

**WIPO**



**PCIPD/3/8**  
**ORIGINAL:English**  
**DATE:July2002**

**E**

**WORLD INTELLECTUAL PROPERTY ORGANIZATION**  
GENEVA

**PERMANENT COMMITTEE ON COOPERATION FOR  
DEVELOPMENT RELATED TO INTELLECTUAL PROPERTY**

**Third Session**  
**Geneva, October 28 to November 1, 2002**

**POSITIVE ASPECTS IN THE USE OF THE GLOBAL PROTECTION SYSTEMS:  
THE MADRID AND THE HAGUE SYSTEMS**

*Document prepared by the Secretariat*

## I. THE MADRID AND THE HAGUE SYSTEMS

1. The Developing Countries (Madrid and The Hague Systems) Division (hereinafter referred to as the Division) was created in March 2001, within the Sector of Cooperation for Development. The mandate of the new Division is to promote the Madrid system for the international registration of marks<sup>1</sup> and the Hague system for the international registration of industrial designs<sup>2</sup>, with a view, in particular, to enlarging the membership of developing countries and countries in economic transition in these global protection systems as well as increasing the use of the systems in those countries.

2. The advantage that the Madrid and The Hague systems offer is a positive impact on the economic growth of the developing countries and countries in transition. Membership in these systems usually results in an increase in the number of foreign trademarks and industrial designs to be protected in those countries (and also in an increase in trademark fees and revenues), and thus helps create and strengthen a favorable environment for attracting foreign investment. More important, however, is the fact that developing countries and countries in transition are also actual and potential "creators" and "owners" of trademarks and industrial designs. Accession to the Madrid and The Hague systems, and the opportunities these systems offer to protect trademarks and industrial designs abroad through a simple and inexpensive procedure, can therefore also offer many advantages for trademark and design owners in those countries and thus help promote the export and commercialization of national products and services abroad.

3. For all these reasons, it is extremely important that relevant information about the features, operations and advantages of the Madrid and The Hague systems be made available to governments and to interested circles and potential beneficiaries in developing countries and countries in transition. The Division's activities are therefore redesigned to concentrate

---

<sup>1</sup> The system of international registration of marks is governed by two treaties: the Madrid Agreement Concerning the International Registration of Marks, which dates from 1891, and was subsequently revised in 1900, 1911, 1925, 1934, 1957 and 1967, and the Protocol Relating to the Madrid Agreement, which was adopted in 1989 and entered into force on December 1, 1995. The principal objective of the system is to facilitate obtaining trademark protection in several countries and thereafter managing and maintaining that protection by simplifying and rationalizing the procedure through a single "international application" and a single "international registration."

<sup>2</sup> The system of international registration of industrial designs is governed by The Hague Agreement Concerning the International Deposit of Industrial Designs. The Hague Agreement was signed in 1925 and entered into force in 1928, and was subsequently revised several times, in particular, in 1934, 1960 and 1999. This multilateral treaty, administered by WIPO, allows industrial design owners to obtain industrial design protection in a number of countries through a simple and inexpensive procedure: a single "international" deposit, in one language (English or French), upon payment of a single set of fees, in one currency, and filed with one office (either directly with the International Bureau of WIPO or, under certain circumstances, through the national Office of a contracting State). At the same time, the international deposit facilitates the maintenance of protection: there is a single deposit to renew and one simple procedure for recording any changes, e.g., in ownership or addresses.

primarily on three key elements: increased awareness building, creation and dissemination of information products, and capacity building and training. These activities are carried out in close cooperation with, and with the support of, both units within the Sector of Cooperation for Development and other sectors within the Organization.

4. The Division's principal strategic objectives are the following:

- (i) to enlarge membership in the Madrid and The Hague systems by promoting new accessions by developing countries and countries in transition that are not yet party to the systems, or who are party but have not yet acceded to the most recent instruments, i.e., the Madrid Protocol and the Geneva Act of the Hague Agreement;
- (ii) to assist the developing countries and countries in transition that are, or are about to become, party to the Madrid and The Hague systems, in particular, trademark offices in those countries, in the implementation and administration of these global protection systems, from a legal, administrative and practical point of view; and
- (iii) to increase awareness of the Madrid and The Hague systems among the private sector, in particular, industrial property owners, so that they make greater use of the cheaper and simpler procedures available under these global protection systems and thus take greater advantage of the real benefits these systems offer to owners of trademarks and industrial designs around the world.

(1) Enlargement of Membership

5. Promotion of new accessions to the Madrid and The Hague systems, as is the case with any multilateral agreement, is an arduous and long-term process. Given the very important policy, legal, political and economic considerations that go into a country's decision to accede to any multilateral agreement, and then into implementing that decision, it is clear that it may take up to two, five or even more years before the required instrument of accession is actually deposited with the Director General of WIPO. Although figures regarding new accessions may at first glance appear modest, each accession in fact represents many years of hard work and preparations by all those concerned, both from the various sectors of the International Bureau and from the new Member State. For these same reasons, current efforts and work to promote new accessions will likely not yield concrete results before at least three to five years from now.

6. Nevertheless, the growing membership and interest manifested in the Madrid and The Hague systems by developing countries and countries in transition are encouraging, and expectations for the future are very promising.

7. As of July 2002, among the 70 countries party to the Madrid system (52 to the Madrid Agreement and 55 to the Madrid Protocol), 19 (over 20% of the total membership) were developing countries and 28 (over 30% of the total membership) were countries in transition. In other words, half of the membership in the Madrid system consists of developing countries and countries in transition. A list of these Member States, broken down by groups and regions, is contained in Annex I.

8. Since January of last year, seven new States acceded to the Madrid Protocol. Five of these were developing countries and countries in transition: Belarus, Bulgaria, Mongolia, The former Yugoslav Republic of Macedonia, and Zambia.

9. About six developing countries in Africa, Asia, the Arab Region and the Caribbean are currently seriously considering accession to the Madrid Protocol, in addition to the Republic of Korea which is expected to accede to the Madrid Protocol by the end of this year or early 2003.

10. The increasing membership by developing countries and countries in transition in the Madrid system is reflected in the increasing number of times these countries are designated for protection in international applications filed within the framework of the Madrid system and in the amount of so-called "designation" fees that are distributed to these countries. Last year represented a record year for overall new international registrations under the Madrid system (almost 24,000); developing countries and countries in transition were designated for protection 195,310 times and received a total of almost 22,800,000 Swiss francs in "designation" fees (meaning "complementary", "supplementary" and, where applicable, "individual" fees). For a breakdown by individual countries, please see Annex II.

11. As regards The Hague system, in July 2002, there were 30 Member States party to the 1934 and/or the 1960 Act, of which 10 were developing countries and 8 were countries in transition (60% of the total membership). As of June 2002, six countries (five of them countries in transition) had ratified the Geneva (1999) Act: Estonia, Iceland, Republic of Moldova, Romania, Slovenia and Ukraine. A list of Member States is also contained in Annex I.

(2) Implementation and Administration of the Madrid and The Hague Systems in Countries about to Accede or that are already Members

12. The International Bureau's work does not end at the time a country decides to accede. In many ways, it begins at that time. A developing country or country in transition that is about to accede or has acceded to the Madrid system needs continued training and other support in order to implement and administer the system efficiently and effectively.

13. Even before actual accession, the Division will liaise with the prospective Member States, in order to ensure that the prospective Member State receives, if it so desires and requests, legislative advice or other assistance that it may need in drafting any necessary implementing legislation to bring the Madrid or The Hague system into force (as the case may be) and render it effective and operational in that country. At least 10 developing countries have sought such legislative advice over the past year and a half.

14. The Division also cooperates with the Information and Training Section of the Trademarks, Industrial Designs and Geographical Indications Department, to ensure that necessary training of trademark office staff is provided. Training of two officials is automatically provided upon accession, at WIPO's expense. Budgetary resources permitting, refresher courses and training of new trademark office staff are also sometimes made available.

15. Over the past year and a half, such training was provided for government officials from about 10 developing countries and countries in transition. In addition, the presence in Geneva of representatives from developing countries and countries in transition to attend different WIPO committees was used to organize study visits to appropriate WIPO departments with the aim of increasing awareness and knowledge about the Madrid and The Hague systems and their advantages. An informal meeting for representatives of OAPI Member States and the OAPI Secretariat was also organized on such an occasion.

16. This year, for the first time, a two-day Workshop on the "Practical Aspects of the Implementation and Administration of the Madrid System" will be organized, immediately after the WIPO Assemblies, in cooperation with the Trademarks, Industrial Designs and Geographical Indications Department, for representatives of developing countries and countries in transition party to the Madrid system. This Workshop should provide an opportunity to update participants on the latest developments regarding the Madrid system, to allow participants to exchange experiences, and to visit the International Registrations operations (at the International Bureau in Geneva) as well as the Swiss Federal Institute of Intellectual Property (in Bern), and for the International Bureau to obtain useful input and guidance from the participants as to future promotion activities.

### (3) Awareness Building among Industrial Property Owners and Agents

17. The principal beneficiaries of the Madrid and The Hague systems are ultimately the owners of trademarks and industrial designs. By providing cheaper and simpler procedures for obtaining and maintaining trademark and industrial design registrations in a large number of countries, these global protection systems make the possibility of protecting trademarks and industrial designs abroad a reality for many enterprises, even small and medium-sized enterprises in developing countries and countries in transition, which otherwise could have never dreamt of being able to afford protecting their trademarks and designs internationally.

18. For example, by using the international route available under the Madrid system, it costs 9,591 Swiss francs (about 6,390 US dollars) to apply for protection of a mark, in one class, in all the 55 countries party to the Protocol other than the country of origin. If one adds the cost of registering the mark in the country of origin and the fees of the trademark agent who handles the national and international applications, the total bill should be in the order of not much more than 7,000 US dollars, about 10 times less than the 70,000 US dollars or more that it would otherwise cost to use the national route in each of the 55 countries where protection is sought.

19. Furthermore, monitoring and maintenance of a mark is also considerably easier and cheaper under the Madrid system. For example, in the case of a change of address of the holder, it suffices to file one request with the International Bureau, listing all the international registrations that the holder has, and to pay a mere 150 Swiss francs (less than 90 US dollars) to have the change of address recorded with respect to all international registrations and with effect in all the countries where those international registrations are protected.

20. It is therefore primordial that further efforts be focused on awareness building activities among industrial property owners, and also trademark agents and attorneys, about the practical and financial advantages of the Madrid and The Hague systems and about the procedures and operations of the systems, especially in those developing countries and countries in transition that are already party to the systems. This is important so that trademark and design owners in those countries use the systems and take full advantage of the real benefits offered by these two global protection systems.

21. In this regard, efforts have already been made to produce general information material on the Madrid and The Hague systems, which is available free of charge. The pamphlet, entitled *Industrial Designs and The Hague Agreement: An Introduction*, is now available in six languages: English, Arabic, French, Portuguese, Spanish and Russian. A new pamphlet was issued, entitled *The Madrid System for the International Registration of Marks*, in English, and will shortly be issued also in French. A home page with information about the Division and its activities, focusing, in particular, on developing countries and countries in transition, can be found at [www.int/cfdmadrid/en](http://www.int/cfdmadrid/en).

22. *The Permanent Committee is invited to comment on, and note, the information contained in this document.*

[Annexes follow]

## ANNEXI

**MEMBERSHIP**

**DEVELOPING COUNTRIES PARTY TO THE MADRID SYSTEM**  
(Status on July 15, 2002 )

**ASIA AND THE PACIFIC COUNTRIES**

<i>Countries</i>	<i>Madrid Agreement</i>	<i>Madrid Protocol</i>
Bhutan	2000	2000
China	1989	1995
DPR of Korea	1980	1996
Mongolia	1985	2001
Singapore		2000
Viet Nam	1949	

**AFRICAN COUNTRIES**

<i>Countries</i>	<i>Madrid Agreement</i>	<i>Madrid Protocol</i>
Kenya	1998	1998
Lesotho	1999	1999
Liberia	1995	
Mozambique	1998	1998
Sierra Leone	1997	1999
Swaziland	1998	1998
Zambia		2001

**LATIN AMERICA AND THE CARIBBEAN COUNTRIES**

<i>Countries</i>	<i>Madrid Agreement</i>	<i>Madrid Protocol</i>
Antigua and Barbuda		2000
Cuba	1989	1995

**ARAB COUNTRIES**

<i>Countries</i>	<i>Madrid Agreement</i>	<i>Madrid Protocol</i>
Algeria	1972	
Egypt	1952	
Morocco	1917	1999
Sudan	1984	

**COUNTRIES IN TRANSIT ION PARTY TO THE MADRID SYSTEM**  
(Status on July 15, 2002)

<b>Countries</b>	<b>Madrid Agreement</b>	<b>Madrid Protocol</b>
Albania	1995	
Armenia	1991	2000
Azerbaijan	1995	
Belarus	1991	2002
Bosnia and Herzegovina	1992	
Bulgaria	1985	2001
Croatia	1991	
Czech Republic	1993	1996
Estonia		1998
FYR of Macedonia	1991	2002
Georgia		1998
Hungary	1909	1997
Kazakhstan	1991	
Kyrgyzstan	1991	
Latvia	1995	2000
Lithuania		1997
Poland	1991	1997
Rep. of Moldova	1991	1997
Romania	1920	1998
Russian Federation	1976	1997
Slovakia	1993	1997
Slovenia	1991	1998
Tajikistan	1991	
Turkey		1999
Turkmenistan		1999
Ukraine	1991	2000
Uzbekistan	1991	
Yugoslavia	1921	1998

**DEVELOPING COUNTRIES AND COUNTRIES IN TRANSITION  
PARTY TO THE HAGUE SYSTEM  
(Status on July 15, 2002)**

**ASIA AND THE PACIFIC COUNTRIES**

<b>Countries</b>	<b>1934 Act</b>	<b>1960 Act</b>	<b>1999 Act</b>
DPR of Korea		1992	
Indonesia	1950		
Mongolia		1997	

**AFRICAN COUNTRIES**

<b>Countries</b>	<b>1934 Act</b>	<b>1960 Act</b>	<b>1999 Act</b>
Benin	1986	1986	
Côte d'Ivoire	1993	1993	
Senegal	1984	1984	

**LATIN AMERICA AND THE CARIBBEAN COUNTRIES**

<b>Countries</b>	<b>1934 Act</b>	<b>1960 Act</b>	<b>1999 Act</b>
Suriname	1975	1984	

**ARAB COUNTRIES**

<b>Countries</b>	<b>1934 Act</b>	<b>1960 Act</b>	<b>1999 Act</b>
Egypt	1952		
Morocco	1941	1999	
Tunisia	1942		

**COUNTRIES IN TRANSITION**

<b>Countries</b>	<b>1934 Act</b>	<b>1960 Act</b>	<b>1999 Act</b>
Bulgaria		1996	
Estonia			2002
FYR of Macedonia		1997	
Hungary	1984	1984	
Rep. of Moldova		1994	2001
Romania		1992	2001
Slovenia		1995	2002
Ukraine		2002	2002
Yugoslavia		1993	

[Annex II follows]