LDC, is a member State of that intergovernmental organization and the international application is governed exclusively by the 1999 Act. If there are several applicants, each must fulfill the said criteria. Where such fee reduction applies, the basic fee is fixed at 40 Swiss francs (for one design) and 25 Swiss francs (for each additional design included in the same international application), the publication fee is fixed at 2 Swiss francs for each reproduction and 15 Swiss francs for each page, in addition to the first, on which one or more reproductions are shown, and the additional fee where the description exceeds 100 words is fixed at 1 Swiss franc per group of five words exceeding 100 words.

Common Regulations Under the 1999 Act and the 1960 Act of the Hague Agreement

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[...]

23. [Deleted]

[...]

[End of Annex II and of document]

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Where such fee reduction applies, the basic fee is fixed at 40 Swiss francs (for one design) and 5 Swiss francs (for each additional design included in the same international application), the publication fee is fixed at 2 Swiss francs for each reproduction and 15 Swiss francs for each page, in addition to the first, on which one or more reproductions are shown, and the additional fee where the description exceeds 100 words is fixed at 1 Swiss franc per group of five words exceeding 100 words.