

Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications

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PROPOSAL BY THE EUROPEAN UNION AND ITS MEMBER STATES

Document prepared by the Secretariat

In a communication dated April 24, 2013, the European Union transmitted on behalf of the European Union and its member states to the International Bureau of the World Intellectual Property Organization (WIPO) the proposal contained in the Annex to the present document.

[Annex follows]

EU PROPOSAL FOR AN ARTICLE ON TECHNICAL ASSISTANCE AND CAPACITY BUILDING FOR THE TREATY ON INDUSTRIAL DESIGN LAW

1. Enabling a wider and equal access to the benefits of IP systems has long played an important role within the European Union and its member states. In the SCT this has been evidenced in the consistent recognition of the need to work with developing countries and LDCs in the implementation of any Designs Treaty, in particular by providing technical assistance and capacity building.
2. Demonstrating their continued commitment to the Development Agenda, and to the provision of technical assistance and capacity building, the EU and its member states have made a proposal to include a supplementary Resolution to the Designs Treaty similar to that agreed for in the Singapore Trademark Law Treaty. Whilst entirely confident that this would ensure that developing and least developed countries receive all appropriate and necessary support for any future implementation of the Designs Treaty, it understands that the African Group and its member states have shown a preference for an Article within the Treaty itself.
3. Whilst the EU and its member states firmly believe that a Resolution would fully safeguard the interests of developing and least developed countries in their implementation of the Designs Treaty, in a spirit of cooperation, and as a strong and public statement of its ongoing contribution to the Development Agenda, the EU and its member states will withdraw their proposal for a Resolution (document SCT/28/6). The EU and its member states will accede to the proposal to include an Article on technical assistance and capacity building within the Designs Treaty, subject to agreement on the wording. This is clearly a significant concession which the EU and its member states consider should be matched by having the commitment to provide assistance directed to contracting parties, meaning those developing and least-developed countries who have signed, ratified or acceded to the Treaty.
4. Looking specifically at the proposal of the African Group (paper SCT 28/5), the EU and its member states can agree with much of what is contained in the draft Articles and Article B in general. That any technical assistance and capacity building be development-orientated and directed towards enabling the implementation of the Treaty is clearly an accepted principle, as is the fact that, in accordance with the Development Agenda recommendations, and in particular Cluster A, technical assistance and capacity building must be demand driven, taking account of the priorities and specific needs of those looking to receive it. Only through matching need against delivery will we ensure that assistance reaches those where it is most beneficial, and to those whom it is intended to help.
5. With this in mind, the proposal in Article A for special and differential treatment on fees granted to applicants from developing countries does not provide targeted and needs-based assistance. Such a provision would open the benefits to those it is intended to assist, but would also do so for wealthy local business, as well as foreign multinational companies who happen to be based or have a place of business in a developing country. Such a provision does not therefore recognise “demand” or “need” but rather location, and brings a significant opportunity for unintended use.
6. Further, fees are not part of the norm-setting aims of the Designs Treaty, in part because the levels at which they are set, and the granting of fee concessions, regardless of the perceived merit, is often outside of the authority of the office that levies them. It would also be wholly inappropriate to have a legal provision where the effect could have a significant adverse impact on the financial viability of an office. The

level of fees and whether there are any special considerations for particular applicants should remain a matter for each office. That is the situation even within the international registration systems such as those provided under the Hague Agreement or Madrid Protocol.

7. Sub paragraph (6) of Article B of the African Group proposal would require the Assembly of the Treaty to monitor and evaluate technical assistance and capacity building provided to facilitate the effective implementation of the Designs Treaty in developing and least developed countries. The EU and its member states fully agree with the African Group proposal that the Assembly of the Treaty should assume this responsibility. However, requiring an evaluation report for every ordinary session of the Treaty Assembly would not be the most effective means of monitoring activity.
8. WIPO provides a substantial amount of technical assistance as part of the implementation of the Development Agenda, with other assistance being provided by committees. Even though this assistance is not provided as a direct result of the Treaty itself, some will assist in the implementation of the Designs Treaty. WIPO and its committees do not routinely produce reports or evaluations on technical assistance and capacity building, or necessarily that correspond with the meeting of the SCT. This makes the collation of information for a report by the SCT Assembly for every ordinary session both impractical and unduly complex and would not ensure the accurate and comprehensive assessment that all would want. Doing so at regular intervals when sufficient information is available to be assessed will best ensure effective monitoring and reporting.
9. WIPO already provides financial and other assistance to enable delegations from developing and least developed countries to attend meetings. Whilst this assists in the development of the Designs Treaty text it does not do so in the implementation of the Designs Treaty; this is what any technical assistance and capacity building is to facilitate. The EU and its member states therefore consider that the assistance proposed by Article C is not a matter of technical assistance or capacity building within the context of the implementation of the Designs Treaty.
10. Article B(5) is very general in its potential application such that it is not possible to say it is within the intent of any technical assistance and capacity building in relation to the implementation of the Treaty.
11. Article E relating to the communication of registered design information seems to have nothing to do with the consequences of implementing the Treaty.
12. Taking all of the above into account, the EU and its member states propose the following Article in recognition of the need for technical assistance and capacity building in the implementation of the Treaty:

“Article x

Technical Assistance

1. *The Contracting Parties and the World Intellectual Property Organisation shall seek to provide technical assistance and capacity building, as requested, by developing countries that are party to this Treaty.*
2. *This assistance shall have as its aim the consistent and proper application of this Treaty between the Parties as well as enabling signatories to benefit from the provisions of this Treaty.*
3. *The technical assistance shall comprise, among other things, the training of specialists, the loaning of experts, and the supply of equipment both for demonstration and for operational purposes.*
4. *The Assembly (established under Article 22) shall review at regular intervals the technical assistance provided under this Article to Contracting Parties which are developing countries.”*
5. *The International Bureau shall seek to enter into agreements, on the one hand, with international financing organizations and intergovernmental organizations, particularly the United Nations, the agencies of the United Nations, and the Specialized Agencies connected with the United Nations concerned with technical assistance, and, on the other hand, with the Governments of the States receiving the technical assistance, for the financing of projects pursuant to this Article.*

Paragraph 1 of this draft Article limits the potential for technical assistance and capacity building to States that have already signed, ratified or acceded to the Treaty. Signing the Treaty shows a commitment to implementation that justifies the provision of assistance, but does not place any obligations for its implementation until such a time as the signatory is technically, legally and administratively ready.

Paragraph 2 of this draft Article recognises the need for technical assistance and capacity building to be “targeted” and “demand driven” and aims to support both recipients and providers in deciding where to target their resources.

Paragraph 3 of this draft Article allows for the same technical assistance as under the PCT (Article 51(3(b))). The “training of specialists, the loaning of experts, and supply of equipment” are given by way of example and do not limit the scope of the technical assistance available.

Paragraph 4 of this draft Article gives the Assembly the responsibility and power to review the technical assistance and capacity building. This avoids the uncertainty (and duplication) created by Article 51 of the PCT which requires the creation of a Working Group for this purpose. The paragraph fulfils the General Assembly requirement for WIPO Bodies to provide the Assemblies with a description of their contribution to the implementation of the respective Development Agenda Recommendations.

Paragraph 5 of this draft Article allows for the same financial provisions as that under the PCT Article 51 (4). This will help ensure the financial sustainability of technical assistance provided under this treaty.

Although simpler in the wording, in real terms this proposed draft Article provides for the same Technical Assistance and Capacity Building as would be possible under Article B of the African Group proposal

[End of Annex and of document]