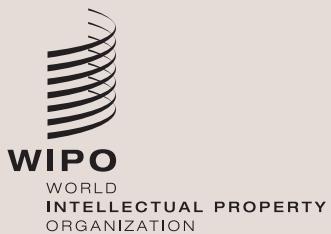


Implications of the TRIPS Agreement on Treaties Administered by WIPO

Treaties



IMPLICATIONS OF THE TRIPS AGREEMENT ON TREATIES ADMINISTERED BY WIPO

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Editor's Note

The General Assembly of WIPO, in its September/October 1994 session, decided that "...the International Bureau should prepare studies on the implications of the said [the TRIPS] Agreement on the treaties administered by WIPO" (document WO/GA/XV/3, paragraph 74).

The present study takes one-by-one each of the 73 Articles of the TRIPS Agreement and, where the Article seems to have "implications" on any WIPO-administered treaty, dwells longer on the Article and points out, unless obvious, any possible change in the obligations of a State which is a party to the relevant WIPO-administered treaty and which is also a Member of WTO and therefore will be bound (generally as from January 1, 1996) by the TRIPS Agreement. The change in such obligations is obvious where this study contains, in respect of provisions of the TRIPS Agreement, words to the effect that there are no corresponding provisions in the relevant WIPO-administered treaty. Of course, this does not necessarily imply that changes in national legislation would, in all cases, be required, since, in many cases, such legislation is already in harmony with the TRIPS Agreement.

It is to be noted that this study and any further studies of the International Bureau do not constitute an official interpretation of the WIPO-administered treaties, the TRIPS Agreement or any other official text in the field of intellectual property.

The States which are party to the Paris Convention and/or the Berne Convention and the entities which are Members of WTO are listed on the accompanying insert.

Geneva, October 1996

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**Part I of the TRIPS Agreement, entitled
“GENERAL PROVISIONS AND BASIC PRINCIPLES”**

1. This Part of the TRIPS Agreement consists of eight Articles (Articles 1 to 8).
2. **Article 1, entitled “Nature and Scope of Obligations,”** contains criteria as to who--on the basis of nationality--the beneficiaries of the protection provided for by the TRIPS Agreement are. Those criteria are similar to the criteria contained in the Paris, Berne and Rome Conventions (see TRIPS Agreement, Article 1, paragraph 3; Paris Convention, Articles 2 and 3; Berne Convention, Articles 3 and 4; Rome Convention, Articles 4, 5 and 6). This Article also defines the term “intellectual property” as referring to “all categories of intellectual property that are the subject of Sections 1 through 7 of Part II” (paragraph 2). Other areas of intellectual property (for example, utility models) are therefore not covered by the TRIPS Agreement.
3. **Article 2, entitled "Intellectual Property Conventions,"** is of utmost importance, since it provides that, in respect of the following Parts of the TRIPS Agreement, Members must comply with Articles 1 through 12 and Article 19 of the Paris Convention: Part II which is entitled "Standards Concerning the Availability, Scope and Use of Intellectual Property Rights" and contains sections on copyright and related rights, trademarks, geographical indications, industrial designs, patents, layout-designs (topographies) of integrated circuits, protection of undisclosed information, and control of anti-competitive practices in contractual licenses, Part III which is entitled “Enforcement of Intellectual Property Rights,” and Part IV which is entitled “Acquisition and Maintenance of Intellectual Property Rights and Related *Inter-Partes* Procedures” (paragraph 1). It is useful that the same Article confirms that--with the exception of the TRIPS provisions on dispute prevention and settlement, transitional arrangements, institutional arrangements and final provisions--nothing

in the TRIPS Agreement "shall derogate from existing obligations that Members may have to each other under the Paris Convention, the Berne Convention, the Rome Convention and the Treaty on Intellectual Property in Respect of Integrated Circuits" (paragraph 2).

4. **Article 3, entitled "National Treatment,"** provides for national treatment in terms similar to those provided for in the Paris Convention (Articles 2 and 3) and the Berne Convention (Articles 3 to 5). As far as the beneficiaries of related rights are concerned, however, national treatment only applies in respect of the related rights provided for under the TRIPS Agreement itself.

5. **Article 4, entitled "Most-Favoured-Nation Treatment,"** introduces a principle that is absent from the Paris and Berne Conventions. The principle is expressed as follows: "With regard to the protection of intellectual property, any advantage, favour, privilege or immunity granted by a Member to the nationals of any other country shall be accorded immediately and unconditionally to the nationals of all other Members." There are exemptions to this rule. Among them are related rights not provided for in the TRIPS Agreement itself and--under certain conditions--advantages deriving from international agreements related to the protection of intellectual property which entered into force prior to the entry into force of the WTO Agreement.

6. **Article 5, entitled "Multilateral Agreements on Acquisition or Maintenance of Protection,"** provides that the above-mentioned rules on national treatment and most-favored-nation treatment "do not apply to procedures provided in multilateral agreements concluded under the auspices of WIPO relating to the acquisition or maintenance of intellectual property rights." At the present time (May 1996), the Patent Cooperation Treaty (PCT), the Madrid Agreement Concerning the International Registration of Marks and its Protocol, the Hague Agreement on the International Deposit of Industrial Designs and at least the provisions concerning registration of the Lisbon Agreement

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for. the Protection of Appellations of Origin and their International Registration seem to be such treaties.

7. **Article 6, entitled "Exhaustion,"** provides that (subject to the provisions on national treatment and most-favoured-nation treatment) for the purposes of dispute settlement under the TRIPS Agreement "nothing in this [the TRIPS] Agreement shall be used to address the issue of the exhaustion of intellectual property rights." This is a provision that has no corresponding provision in either the Paris Convention or the Berne Convention, both of which are silent on exhaustion of rights whether for the purpose of dispute settlement or any other purpose.

8. **Article 7, entitled "Objectives,"** states what intellectual property should contribute to. It is a "should" rather than a "shall" provision. There is no corresponding statement in the Paris and Berne Conventions.

9. **Article 8, entitled "Principles,"** empowers Members to adopt measures in the interest of the protection of public health and nutrition, the promotion of the public interest in certain cases as well as the prevention of the abuse of intellectual property rights and "the resort to practices which unreasonably restrain trade or adversely affect the international transfer of technology." However, in any of these cases, the measures must be "consistent with the provisions of this [the TRIPS] Agreement." Neither the Paris Convention nor the Berne Convention contains comparable statements but it goes without saying that States party to either or both of those Conventions may take such measures provided such measures are consistent with the requirements of the Paris and Berne Conventions.

**Part II of the TRIPS Agreement, entitled
“STANDARDS CONCERNING THE AVAILABILITY, SCOPE
AND USE OF INTELLECTUAL PROPERTY RIGHTS”**

10. This Part of the TRIPS Agreement consists of eight Sections (Copyright and Related Rights, Trademarks, Geographical Indications, Industrial Designs, Patents, Layout-Designs (Topographies) of Integrated Circuits, Protection of Undisclosed Information, Control of Anti-Competitive Practices in Contractual Licenses) and 32 Articles (Articles 9 to 40). Each Section is presented separately.

**Part II, Section 1, of the TRIPS Agreement, entitled
“COPYRIGHT AND RELATED RIGHTS”**

11. This Section consists of six Articles (Articles 9 to 14). Five of those Articles deal with copyright (Articles 9 to 13), and one of them (Article 14) deals with what are called related rights. ("Neighboring rights" is a term usually used in WIPO documents to designate related rights, that is, the rights of performers, producers of phonograms and broadcasting organizations.)

12. It is to be borne in mind that Part I of the TRIPS Agreement (General Provisions and Basic Principles), described at the beginning of this paper, applies also to copyright and related rights.

13. **Article 9, entitled "Relation to the Berne Convention,"** consists of two paragraphs.

14. Paragraph 1 reads as follows: "Members shall comply with Articles 1 through 21 of the Berne Convention (1971) and the Appendix thereto. However, Members shall not have rights or obligations under this Agreement in respect of the rights conferred

under Article 6bis of that Convention or of the rights derived therefrom."

15. *Provisions of the Berne Convention to Be Complied With.* Article 1 of the Berne Convention establishes the Berne Union.

16. Articles 2 to 19 of the Berne Convention contain the substantive copyright law provisions of that Convention. They deal with the following questions: works to be protected (Article 2), works which may be excluded from protection (Article 2bis), criteria of eligibility for protection under the Convention (Articles 3 and 4), national treatment, etc. (Article 5), possible restriction of protection in respect of certain works of nationals of certain countries not party to the Convention (Article 6), minimum term of protection (Articles 7 and 7bis), right of translation (Article 8), right of reproduction (Article 9), possible cases in which a work may be freely used (Articles 10 and 10bis), rights of performance and communication to the public of dramatic and musical works (Article 11), broadcasting and connected rights (Article 11bis), rights of recitation and communication to the public of literary works (Article 11ter), right of adaptation, etc. (Article 12), possible limitation of the right of recording of musical works (Article 13), rights in cinematographic works and connected rights (Article 14), ownership of copyright in cinematographic works (Article 14bis), *droit de suite* in works of art and manuscripts (Article 14ter), persons entitled to enforce rights (Article 15), seizure of infringing copies (Article 16), rights of Governments to permit, control or prohibit the circulation, presentation and exhibition of works (Article 17), applicability of the Convention by a country to works that exist when that country becomes party to the Convention (Article 18) and applicability of protection that is provided in the national law of a country and which protection is greater than the protection provided for by the Convention (Article 19).

17. Article 20, first sentence, of the Berne Convention is of particular relevance for the relations between the Berne Convention

and the TRIPS Agreement and, therefore, is quoted in full: "The Governments of the countries of the [Berne] Union reserve the right to enter into special agreements among themselves, in so far as such agreements grant to authors more extensive rights than those granted by the [Berne] Convention, or contain other provisions not contrary to this Convention." This provision is of particular importance since, for States that are party to the Berne Convention and are Members of WTO (and, consequently, are bound by the TRIPS Agreement), the TRIPS Agreement is a "special agreement" in the sense of Article 20 of the Berne Convention.

18. Finally, Article 21 of the Berne Convention and the Appendix to it provide for the possibility of developing countries to grant protection less than the other provisions of the Berne Convention would require in respect of the right of translation and the right of reproduction. The limits of such lesser protection are specified in the Appendix. To make use of the possibilities offered by the Appendix, the developing country must make a corresponding declaration to the Director General of WIPO. At the time of writing this paper (May 1996), only one such declaration was in effect: a declaration by Thailand, effective as of September 2, 1995, which, unless renewed, will lose its effect on October 10, 2004.

19. *Provisions of the Berne Convention Not to Be Complied With.* As already indicated, the TRIPS Agreement provides that "Members shall not have rights or obligations under this Agreement in respect of the rights conferred under Article 6bis of that [the Berne] Convention or of the rights derived therefrom" (Article 9, paragraph 1).

20. The rights conferred under Article 6bis of the Berne Convention are the so-called moral rights. It is customary to distinguish between two kinds of them, namely, "the right to claim authorship of the work" (Article 6bis(1), called "right of paternity") and the right "to object to any distortion, mutilation or other modification of, or other derogatory action in relation to, the said work" (*ibid*, called "right of respect").

21. The TRIPS Agreement does not specify which are the rights "derived" from Article 6bis of the Berne Convention. It is believed that the right provided in Article 10(3) of the Berne Convention may be such a right. Under paragraphs (1) and (2) of that Article, the author may not oppose, under certain circumstances, that quotations be made--without his authorization--from his work or that his work be used--without his authorization--for illustration in the course of teaching. It is in respect of these so-called "free uses" that Article 10(3) of the Berne Convention provides that mention must be made of the name of the author. In other words, it provides that the right of the paternity be respected. It would seem therefore that the TRIPS Agreement excludes the application of Article 10(3) of the Berne Convention, that is, that, under the TRIPS Agreement the said quotations and illustrations need not mention the name of the author. The same applies to Article IV(3) of the Appendix to the Berne Convention which provides that "The name of the author shall be indicated on all copies of the translation or reproduction published under a license granted under Article II or Article III." Furthermore, it would seem that the TRIPS Agreement also excludes the application of Article 11bis(2) of the Berne Convention to the extent that the latter provides that "they [that is, the conditions that may be determined under Article 11bis(2)] shall not in any circumstances be prejudicial to the moral rights of the author."

22. It is important to note that under Article 2, paragraph 2, of the TRIPS Agreement "Nothing in Parts I to IV of this Agreement [and Article 9 is in Part II] shall derogate from existing obligations that Members may have to each other under ... the Berne Convention ..."

23. Consequently, it would seem that a Member of WTO which is not party to the Berne Convention will not have to apply the provisions of the Berne Convention on moral rights and rights derived therefrom, while a Member of WTO which is party to the Berne Convention will have to apply those provisions, not only with respect to nationals of Members of WTO which are party to the Berne Convention, but also with respect to nationals of Members of WTO

which are not party to the Berne Convention (the latter by virtue of the national treatment (Article 3) and most-favored-nation treatment (Article 4) rules of the TRIPS Agreement). However, it would seem that disputes concerning the adequacy of moral right protection could not be the subject of WTO dispute settlement procedures since such procedures are--in the field of intellectual property--only available for disputes under the TRIPS Agreement (see Article 64 of that Agreement as well as Article 1 and Appendix 1 of the WTO Understanding on Rules and Procedures Governing the Settlement of Disputes).

24. *Non-protectable Subject Matter.* Paragraph 2 of Article 9 of the TRIPS Agreement provides that "Copyright protection shall extend to expressions and not to ideas, procedures, methods of operation or mathematical concepts as such."

25. The Berne Convention does not contain any specific provision on this issue; however, on the basis of the legislative history of the Berne Convention, as reflected in the records of the various diplomatic conferences adopting and revising the Berne Convention, and on the basis of its generally accepted interpretation, the principles set forth in the above-quoted provision of the TRIPS Agreement have always been followed under the Berne Convention. This is so because the Berne Convention protects *works*, and it does not protect ideas, etc., since ideas, etc., are *not* works. Consequently, in this matter there is no difference between the requirements of the Berne Convention and the TRIPS Agreement.

26. **Article 10, entitled "Computer Programs and Compilations of Data,"** consists of two paragraphs.

27. *Computer Programs.* Paragraph 1 provides that "Computer programs, whether in source or object code, shall be protected as literary works under the Berne Convention (1971)."

28. The question arises why the TRIPS Agreement speaks of literary works.

29. There is only one provision in the Berne Convention in which the term "literary works" appears rather than the term "literary and artistic works," namely Article 11ter of the Convention on the public recitation of literary works (and the communication to the public of the recitation of such works). This, however, does not seem to be relevant to computer programs because computer programs are hardly susceptible of recitation.

30. It would rather seem that the reference to literary works is intended to discard any possibility of considering computer programs as artistic works and, in particular, works of applied art. Works of applied art have, under the Berne Convention, a minimum term of protection that is shorter (25 years) than the general term of protection (50 years), and their protection is subject to reciprocity (see Berne Convention, Articles 2(7) and 7(4)).

31. The Berne Convention does not mention computer programs. However, it is generally believed that it covers them since the Berne Convention provides that it applies to "every production in the literary, scientific and artistic domain, whatever may be the mode or form of its expression" (Article 2(1)) and that a computer program is a production in the literary domain. Presumably, it was still considered safer by the authors of the TRIPS Agreement not to rely only on this interpretation of the Berne Convention but to provide in the TRIPS Agreement *expressis verbis* for the protection (as literary works) of computer programs.

32. Consequently, States party to the Berne Convention and the TRIPS Agreement whose national copyright laws do not mention computer programs among protected works would be well-advised if they would complete their laws accordingly.

33. *Compilations of Data.* Paragraph 2 of Article 10 of the TRIPS Agreement provides that "Compilations of data or other material, whether in machine readable or other form, which by reason of the selection or arrangement of their contents constitute intellectual creations shall be protected as such. Such protection, which shall not extend to the data or material itself, shall be without prejudice to any copyright subsisting in the data or material itself."

34. It is to be noted that the TRIPS Agreement provides that compilations of data and other material must be protected "as such." It is not said that such compilations must be protected as works. But this can be assumed since the provision appears in that part of the TRIPS Agreement which deals with copyright (rather than related rights).

35. This assumption can also be based on the fact that Article 10, paragraph 2, of the TRIPS Agreement uses some basic elements of the language of Article 2(5) of the Berne Convention. It is a kind of adapted version of the latter, but the key words--"which, by reason of the selection [and] [or] arrangement of their contents, constitute intellectual creations, shall be protected as such"--are the same. This seems to be a sufficiently clear indication that what is meant under Article 10, paragraph 2, of the TRIPS Agreement is the same as what is meant under Article 2(5) of the Berne Convention, namely that these "intellectual creations" are to be protected as works under the Berne Convention, and, because no specific status of such works is referred to, they are to be protected under the general provisions of the Convention concerning "literary and artistic works."

36. The "contents," the selection and/or arrangement of which may constitute "intellectual creations," are different in the two provisions: in the case of Article 2(5) of the Berne Convention, the contents must be "literary and artistic works," while, in the case of Article 10, paragraph 2, of the TRIPS Agreement, the contents are "data or other material." This does not seem to mean, however, that the latter provision provides for the protection of productions that are not

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protected under the Berne Convention. In the case of collections or compilations, it is not their contents which is the subject matter of protection but the intellectual creation consisting of the selection and/or arrangement of the contents. Since, under Article 2(1) of the Berne Convention, every production in the literary, scientific and artistic domain is protected as a literary and/or artistic work, any production consisting of the original selection of data and/or other material not protected by copyright (the same kind of creation as the one in respect of which Article 2(5) of the Berne Convention clarifies that it is also protected as a literary and/or artistic work) is also protected--although not under Article 2(5), but under Article 2(1) of the Berne Convention--as a literary and/or artistic work.

37. Consequently, as far as compilations of data and other material are concerned, there seems to be no substantive difference between the requirements of the TRIPS Agreement and the Berne Convention, notwithstanding the fact that there are differences between the texts of the said Agreement and Convention in this respect.

38. **Article 11, entitled "Rental Rights,"** provides a rule (in its first sentence) and two exceptions to that rule (in the second and third sentences).

39. The rule is as follows: "In respect of at least computer programs and cinematographic works, a Member shall provide authors and their successors in title the right to authorize or prohibit the commercial rental to the public of originals or copies of their copyright works."

40. The first exception is qualified and conditional. It covers cinematographic works. It reads as follows: "A Member shall be excepted from this obligation in respect of cinematographic works unless such rental has led to widespread copying of such works which is materially impairing the exclusive right of reproduction conferred in that Member on authors and their successors in title." In other words, whether a rental right of cinematographic works is to be recognized

depends on the factual situation in the country or other Member of WTO: if the commercial rental has led to widespread unauthorized copying, the rental right must be recognized; if the commercial rental has not led to widespread unauthorized copying, the rental right need not be recognized.

41. The second exception concerns computer programs. It reads as follows: "In respect of computer programs, this obligation [that is, the obligation of providing for a right to authorize or prohibit commercial rental] does not apply to rentals where the program itself is not the essential object of the rental." This seems to mean that, when what is rented is something that mainly consists of an object other than a protected computer program and when the presence of a computer program is of secondary importance or incidental, the right of rental need not be recognized.

42. The Berne Convention does not mention rental rights; therefore, the obligations referred to above are new for countries party to the Berne Convention.

43. **Article 12, entitled "Term of Protection,"** reads as follows: "Whenever the term of protection of a work, other than a photographic work or a work of applied art, is calculated on a basis other than the life of a natural person, such term shall be no less than 50 years from the end of the calendar year of authorized *publication*, or, failing such authorized publication within 50 years from the making of the work, 50 years from the end of the calendar year of *making*" (emphasis added).

44. Under the Berne Convention, the minimum term of protection is 50 years and must be calculated from the *author's death* (see Article 7(1)). However, according to the Berne Convention, in three cases national legislations may, and in one case must, depart from this rule.

- (i) In the case of a cinematographic work, the minimum term is 50 years and it may be calculated from the work's *having been made available to the public* with the consent of the author or, failing such an event, from the *making* of the cinematographic work (see Article 7(2)).
- (ii) In the case of a photographic work, the minimum term is 25 years and it may be calculated from the *making* of the work (see Article 7(4)).
- (iii) In the case of a work of applied art, the minimum term is 25 years and it may be calculated from the *making* of the work (see Article 7(4)).
- (iv) In the case of an anonymous or pseudonymous work, the minimum term is 50 years and it must be calculated from the work's *having been made available to the public*, provided the making available was lawful; however, this rule is subject to two possible exceptions: one is that where the author discloses his identity, the 50-year term must be calculated from *the author's death*; the other is that when it is reasonable to presume that the author has been dead for 50 years, the protection may be discontinued 50 years after *the author's death* (see Article 7(3)).

45. The rules of the Berne Convention are not affected by the TRIPS Agreement as far as photographic works and works of applied art are concerned since Article 12 of the TRIPS Agreement is, according to the terms of that Article, not applicable to those works.

46. However, the rules of the Berne Convention are affected by the TRIPS Agreement in respect of cinematographic works whenever a State member of the Berne Convention makes use of the faculty of calculating the term not from the author's death but from the cinematographic work's *having been made available to the public* or, failing such event, from its *making*. Under the TRIPS Agreement, when the term is calculated on a basis other than the life of a natural

person--and the case just described is such a case--the minimum term is 50 years and must be calculated "from the end of the calendar year of authorized *publication* [i.e., making available of copies] or, failing such authorized publication within 50 years from the making of the work, 50 years from the end of the calendar year of *making*" [emphasis added].

47. *Publication* is a form of *making available to the public* (since it involves *making available copies of the work to the public*). There are, however, also other forms of making available to the public which are not covered by the notion of "publication" under Article 3(3) of the Berne Convention, since they do not involve making available copies of the work (such as public performance, broadcasting or other communication to the public). This means that, in certain cases, the minimum term of protection will be longer under the TRIPS Agreement than under the Berne Convention; namely in cases where the first lawful making available of a work to the public is not through publication but in another form (such as public performance). In such a case, the 50-year term of protection starts under the Berne Convention but does not start yet under the TRIPS Agreement; under the latter, it only starts with the eventual authorized publication of the work, and, thus, ends later. In other--although less typical--cases, the minimum term of protection will be longer under the Berne Convention than under the TRIPS Agreement; namely when no authorized publication takes place within 50 years from the end of the calendar year of the making of the work, but the work is made available to the public, with the consent of the author, within that period in another form (such as public performance). In such a case, the 50-year term of protection would expire under the TRIPS Agreement when 50 years from the making of the work has elapsed, while under the Berne Convention it expires as much later (up to 50 years minus one day) as the time elapsed from the making of the work until its making available to the public, with the consent of the author, in a form different from publication.

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48. The same applies in respect of anonymous and pseudonymous works.

49. This means that a Member of WTO which is also party to the Berne Convention may only make its legislation fully compatible with both the TRIPS Agreement and the Berne Convention if it provides that, in the cases discussed above, (i) the term of protection is 50 (or more, as determined in national law) years from the end of the calendar year of the first authorized publication of the work; (ii) failing such publication within 50 years from the end of the calendar year of the making of the work, the term of protection is 50 years from the end of the calendar year of any other first making available to the public of the work with the consent of the author; and (iii) failing both an authorized publication and any other making available to the public with the consent of the author within 50 years from the making of the work, the term of protection is 50 years from the end of the calendar year of making.

50. **Article 13, entitled "Limitations and Exceptions,"** provides that "Members shall confine limitations or exceptions to exclusive rights to certain special cases which do not conflict with a normal exploitation of the work and do not unreasonably prejudice the legitimate interests of the right holder."

51. The Berne Convention contains a similar provision concerning the exclusive right of reproduction (Article 9(2)) and a number of exceptions or limitations to the same and other exclusive rights (see Articles 10, 10bis and 14bis(2)(b)) and, it permits the replacement of the exclusive right of broadcasting, and the exclusive right of recording of musical works, by non-voluntary licenses (see Articles 11bis(2) and 13(1)).

52. None of the limitations and exceptions permitted by the Berne Convention should, if correctly applied, conflict with the normal exploitation of the work and none of them should, if correctly applied, prejudice unreasonably the legitimate interests of the right holder.

53. Thus, generally and normally, there is no conflict between the Berne Convention and the TRIPS Agreement as far as exceptions and limitations to the exclusive rights are concerned.

54. Article 14, entitled “**Protection of Performers, Producers of Phonograms (Sound Recordings) and Broadcasting Organizations**,” consists of six paragraphs.

55. *Rights of Performers: Fixation of Live Performances; Reproduction of Fixations of Performances.* The first sentence of paragraph 1 provides as follows: “In respect of a fixation of their performance on a phonogram, performers shall have the possibility of preventing the following acts when undertaken without their authorization: the fixation of their unfixed performance and the reproduction of such fixation.”

56. As far as the fixation of performances--they must be *live* performances--is concerned, the coverage of the above-quoted provision is narrower than the coverage of the relevant provisions (Article 7.1) of the Rome Convention, since the provision in the TRIPS Agreement only covers the fixation of a live performance *on a phonogram*, while, under Article 7.1(b) of the Rome Convention, the protection provided for performers must include the possibility of preventing fixation, on *any* medium. (The TRIPS Agreement does not contain any definition of “phonogram” but it includes, by reference, some provisions of the Rome Convention in which the term “phonogram” is used; the absence of any separate definition seems to indicate that the definition contained in Article 3(b) of the Rome Convention is applicable, according to which “‘phonogram’ means any *exclusively aural* fixation of sounds of a performance or of other sounds” (emphasis added).)

57. In respect of the reproduction of *the fixation* of performances, although the language of the relevant provisions in the TRIPS Agreement (see the above-quoted provision) and in the Rome Convention (see Article 7.1(c)) differs, the effect of those provisions

is practically the same: there is an obligation to grant performers the possibility of preventing the reproduction of such fixations if the reproduction is made without their consent/authorization. The coverage of Article 7.1(c) of the Rome Convention is, however, broader in the same aspects, and for the same reasons, as indicated in the preceding paragraph.

58. *Rights of Performers: Broadcasting and Communication to the Public of Live Performances.* The second sentence of paragraph 1 of Article 14 of the TRIPS Agreement provides as follows: “Performers shall also have the possibility of preventing the following acts when undertaken without their authorization: the broadcasting by wireless means and the communication to the public of their live performance.”

59. Article 7.1(a) of the Rome Convention provides for performers the possibility of preventing “the broadcasting and the communication to the public, without their consent, of their performance, except where the performance used in the broadcasting or the public communication is itself already a broadcast performance or is made from a fixation.” A “broadcast performance” may still be a live performance (unless, in parallel with the broadcasting, a fixation is made); therefore, the coverage of Article 7.1(a) might seem to be narrower than the above-quoted provision of the TRIPS Agreement (which uses the expression “live performance” without any limitation). This is not the case, however, for the following reasons: The TRIPS Agreement does not contain any definition of “broadcasting,” and/or “rebroadcasting” but it includes, by reference, some provisions of the Rome Convention in which those terms are used; the absence of separate definitions seems to indicate that the definitions contained in Article 3(f) and (g) of the Rome Convention prevail, according to which “‘broadcasting’ means the transmission by wireless means for public reception of sounds or of images and sounds,” and “‘rebroadcasting’ means the simultaneous broadcasting by one broadcasting organization of the broadcast of another broadcasting organization.” The above-quoted provision of the

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TRIPS Agreement only covers broadcasting and does not cover rebroadcasting; consequently, its effect is the same as that of Article 7.1(a) of the Rome Convention. In this respect, Article 7.2(1) of the Rome Convention should also be taken into account, according to which “If broadcasting was consented to by the performers, it shall be a matter for domestic law of the Contracting State where protection is claimed to regulate the protection against rebroadcasting, fixation for broadcasting purposes and the reproduction of such fixation for broadcasting purposes.” This provision seems to be covered by the first sentence of paragraph 6 of Article 14 of the TRIPS Agreement (see below) under which “Any Member may, in relation to the rights conferred under paragraphs 1, 2 and 3, provide for conditions, limitations, exceptions and reservations to the extent permitted by the Rome Convention.” Thus, rebroadcasting is a matter for national legislation under both the Rome Convention and the TRIPS Agreement.

60. *Rights of Producers of Phonograms: Reproduction.* Paragraph 2 of Article 14 of the TRIPS Agreement provides that “Producers of phonograms shall enjoy the right to authorize or prohibit the direct or indirect reproduction of their phonograms.”

61. In this respect, there is no difference between the obligations under the TRIPS Agreement and the Rome Convention, since the above-quoted provision is a word-for-word repetition of Article 10 of the Rome Convention.

62. *Rights of Performers and Producers of Phonograms: Broadcasting and Communication to the Public of Certain Phonograms.* The TRIPS Agreement does not contain any provision on such acts.

63. Article 12 of the Rome Convention provides as follows: “If a phonogram published for commercial purposes, or a reproduction of such phonogram, is used directly for broadcasting or for any communication to the public, a single equitable remuneration shall be

paid by the user to the performers, or to the producers of the phonograms, or to both. Domestic law may, in the absence of agreement between these parties, lay down the conditions as to the sharing of this remuneration.” However, Article 16.1(a) of the Convention allows Contracting States to make four different kinds of reservations, three of which result in narrowing the scope of application of the above-quoted provision, while the fourth one consists of a complete exclusion of its application. Thus, although the Rome Convention grants, in this respect, performers and/or producers of phonograms certain rights which are not granted by the TRIPS Agreement, any country which becomes party to the Rome Convention is not obliged to grant such rights provided that it makes use of the fourth kind of reservation allowed by the Rome Convention.

64. *Rights of Broadcasting Organizations.* Paragraph 3 of Article 14 of the TRIPS Agreement provides as follows: “Broadcasting organizations shall have the right to prohibit the following acts when undertaken without their authorization: the fixation, the reproduction of fixations, and the rebroadcasting by wireless means of broadcasts, as well as the communication to the public of television broadcasts of the same. Where Members do not grant such rights to broadcasting organizations, they shall provide owners of copyright in the subject matter of broadcasts with the possibility of preventing the above acts, subject to the provisions of the Berne Convention (1971).”

65. Under Article 13 of the Rome Convention, the right of broadcasting organizations “to authorise or prohibit” also extends to the fixation, the reproduction of fixation (without their consent) and the rebroadcasting by wireless means of their broadcasts but, in the case of communication to the public, it only covers communication to the public of television broadcasts and only under certain conditions; furthermore, in the latter case, the State where protection is claimed may determine conditions under which this right may be exercised

and Article 16.1(b) even allows a reservation to completely exclude the application of the right, in such a case.

66. While the comparison of the first sentence of the above-quoted paragraph of the TRIPS Agreement and the provisions of the Rome Convention referred to in the preceding paragraph may suggest that the TRIPS Agreement grants more rights to broadcasting organizations than the Rome Convention, on the basis of the second sentence of the above-quoted paragraph, just the contrary seems to be the case: the first phrase of this second sentence ("Where Members do not grant such rights to broadcasting organizations") indicates that actually no obligation--but only an option--is provided to grant such rights to broadcasting organizations.

67. The full second sentence reads as follows: "Where Members do not grant such rights to broadcasting organizations, they shall provide owners of copyright in the subject matter of broadcasts with the possibility of preventing the above acts, subject to the provisions of the Berne Convention (1971)." Any subject matter of broadcasts that is protected by copyright "subject to the Berne Convention (1971)" is necessarily covered by the category of literary and artistic works. Thus, irrespective of whether or not a Member grants specific rights to broadcasting organizations as provided for in the first sentence of Article 14, paragraph 3, of the TRIPS Agreement, that Member, on the basis of Article 9, paragraph 1, is already obliged to grant copyright protection for such subject matter. The purpose and meaning of this provision is obviously not a mere repetition of that clear obligation. It rather seems to refer to the well-known differences between the national laws in respect of the actual coverage of the concept of works, and seems to state that only those Members may deny specific rights to broadcasting organizations in the copyright laws of which the concept of works is sufficiently broad to grant efficient protection to broadcasting organizations in respect of their broadcast programs.

68. The above-quoted second sentence of paragraph 3 of Article 14 of the TRIPS Agreement speaks about “the possibility of preventing the above acts, subject to the provisions of the Berne Convention.” The records of the 1961 Diplomatic Conference adopting the Rome Convention reflect that, in the case of Article 7 of the Convention (on the rights of performers), the use of the terms “the possibility of preventing” was intended to allow Contracting States to choose from among various means of protection (such as an exclusive right of authorization, the application of the law on unfair competition, or criminal sanctions). In the case of the above-quoted provision of the TRIPS Agreement, however, obviously no such freedom is granted to Members; what is involved is copyright protection, which is subject to the Berne Convention, and the provisions of that Convention on the right of broadcasting--Article 11bis--recognize only one possible means to provide “the possibility of preventing,” namely to grant an exclusive right of authorization.

69. *Rights of Phonogram Producers and other Right Holders: Rental Right in Phonograms.* The first sentence of paragraph 4 of Article 14 of the TRIPS Agreement provides as follows: “The provisions of Article 11 in respect of computer programs shall apply *mutatis mutandis* to producers of phonograms and any other right holders in phonograms, as determined in a Member’s law.”

70. As discussed above, under Article 11, in respect of computer programs, Members are obliged to provide for authors and their successors in title the right to authorize or to prohibit the commercial rental to the public of originals or copies of their copyright works. That obligation is applicable *mutatis mutandis* for phonograms in favor of producers of phonograms. As regards other possible right holders in phonograms--such as performers whose performances, and authors the performances of whose works, are fixed in phonograms--the expression “any other right holders in phonograms as determined in a Member’s law” indicates that Members are free to extend or not to extend that right to those other right holders.

71. The second sentence of the same paragraph allows an exception. It reads as follows: "If on 15 April 1994 [the date of the signature of the Agreement in Marrakesh] a Member has in force a system of equitable remuneration of right holders in respect of the rental of phonograms, it may maintain such system provided that the commercial rental of phonograms is not giving rise to the material impairment of the exclusive rights of reproduction of right holders."

72. The Rome Convention does not mention rental rights; therefore, the obligations referred to above are new for countries party to the Rome Convention.

73. *Performers and Producers of Phonograms: Term of Protection.* The first sentence of paragraph 5 of Article 14 of the TRIPS Agreement provides that "The term of the protection available under this Agreement to performers and producers of phonograms shall last at least until the end of a period of 50 years computed from the end of the calendar year in which the fixation was made or the performance took place."

74. Article 14(a) and (b) of the Rome Convention requires protection only for a period of 20 years from the end of the year when any of the above-mentioned event takes place. Thus, under the TRIPS Agreement, in respect of these beneficiaries of rights, the minimum term of protection is much longer than under the Rome Convention.

75. The second sentence of paragraph 5 of Article 14 of the TRIPS Agreement provides the following right for broadcasting organizations: "The term of protection granted pursuant to paragraph 3 shall last for at least 20 years from the end of the calendar year in which the broadcast took place."

76. Article 14(c) of the Rome Convention provides for the same minimum term of protection for the rights of broadcasters. Thus, in this respect, there is no difference between the obligations under the TRIPS Agreement and under the Rome Convention.

77. *Conditions, Limitations, Exceptions and Reservations.* The first sentence of paragraph 6 of Article 14 of the TRIPS Agreement provides that “Any Member may, in relation to the rights conferred under paragraphs 1, 2 and 3, provide for conditions, limitations, exceptions and reservations to the extent permitted by the Rome Convention.”

78. The text of the above-quoted provisions indicates that, in these fields, there is no difference between the TRIPS Agreement and the Rome Convention.

79. *Retroactivity.* The second sentence of the same paragraph of the TRIPS Agreement reads as follows: “However, the provisions of Article 18 of the Berne Convention (1971) shall also apply, *mutatis mutandis*, to the rights of performers and producers of phonograms in phonograms.”

80. Article 20 of the Rome Convention provides as follows: “This Convention shall not prejudice rights acquired in any Contracting State before the date of coming into force of this Convention for that State” (paragraph 1). “No Contracting State shall be bound to apply the provisions of this Convention to performances or broadcasts which took place, or to phonograms which were fixed, before the date of coming into force of this Convention for that State” (paragraph 2).

81. Article 18 of the Berne Convention--the application of which is extended by the TRIPS Agreement to performers and producers of phonograms in phonograms--contains three elements. Its paragraph (1) provides that “This Convention shall apply to all works which, at the moment of its coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection.” That is, in such a case, the Convention has retroactive effect. Paragraph (2) contains an exception to this principle: “If, however, through the expiry of the term of protection which was previously granted, a work has fallen into the public domain of the country where protection is claimed, that work shall not

be protected anew.” Finally, paragraph (3) provides that “The application of this principle shall be subject to any provisions contained in special conventions to that effect existing or to be concluded between countries of the Union. In the absence of such provisions, the respective countries shall determine, each in so far as it is concerned, the conditions of application of this principle.”

82. This means that, while the Rome Convention does not require retroactive application of its provisions, the TRIPS Agreement provides for such application in respect of the rights of performers and producers of phonograms in phonograms with the possible exceptions and under the conditions provided for in the above-quoted provisions of Article 18 of the Berne Convention.

**Part II, Section 2, of the TRIPS Agreement, entitled
“TRADEMARKS”**

83. This Section consists of six Articles (Articles 15 to 21).

84. It is to be borne in mind that Part I of the TRIPS Agreement (General Provisions and Basic Principles), described at the beginning of this paper, applies also to marks and, in particular, that the provisions of the Paris Convention concerning marks must be complied with by Members of WTO (see Article 2, paragraph 1 of the TRIPS Agreement). Apart from provisions of the Paris Convention applying to all kinds of industrial property (such as national treatment (Articles 2 and 3) and grace period for the payment of fees (Article 5bis(1))) and which consequently apply to marks, the Paris Convention also contains provisions expressly dealing with marks, particularly on the right of priority (Article 4), the use of the mark (Article 5C), the indication on goods of the fact that the mark is a registered mark (Article 5D), the independence of a registration of a mark in a country from the fate of the same mark in another country (Article 6), protection of well-known marks (Article 6bis), prohibitions concerning State emblems, etc. (Article 6ter), assignment

of marks (Article 6*quater*), conditions of the registration of a mark which has been registered in another country (Article 6*quinquies*), protection of service marks (Article 6*sexies*), registration of a mark in the name of an agent of the proprietor (Article 6*septies*), nature of the goods or services (Article 7), collective marks (Article 7*bis*), enforcement measures (Article 9), temporary protection at certain international exhibitions (Article 11), and establishment of a special industrial property service (Article 12).

85. It is to be noted that the present paper uses the term "mark" in the sense that it covers both marks relating to goods (that is, trademarks in its narrower sense) and marks relating to services (service marks). This terminology corresponds to that of the Trademark Law Treaty (1994), hereinafter referred to as the TLT. The TRIPS Agreement uses the term "trademark" in the broader sense, that is, in the sense that it covers marks both for goods and for services.

86. **Article 15, entitled "Protectable Subject Matter,"** consists of five paragraphs dealing with the questions invoked below.

87. *Definition.* The TRIPS Agreement defines the signs that must be considered as capable of constituting a mark (paragraph 1); the Paris Convention does not contain a definition.

88. *Registrability and Priority Right.* The TRIPS Agreement requires the registrability of marks, and provides for a priority right, in respect of goods and services (paragraph 1 and Article 62, paragraph 3). The Paris Convention requires the registrability of marks, and provides for a priority right, in respect of goods but not services, although it requires that marks for services be protected (Article 6*sexies*). The TLT requires the registrability of marks, and provides for a priority right, in respect of services (Article 16).

89. *Distinctiveness.* The TRIPS Agreement states that, where signs are not inherently capable of distinguishing the relevant goods or services, Members may make registrability depend on distinctiveness acquired through use (paragraph 1). Article 6*quinquies* B(2) of the Paris Convention, which applies to the registration of marks which have been duly registered in the country of origin, provides that a mark may be denied registration if it is devoid of any distinctive character, whereas Article 6*quinquies* C(1) requires that all factual circumstances be taken into consideration in determining whether a mark is eligible for protection, including the length of time the mark has been in use.

90. *Visually Perceptible Signs.* The TRIPS Agreement allows Members to require, as a condition of registration of a mark, that a sign be visually perceptible (paragraph 1). The Paris Convention neither allows nor prohibits such a requirement. The TLT does not apply to holograms or to marks not consisting of visible signs (Article 2(1)(b)).

91. *Grounds for Denying Registration.* The TRIPS Agreement confirms that no ground for denial of a registration of a mark may “derogate” from the provisions of the Paris Convention (paragraph 2 and Article 2, paragraph 2). The Paris Convention contains an exhaustive list of the grounds on which a mark that has been registered in the country of origin may be refused protection in other countries members of the Paris Union (Article 6*quinquies* B).

92. *Use as a Requirement for Filing an Application.* Under the TRIPS Agreement, Members may not require use as a condition for filing an application for registration (paragraph 3). The Paris Convention is silent on this question, but the TLT does not allow use as a requirement for the filing of an application for registration (Article 3).

93. *Use as a Requirement for Registration.* The TRIPS Agreement allows Members to make registrability dependent on use of the mark,

but an application for registration may not be rejected merely because the mark has not been used within three years after the filing date (paragraph 3). The Paris Convention does not expressly deal with this issue, but Article 6^{quinquies}B contains an exhaustive list of grounds for denial of a registration based on the registration of the mark in the country of origin, which does not include non-use.

94. *Nature of the Goods or Services.* The TRIPS Agreement provides that the nature of the goods or services to which a mark is to be applied cannot be an obstacle to the registration of the mark (paragraph 4). The Paris Convention contains the same rule in respect of marks concerning goods (Article 7). The TLT extends this rule to marks concerning services (Article 16).

95. *Publication.* The TRIPS Agreement provides that "Members shall publish each trademark either before it is registered or promptly after it is registered..." (paragraph 5). The Paris Convention requires the publication of "the reproductions of registered trademarks" (Article 12(2)(b)). It would seem, therefore, that publication only before registration, without at least a published reference to the mark (for goods) after registration, would not be sufficient in the case of Members of WTO that are party also to the Paris Convention.

96. *Cancellation.* The TRIPS Agreement provides that Members must "afford a reasonable opportunity for petitions to cancel the registration" of a mark (paragraph 5). The Paris Convention is silent on the matter, but most countries party to the Paris Convention provide for the possibility of petitioning the cancellation of the registration of a mark.

97. *Opposition.* The TRIPS Agreement provides that "In addition [i.e., in addition to the possibility of asking for cancellation], Members *may* afford an opportunity for the registration of a trademark to be opposed" (paragraph 5; emphasis added). The Paris Convention is silent on the possibility of opposition, but many States party to the Paris Convention provide for such a possibility.

98. **Article 16, entitled "Rights Conferred,"** consists of three paragraphs. Paragraph 1 deals with the rights of the owner of any registered mark, whereas paragraphs 2 and 3 deal with well-known marks.

99. *Rights in a Registered Mark.* The TRIPS Agreement provides for the exclusive right to use by the owner of the registration (paragraph 1). It also allows Members to make rights available on the basis of use (rather than registration) (paragraph 1). The Paris Convention is silent on these matters.

100. *Rights in Well-Known Marks.* Article 6bis of the Paris Convention contains detailed rules on the protection of well-known marks for goods. The TRIPS Agreement makes these rules also applicable to well-known marks for services (paragraph 2). The TLT extends the application of Article 6bis of the Paris Convention to service marks (Article 16).

101. Furthermore, whereas the Paris Convention requires that the mark be considered well known by the competent authority of the country of registration or use (see Article 6bis(1)), the TRIPS Agreement obliges Members also to "take account of the knowledge of the trademark in the relevant sector of the public, including knowledge in the Member concerned which has been obtained as a result of the promotion of the trademark" (paragraph 2). The Paris Convention is silent on knowledge in the relevant sector of the public and on knowledge resulting from publicity.

102. Finally, whereas the Paris Convention protects well-known marks in respect of "identical or similar goods," that is, goods that are identical with or similar to the goods for which the well-known mark is registered or used (see Article 6bis(1)), the TRIPS Agreement provides, in special circumstances, for the protection of well-known marks in respect also of non-similar goods or services (paragraph 3).

103. **Article 17, entitled "Exceptions,"** stipulates that "Members may provide limited exceptions to the rights conferred by a trademark, such as fair use of descriptive terms, provided that such exceptions take account of the legitimate interests of the owner of the trademark and of third parties." Since, as already stated, the Paris Convention does not, whereas the TRIPS Agreement does, contain rules concerning the rights of the owner of the mark, it is only logical that the Paris Convention does not contain a provision on exceptions to rights.

104. **Article 18, entitled "Term of Protection,"** provides in its first sentence that "Initial registration, and each renewal of registration, of a trademark shall be for a term of no less than seven years." The Paris Convention has no corresponding rule. According to the TLT, the duration of each term is 10 years (Article 13(7)).

105. The second sentence of the said Article of the TRIPS Agreement provides that "The registration of a trademark shall be renewable indefinitely." The Paris Convention contains no corresponding rule, but all States party to the Paris Convention allow the renewal of registrations indefinitely.

106. **Article 19 is entitled "Requirement of Use."** Neither the Paris Convention nor the TRIPS Agreement require, but both allow, that non-use be sanctioned by the cancellation of the registration of the mark (see Article 5C(1) of the Paris Convention and the first sentence of Article 19, paragraph 1, of the TRIPS Agreement). Where use is required, and the mark is not used, its registration may be cancelled, under the TRIPS Agreement, "only after an uninterrupted period of at least three years of non-use" (Article 19, paragraph 1); under the Paris Convention, "only after a reasonable period [of non-use]" (Article 5C(1)). Both treaties provide for the possibility of justifying the non-use (see the same Articles), which justification prevents cancellation.

107. **Article 20, entitled “Other Requirements,”** prohibits any unjustifiable encumbering of the use of a mark. There is no provision to the same effect in the Paris Convention.

108. **Article 21 is entitled “Licensing and Assignment.”** Under the Paris Convention, a country may require that the assignment of a registration be accompanied by the transfer of the corresponding business or goodwill (Article 6*quater*(1)). Under the TRIPS Agreement, concurrent transfer of the business may not be required (Article 21).

109. The same Article of the TRIPS Agreement also provides that the compulsory licensing of trademarks is not permitted. The Paris Convention is silent on this question but, as far as verifiable, none of the States party to it permit compulsory licensing.

**Part II, Section 3, of the TRIPS Agreement, entitled
“GEOGRAPHICAL INDICATIONS”**

110. This Section consists of three Articles (Articles 22, 23 and 24).

111. It is to be borne in mind that Part I of the TRIPS Agreement (General Provisions and Basic Principles), described at the beginning of this paper, applies also to geographical indications and, in particular, that the provisions of the Paris Convention concerning “indications of source and appellations of origin” (notions that encompass geographical indications) must be complied with by Members of WTO (see Article 2, paragraph 1 of the TRIPS Agreement). Apart from provisions of the Paris Convention applying to all kinds of industrial property (such as national treatment (Articles 2 and 3)) and which consequently apply to indications of source and appellations of origin, the Paris Convention contains provisions expressly dealing with indications of source and appellations of origin, particularly on seizure of goods bearing false indications as to their source or the identity of the producer

(Article 10) and on remedies and the right to sue (Article 10ter). Article 10bis on unfair competition is also relevant in respect of geographical indications. It is to be noted that there are two special treaties concerning appellations of origin administered by WIPO and open only to countries party to the Paris Convention. They are the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods (1891) and the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (1958). Hereafter, they are referred to as “the Madrid (Indications of Source) Agreement” and “the Lisbon Agreement,” respectively. In May 1996, the number of the States party to the first was 31 and to the second was 17. No reference is made to either of these two Agreements in the TRIPS Agreement.

112. Article 22, entitled “Protection of Geographical Indications,” deals with the following matters.

113. *Definition.* According to the TRIPS Agreement, geographical indications are “indications which 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” (paragraph 1). The Paris Convention contains no definition of “geographical indications”; in fact, it uses different terms, “indications of source” and “appellations of origin” (see Article 1(2)), which it does not define. The Lisbon Agreement defines appellations of origin as the “geographical name of a country, region, or locality, which serves to designate a product originating therein, the quality and characteristics of which are due exclusively or essentially to the geographic environment, including natural and human factors” (Article 2(1)), and states that the country of origin is the “country whose name, or the country in which is situated the region or locality whose name, constitutes the appellation of origin which has given the product its reputation” (Article 2(2)). The Madrid (Indications of Source) Agreement speaks of “goods bearing a false or deceptive indication by which one of the countries to which this Agreement applies, or a place

situated therein, is directly or indirectly indicated as being the country or place of origin" (Article 1(1)).

114. *Misleading, False or Deceptive Acts.* According to the TRIPS Agreement, Members must provide "the legal means for interested parties to prevent ... the use of any means in the designation or presentation of a good that indicates or suggests that the good in question originates in a geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the good" (paragraph 2(a)).

115. The Paris Convention provides for seizure "in cases of direct or indirect use of a false indication of the source of the goods" (Article 10(1)). (The same provision in the Paris Convention also provides for seizure in cases of direct or indirect use of "the identity of the producer, manufacturer or merchant"; in such a case, the false indication concerns something else than a geographical indication.)

116. The Madrid (Indications of Source) Agreement provides that "all goods bearing a false or deceptive indication by which one of the countries to which this Agreement applies, or a place situated therein, is directly or indirectly indicated as being the country or place of origin shall be seized upon importation into any of the said countries" (Article 1(1)), and that "Seizure shall also be effected in the country where the false or deceptive indication of source has been applied, or into which the goods bearing the false or deceptive indication have been imported" (Article 1(2)).

117. *Unfair Competition.* According to the TRIPS Agreement, Members must provide "the legal means for interested parties to prevent [in respect of geographical indications] ... any use which constitutes an act of unfair competition within the meaning of Article 10bis of the Paris Convention (1967)" (paragraph 2(b)). The Paris Convention states that "Any act of competition contrary to honest practices in industrial or commercial matters constitutes an act of unfair competition" (Article 10bis (2)). Among the examples given

in paragraph (3) of that Article, the following seems to be of particular relevance for geographical indications: “all acts of such a nature as to create confusion by any means whatever with the ... goods ... of a competitor” (item 1), “false allegations in the course of trade of such a nature as to discredit the ... goods ... of a competitor” (item 2) and “indications ... the use of which in the course of trade is liable to mislead the public as to the nature, ... [or] the characteristics ... of the goods” (item 3).

118. *Misleading Marks.* The TRIPS Agreement provides for the refusal or invalidation of the registration of a mark “which contains or consists of a geographical indication with respect to goods not originating in the territory indicated, if use of the indication in the trademark for such goods in that Member is of such a nature as to mislead the public as to the true place of origin” (paragraph 3).

119. The Paris Convention expressly permits the denial or the invalidation of the registration of a mark based on registration in the country of origin where the mark is “of such a nature as to deceive the public” (Article 6*quinquies* B.3).

120. *Literally True but Misleading Indications.* The TRIPS Agreement states that the protection for geographical indications must be applied even when the geographical indication is “literally true as to the territory, region or locality in which the goods originate, [but] falsely represents to the public that the goods originate in another territory” (paragraph 4).

121. **Article 23, entitled “Additional Protection for Geographical Indications for Wines and Spirits,”** deals with the following matters.

122. *Indications Accompanied by True Indication, Translation or “Kind,” etc.* The TRIPS Agreement requires the prevention of the use of a geographical indication identifying wines or spirits not originating in the place indicated by the geographical indication, even

where the indication of the true origin of the wine or spirit is also indicated, or the geographical indication is used in translation, or the geographical indication is accompanied by expressions such as “kind,” “type,” “style,” “imitation” or the like (see paragraph 1).

123. The Paris Convention contains no corresponding provisions. However, the Lisbon Agreement states that protection must be ensured against usurpation or imitation of the geographical indication even if the true origin of the product (which may be wine or spirit) is indicated or if the appellation is used in translated form or is accompanied by terms such as “kind,” “type,” “make,” “imitation,” or the like (Article 3).

124. *Trademarks and Homonyms.* The TRIPS Agreement contains special provisions for wines and spirits also in connection with trademarks and homonymous indications (paragraphs 2 and 3). There are no provisions in the Paris Convention which would strictly correspond to those provisions.

125. *Notification and Registration System for Wines.* The TRIPS Agreement provides that “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” (paragraph 4). It would seem that the contemplated system will not necessarily apply to all the Members of WTO. It is recalled that the Lisbon Agreement provides for the registration of appellations of origin applying to the “geographical name of a country, region, or locality, which serves to designate a product [not only wines] originating therein, the quality and characteristics of which are due exclusively or essentially to the geographic environment, including natural and human factors” (Article 2). Such names are registered by the International Bureau of WIPO in Geneva. Up to January 1, 1995, 730 registrations for appellations of origin had been obtained, out of

which 717 were still in force; of those, 482 concerned, or concerned also, wines.

126. Article 24, entitled “**International Negotiations; Exceptions**,” deals with certain matters proper to WTO, for which the Paris Convention contains no corresponding provisions. In addition, that Article contains provisions regarding non-diminution of rights (paragraph 3), prior use or registration (paragraphs 4 and 5), genericness (paragraph 6), adverse use (paragraph 7), use of a person’s name (paragraph 8) and the effect of lack of protection or use in the country of origin (paragraph 9). It should be noted that Article 6 of the Lisbon Agreement states that an appellation of origin which has been granted protection, on the basis of an international registration under the Lisbon Agreement, in one of the countries party to the Lisbon Agreement cannot, in that country, be deemed to have become generic, as long as it is protected as an appellation of origin in the country of origin.

**Part II, Section 4, of the TRIPS Agreement, entitled
“INDUSTRIAL DESIGNS”**

127. This Section consists of two Articles (Articles 25 and 26).

128. It is to be borne in mind that Part I of the TRIPS Agreement (General Provisions and Basic Principles), described at the beginning of this paper, applies also to industrial designs and, in particular, that the provisions of the Paris Convention concerning industrial designs must be complied with by Members of WTO (see Article 2, paragraph 1 of the TRIPS Agreement). Apart from provisions of the Paris Convention applying to all kinds of industrial property (such as national treatment (Articles 2 and 3) and grace period for the payment of fees (Article 5bis(1))) and which consequently apply to industrial designs, the Paris Convention also contains provisions expressly dealing with industrial designs, particularly on the obligation to protect industrial designs (Article 5*quinquies*), the right of priority

(Article 4), failure to work an industrial design (Article 5B), the importation of articles constituting or containing an industrial design (Article 5B), the indication upon the goods enjoying industrial design protection of the fact that an industrial design has been deposited (Article 5D), temporary protection at certain international exhibitions (Article 11) and establishment of a special industrial property service (Article 12).

129. **Article 25, entitled “Requirements for Protection,”** deals with the following matters.

130. *Obligation of Protection.* The TRIPS Agreement (paragraph 1), like the Paris Convention (Article 5*quinquies*), requires the protection of industrial designs.

131. *Conditions of Protection.* According to the TRIPS Agreement, an industrial design which is “independently created” and “new or original” must be protected (paragraph 1). The TRIPS Agreement also states that a design need not be regarded as new or original if it does not “significantly differ from known designs or combinations of known design features” (*ibid.*). It also allows denial of protection where the design is “dictated essentially by technical or functional considerations” (*ibid.*). The Paris Convention has no provisions to these effects.

132. *Textile Designs.* The TRIPS Agreement contains special provisions on textile designs (paragraph 2). It requires Members to “ensure that requirements for securing protection for textile designs, in particular in regard to any cost, examination or publication, do not unreasonably impair the opportunity to seek and obtain such protection.” The Paris Convention contains no corresponding provisions. The TRIPS Agreement also provides that the said obligation concerning the protection of textile designs can be met by Members “through industrial design law or through copyright law” (*ibid.*). It would seem that, if a Member provides for protection through copyright, the requirements concerning cost, examination or

publication simply disappear since the Berne Convention disallows any formality (and the costs caused by formalities), whereas the other provisions of the TRIPS Agreement concerning designs and the incorporation by reference, into the TRIPS Agreement, of the provisions of the Paris Convention concerning industrial designs become inapplicable and are replaced by what is provided for in the TRIPS Agreement concerning copyright, including the incorporation by reference, into the TRIPS Agreement, of the substantive provisions of the Berne Convention (except the latter's Article 6bis).

133. **Article 26, entitled “Protection,”** deals with the following matters.

134. *Rights.* The TRIPS Agreement specifies the rights in an industrial design (paragraph 1) and the possible exceptions to such rights (paragraph 2). The Paris Convention does not contain comparable provisions, but it provides that protection of an industrial design cannot be lost by reason of failure to work (the industrial design in the territory of the State in which it is protected) or by reason of the importation (into the territory of such a State) of articles corresponding to those which are protected (in that State) (see Article 5B). These provisions of the Paris Convention also bind Members of WTO which are not party to the Paris Convention; this follows from Article 2, paragraph 1, of the TRIPS Agreement.

135. *Term of Protection.* The TRIPS Agreement provides that the duration of protection available for an industrial design is at least 10 years (paragraph 3). The Paris Convention contains no provision on the duration of the protection, but those States party to the Paris Convention which are also party to the 1960 Act of the Hague Agreement Concerning the International Deposit of Industrial Designs must make protection for internationally deposited and renewed industrial designs available for at least 10 years (Article 11(1)(a)(1960)), while those States party to the Paris Convention which are also party to the 1934 Act of the Hague

Agreement must provide for a duration of protection of 15 years from the date of deposit at the International Bureau (Article 7).

**Part II, Section 5, of the TRIPS Agreement, entitled
“PATENTS”**

136. This Section consists of eight Articles (Articles 27 to 34).

137. It is to be borne in mind that Part I of the TRIPS Agreement (General Provisions and Basic Principles), described at the beginning of this paper, applies also to patents and, in particular, that the provisions of the Paris Convention concerning patents must be complied with by Members of WTO (see Article 2, paragraph 1 of the TRIPS Agreement). Apart from provisions of the Paris Convention applying to all kinds of industrial property (such as national treatment (Articles 2 and 3) and grace period for the payment of fees (Article 5bis(1))) and which consequently apply to patents, the Paris Convention also contains provisions expressly dealing with patents, particularly on the right of priority (Articles 4A, B, C, D, F and H), the division of a patent application (Article 4G), the independence of a patent application filed or of a patent obtained in a country from the patent applications filed or patents obtained for the same invention in other countries (Article 4bis), the right of the inventor to be mentioned as the inventor in the patent granted for his invention (Article 4ter), the independence of patent grants and renewals from any restriction on the sale of the patented product or process (Article 4quater), the independence of a patent in a country in which it has been granted from any importation into that country of articles manufactured in another country (Article 5A(1)), the possibilities and conditions of granting compulsory licenses and forfeiture (Article 5A(2) to (4)), the indication upon the goods enjoying patent protection of the fact that a patent has been granted (Article 5D), the presence of patented devices forming part of vessels, aircraft or land vehicles (Article 5ter), the importation of products manufactured by a process patented in the importing country (Article 5quater), temporary protection at certain

international exhibitions (Article 11) and establishment of a special industrial property service (Article 12).

138. **Article 27, entitled “Patentable Subject Matter,”** deals with the following matters.

139. *Inventions for Which Patents Must Be Available.* According to the TRIPS Agreement and subject to certain exceptions or conditions, patents must be available for “any inventions, whether products or processes, in all fields of technology, provided that they are new, involve an inventive step and are capable of industrial application,” and patents must be available (and patent rights must be enjoyable) “without discrimination as to the place of invention, the field of technology and whether products are imported or locally produced” (paragraph 1). There are no corresponding provisions in the Paris Convention.

140. *Inventions Which May Be Excluded From Patentability.* According to the TRIPS Agreement, “Members may exclude from patentability inventions, the prevention within their territory of the commercial exploitation of which is necessary to protect *ordre public* or morality, including to protect human, animal or plant life or health or to avoid serious prejudice to the environment, provided that such exclusion is not made merely because the exploitation is prohibited by their law” (paragraph 2). According to another provision of the same Article, “Members may also exclude from patentability: (a) diagnostic, therapeutic and surgical methods for the treatment of humans or animals; (b) plants and animals other than micro-organisms, and essentially biological processes for the production of plants or animals other than non-biological and microbiological processes” (paragraph 3).

141. The Paris Convention has no provision corresponding to the above-quoted TRIPS provisions and needs none: since it does not stipulate for which inventions patents must be granted, it need not stipulate the inventions for which patents do not have to be granted.

142. It is to be noted that the TRIPS Agreement allows any developing country Member to delay the application of the provisions of the TRIPS Agreement concerning patents for products (*not* for processes) if the subject matter of the invention falls in an area of technology not patentable according to that Member's laws when the TRIPS Agreement comes into effect in that Member. An example of such an area of technology is pharmaceutical technology. Such a delay may be five years, added to the four-year general delay granted to developing countries and the one-year delay granted to all Members, for a total of 10 years. A least-developed country is entitled to a general transitional period of 11 years (the additional five-year delay for product patents does not apply), which the Council for TRIPS will extend upon duly motivated request. Naturally, any interested country is entitled not to make use of these delays. For the statements made in this paragraph, see Articles 65 and 66 of the TRIPS Agreement.

143. It is to be further noted that the TRIPS Agreement provides, in respect of pharmaceutical and agricultural chemical products, important qualifications of, and derogations to, what is said in the preceding paragraph (see Article 70 (entitled "Protection of Existing Subject Matter"), paragraphs 8 and 9).

144. In particular, any Member that does not make available as of the date of entry into force of the WTO Agreement (that is, January 1, 1995) patent protection for pharmaceutical and agricultural chemical products as provided for in Article 27 of the TRIPS Agreement, must do the following: it must accept the filing of applications for patents for such products, and it must do so from January 1, 1995, even if it is a country which may delay (as indicated above) the application of the (other provisions of the) TRIPS Agreement for a certain number of years (as indicated above); once the TRIPS Agreement becomes applicable in the Member (that is, where a country could and did benefit from a delay of a certain number of years, then from the expiration of that delay and, in particular, from the expiration of the

additional five-year delay for product patents mentioned above, if any), it must take a decision in respect of the application (i.e., either reject it or grant a patent) but, in doing so, it must apply (retroactively) the criteria of patentability as laid down in the TRIPS Agreement; if its decision is to grant a patent, that patent will be available “for the remainder of the patent term” (see Article 70, paragraph 8). This term is at least 20 years from the filing of the application (see Article 33), and the “remainder” of it will be the period which starts on the day the patent is granted and ends on the day the said (at least) 20 years expire. However, “an exclusive marketing right” must be granted by the Member concerning the invention which is the subject matter of the said application if, after January 1, 1995, in *another* Member--for the same product--a patent application has been filed, a patent has been granted and marketing approval has been obtained. Such a marketing right in the Member will be in force from the date of the obtention of the marketing approval in the Member itself and will end when the Member has rejected or granted the patent application filed in the Member, except that when the rejection or grant happens later than five years after obtaining marketing approval in the Member, then the marketing right in the Member will expire five years after the marketing approval was given in the Member (see Article 70, paragraph 9).

145. *Plant Varieties.* The TRIPS Agreement provides that “Members shall provide for the protection of plant varieties either by patents or by an effective *sui generis* system or by any combination thereof” (Article 27, paragraph 3(b)). The Paris Convention contains no provisions concerning plant varieties. The International Convention for the Protection of New Plant Varieties (1961, revised in 1972, 1978 and 1991, commonly called “the UPOV Convention”) provides for a *sui generis* system, and the laws of any State wishing to be party to the UPOV Convention must be found, by the Council of UPOV, to conform with the provisions of the Convention (Article 34(3)).

146. **Article 28, entitled “Rights Conferred,”** deals with the following matters.

147. *Exclusive Rights.* This Article enumerates the exclusive rights that a patent confers on its owner (paragraph 1). The Paris Convention contains no corresponding provision, but the national laws of the States members of that Convention generally protect the same rights.

148. *Change in Ownership; Licensing.* The TRIPS Agreement provides that patent owners “have the right to assign, or transfer by succession, the patent and to conclude licensing contracts” (paragraph 2). The Paris Convention contains no corresponding provision, but these rights are generally recognized in the States members of that Convention.

149. **Article 29, entitled “Conditions on Patent Applicants,”** deals with the following matters.

150. *Disclosure.* The TRIPS Agreement provides that “Members shall require that an applicant for a patent shall disclose the invention in a manner sufficiently clear and complete for the invention to be carried out by a person skilled in the art and may require the applicant to indicate the best mode for carrying out the invention known to the inventor at the filing date or, where priority is claimed, at the priority date of the application” (paragraph 1). For all practical purposes, the same result is accomplished by the corresponding provision in the Patent Cooperation Treaty (1970), hereinafter referred to as the PCT (a WIPO-administered treaty concluded 24 years earlier than the TRIPS Agreement to which 85 of the States party to the Paris Convention belonged on May 22, 1996) (Article 5; Rule 5.1(a)(v)). The Paris Convention has no corresponding provision.

151. *Corresponding Foreign Applications and Grants.* The TRIPS Agreement provides that “Members may require an applicant for a patent to provide information concerning the applicant’s

corresponding foreign applications and grants” (paragraph 2). The Paris Convention allows countries party to that Convention to “require any person making a declaration of priority [that is, the applicant] to produce a copy of the application (description, drawings, etc.) previously filed” (Article 4D(3)). The main differences between the two provisions are that the Paris Convention speaks about “a copy” of the priority application, whereas the TRIPS Agreement speaks about “information” concerning *any* corresponding foreign application and *patent*.

152. **Article 30, entitled “Exceptions to Rights Conferred,”** reads as follows: “Members may provide limited exceptions to the exclusive rights conferred by a patent, provided that such exceptions do not unreasonably conflict with a normal exploitation of the patent and do not unreasonably prejudice the legitimate interests of the patent owner, taking account of the legitimate interests of third parties.” The Paris Convention has no corresponding provisions and needs none: since it does not contain provisions on exclusive rights, it need not stipulate exceptions from such rights.

153. **Article 31 is entitled “Other Use Without Authorization of the Right Holder.”** Both the TRIPS Agreement (in its Article 31) and the Paris Convention (in its Article 5A(2) and (4)) contain detailed and relatively long provisions on the possibility of government authorities granting (in the case of the TRIPS Agreement, subject to the possibility of judicial review) licenses to use a patented invention without the authorization of the owner of the patent. These licenses are called “compulsory” in the Paris Convention. Some of the provisions of the two treaties are similar but others deal with different questions. Since the TRIPS Agreement provides that Members must comply with Articles 1 through 12 of the Paris Convention--and Article 5A (2) and (4) dealing with compulsory licenses is among them--the safest course seems to be to incorporate in the national laws the conditions of both treaties and to follow, in respect of each case of a compulsory license, the relevant provisions of *both* treaties.

154. **Article 32, entitled “Revocation/Forfeiture,”** reads as follows: “An opportunity for judicial review of any decision to revoke or forfeit a patent shall be available.” There is no corresponding provision in the Paris Convention.

155. **Article 33, entitled “Term of Protection,”** reads as follows: “The term of protection available shall not end before the expiration of a period of twenty years counted from the filing date.” There is no corresponding provision in the Paris Convention.

156. **Article 34, entitled “Process Patents: Burden of Proof,”** deals with the burden of proof in civil proceedings in respect of the alleged infringement of the patent rights concerning a patent which is for a process for obtaining a product (“process patent”). There is no corresponding provision in the Paris Convention.

**Part II, Section 6, of the TRIPS Agreement, entitled
“LAYOUT-DESIGNS (TOPOGRAPHIES)
OF INTEGRATED CIRCUITS”**

157. This Section consists of four Articles (Articles 35 to 38).

158. It is to be borne in mind that Part I of the TRIPS Agreement (General Provisions and Basic Principles), described at the beginning of this paper, applies also to layout-designs (topographies) of integrated circuits.

159. The Paris Convention does not contain provisions specifically dealing with layout-designs (topographies) of integrated circuits.

160. **Article 35, entitled “Relation to the IPIC Treaty,”** partly incorporates the IPIC Treaty into the TRIPS Agreement.

161. “IPIC Treaty” stands for “Treaty on Intellectual Property in Respect of Integrated Circuits.” The IPIC Treaty was adopted by a

Diplomatic Conference organized by WIPO in Washington in 1989. The Treaty has not yet entered into force as of May 22, 1996.

162. *Incorporation, by Reference, of Parts of the IPIC Treaty.* The Article in question of the TRIPS Agreement provides that “Members agree to provide protection to the layout-designs (topographies) of integrated circuits (referred to in this [the TRIPS] Agreement as ‘layout-designs’) in accordance with Articles 2 through 7 (other than paragraph 3 of Article 6), Article 12 and paragraph 3 of Article 16 of the Treaty on Intellectual Property in Respect of Integrated Circuits and, in addition, to comply with the following provisions [that is, Articles 36, 37 and 38 of the TRIPS Agreement].”

163. The provisions of the IPIC Treaty which Members of WTO have to apply deal with the following matters: definitions, including the definitions of the concepts of “integrated circuits” and “layout-design (topography)” (Article 2), the obligation to protect layout-designs (topographies) of integrated circuits (Article 3), the legal form of the protection (*sui generis* or industrial property or copyright) (Article 4), national treatment (Article 5), acts requiring, and acts not requiring, the authorization of the holder of the right (Article 6(1) and (2)), sale and distribution of infringing integrated circuits acquired innocently (Article 6(4)), exhaustion of rights (Article 6(5)), faculty to require exploitation and/or registration (Article 7), the safeguard of the obligations that Contracting Parties may have under the Paris and/or Berne Conventions (Article 12), and non-retroactivity (Article 16(3)).

164. *Exclusion of Parts of the IPIC Treaty.* The substantive provisions of the IPIC Treaty which are excluded from the TRIPS Agreement are the provisions concerning compulsory licenses (Article 6(3)) and the duration of the protection (Article 8). The latter reads as follows: “Protection shall last at least eight years.”

165. **Article 36, entitled “Scope of the Protection,”** resembles very much Article 6(1)(a)(ii) of the IPIC Treaty, except that Article 36 of

the TRIPS Agreement also extends protection to articles incorporating an integrated circuit which, in turn, incorporates a protected layout-design. The title of Article 6 of the IPIC Treaty is “The Scope of Protection,” and the title of paragraph (1) of that Article is “Acts Requiring the Authorization of the Holder of the Right.” Those acts, in both treaties, are reproduction (incorporated by reference into the TRIPS Agreement), importing, selling and otherwise distributing for commercial purposes.

166. Article 37 is entitled “Acts Not Requiring the Authorization of the Right Holder.” Paragraph 1 resembles Article 6(4) of the IPIC Treaty, except that Article 37 of the TRIPS Agreement also refers to articles incorporating an integrated circuit which in turn incorporates a protected layout-design, and provides, in the case of infringing layout-designs acquired innocently, that stock on hand or ordered before sufficient notice of infringement was given may be imported, sold or distributed upon payment of a reasonable royalty to the right holder.

167. Paragraph 2 of Article 37 deals with the question of compulsory licenses, a question dealt with in the IPIC Treaty in a provision (Article 6(3)) not incorporated into the TRIPS Agreement, as mentioned above. The question is differently regulated in the two treaties, the main difference being that the TRIPS Agreement, as far as layout-designs (topographies) of integrated circuits are concerned, allows compulsory licenses only for public non-commercial use or to remedy an anti-competitive practice, subject to detailed procedural requirements (see Article 37, paragraph 2, which incorporates, *mutatis mutandis*, Article 31, dealing with compulsory licenses in the case of patents), while the IPIC Treaty would, if it entered into force, allow compulsory licenses (subject to less detailed procedural requirements) where “necessary to safeguard a national purpose deemed to be vital by the granting authority” (Article 6(3)(a)) or “in order to secure free competition and to prevent abuses by the holder of the right” (Article 6(3)(b)).

168. **Article 38, entitled “Term of Protection,”** replaces the eight-year minimum term under Article 8 of the IPIC Treaty with a 10-year minimum term. There are detailed rules on the starting point of those 10 years. The TRIPS Agreement also provides that, in any case, “a Member may provide that protection shall lapse 15 years after the creation of the layout-design” (paragraph 3).

**Part II, Section 7, of the TRIPS Agreement, entitled
“PROTECTION OF UNDISCLOSED INFORMATION”**

169. This Section consists of one Article (**Article 39**).

170. It is to be borne in mind that Part I of the TRIPS Agreement (General Provisions and Basic Principles), described in the beginning of this paper, applies also to “undisclosed information” (term used in the title of the Section).

171. The Paris Convention does not contain provisions expressly dealing with protection of undisclosed information, but Article 10bis on unfair competition requires protection against any act of competition contrary to honest practices in industrial or commercial matters.

172. *Reference to the Paris Convention.* The TRIPS Agreement links the protection of undisclosed information to the Paris Convention, treating such protection as a special case of protection against unfair competition. This is expressed in the following way in the TRIPS Agreement: “In the course of ensuring effective protection against unfair competition as provided in Article 10bis of the Paris Convention (1967), Members shall protect undisclosed information in accordance with paragraph 2 and data submitted to governments or governmental agencies in accordance with paragraph 3” (paragraph 1).

173. *Protected Subject Matter.* The protected subject matter is information lawfully within the control of a natural or legal person that is secret, that has commercial value because it is secret and that

has been subject to reasonable steps under the circumstances, by the person lawfully in control of the information, to keep it secret (paragraph 2). Such information is sometimes called a “trade secret,” but this expression is not used in the TRIPS Agreement. “Secret” is defined as “secret in the sense that it [the information] is not, as a body or in the precise configuration and assembly of its components, generally known among or readily accessible to persons within the circles that normally deal with the kind of information in question” (paragraph 2(a)).

174. *Protection.* The protection consists of offering to natural and legal persons “the possibility of preventing information lawfully within their control from being disclosed to, acquired by, or used by others without their consent in a manner contrary to honest commercial practices so long as such information” corresponds to the criteria indicated above (paragraph 2).

175. Examples of disclosing “in a manner contrary to honest commercial practices” are given in footnote 10 to paragraph 2 (breach of contract; breach of confidence; inducement to breach; acquisition of undisclosed information by third parties who knew, or were grossly negligent in failing to know, that practices contrary to honest commercial practices were involved in the acquisition). Paragraph 3 contains specific provisions concerning the protection of test data relating to pharmaceutical and agricultural chemical products.

**Part II, Section 8, of the TRIPS Agreement, entitled
“CONTROL OF ANTI-COMPETITIVE
PRACTICES IN CONTRACTUAL LICENCES”**

176. This Section consists of one Article (**Article 40**) whose first paragraph reads as follows: “Members agree that some licensing practices or conditions pertaining to intellectual property rights which restrain competition may have adverse effects on trade and may impede the transfer and dissemination of technology.” The provisions of this Article authorize Members to legislate and take other measures

against abuses of intellectual property rights (see paragraph 2), and provide for obligatory consultations between Members, upon request of either, where a national of one Member is accused of engaging in anti-competitive practices in the jurisdiction of the other Member (see paragraphs 3 and 4).

177. There are no corresponding provisions on this matter in the Paris Convention.

**Part III of the TRIPS Agreement, entitled
“ENFORCEMENT OF INTELLECTUAL
PROPERTY RIGHTS”**

178. This Part of the TRIPS Agreement consists of five Sections (General Obligations, Civil and Administrative Procedures and Remedies, Provisional Measures, Special Requirements Related to Border Measures, Criminal Procedures) and 21 Articles (Articles 41 to 61). Each Section is presented separately.

**Part III, Section 1, of the TRIPS Agreement, entitled
“GENERAL OBLIGATIONS”**

179. This Section consists of one Article (**Article 41**), which contains principles that pertain to all of the enforcement procedures required by this Part of the TRIPS Agreement.

180. *Enforcement Procedures under the TRIPS Agreement.* The TRIPS Agreement requires that Members provide effective procedures for enforcement of all intellectual property rights covered by the TRIPS Agreement (hereinafter referred to simply as “enforcement”). These procedures must include expeditious remedies to prevent infringement and to deter future infringement, and must not create barriers to legitimate trade or allow abuse (paragraph 1). They must be fair and equitable, not unnecessarily complicated or costly, and not entail unreasonable time limits or unwarranted delays (paragraph 2). Decisions on the merits of a case must be made available, must be based only on evidence in respect of which the parties had the opportunity to be heard (paragraph 3), and must be subject (except in the case of acquittal in a criminal case) to judicial review (paragraph 4). However, the TRIPS Agreement makes it clear that a Member has no obligation to put in place a special judicial system for the enforcement of intellectual property rights, or to modify its existing distribution of

resources between enforcement of intellectual property rights and the enforcement of law in general (paragraph 5).

181. *Enforcement Procedures under the Treaties Administered by WIPO.* A number of the WIPO-administered treaties contain provisions which indirectly require appropriate enforcement measures, in that they oblige a country party to the treaty to adopt the measures necessary to ensure the application of the treaty. See, for example, Article 25 of the Paris Convention, Article 36 of the Berne Convention and Article 26 of the Rome Convention. In addition, several of the treaties contain enforcement provisions concerning the area of intellectual property which is covered by the treaty. These provisions are discussed in the following four paragraphs.

182. *Copyright.* Under the Berne Convention, a presumption exists as to the identity of the person who is entitled to institute infringement proceedings in the countries of the Union for the purpose of enforcing rights protected under the Convention, to ensure that those rights may be protected (Article 15). In addition, infringing copies of a work are subject to seizure in any country of the Berne Union where the work enjoys protection, in accordance with the legislation of that country (Articles 13(3) and 16; the question of seizure of imported works is discussed below).

183. *Trademarks, Trade Names, etc.* Under the Paris Convention, the countries of the Union undertake to assure to nationals of the other countries of the Union appropriate legal remedies effectively to repress certain acts which are prohibited by the Convention (Article 10ter(1)). In particular, all goods imported into one country unlawfully bearing a trademark or trade name, or subject to direct or indirect use of a false indication of the source of the goods or the identity of the producer, manufacturer, or merchant, must be seized in the country where the unlawful affixation occurred (Article 9(2) and Article 10(1)). Such seizure must take place in conformity with the domestic legislation of each country (Article 9(3)), and only if that legislation permits such seizure (Article 9(5) and (6)).

184. *Geographical Indications.* The Madrid (Indications of Source) Agreement provides that seizure of “All goods bearing a false or deceptive indication by which one of the countries to which this Agreement applies, or a place situated therein, is directly or indirectly indicated as being the country or place of origin” must “be effected in the country where the false or deceptive indication of source has been applied, or into which the goods bearing the false or deceptive indication have been imported” (Article 1(1) and (2)). The Lisbon Agreement provides that “Legal action required for ensuring the protection of appellations of origin may be taken in each of the countries of the Special Union under the provisions of the national legislation: 1. at the instance of the competent Office or at the request of the public prosecutor; 2. by any interested party, whether a natural person or a legal entity, whether public or private” (Article 8).

185. *Unfair Competition.* Article 10ter(1) of the Paris Convention requires that “the countries of the Union undertake to assure to nationals of the other countries of the Union appropriate legal remedies effectively to repress” certain acts. Among such acts are acts of unfair competition as referred to in Article 10bis of the Convention.

**Part III, Section 2, of the TRIPS Agreement, entitled
“CIVIL AND ADMINISTRATIVE
PROCEDURES AND REMEDIES”**

186. This Section consists of eight Articles (**Articles 42 to 49**). There are no corresponding provisions in the treaties administered by WIPO.

187. **Article 42, entitled “Fair and Equitable Procedures,”** requires that civil judicial procedures concerning enforcement be available to right holders, subject to the general principles set out in Section 1, described above. In particular, defendants have the right to timely written notice with sufficient detail concerning the claims, and

both parties are to be given the right to be represented by independent legal counsel, to be free from overly burdensome requirements concerning mandatory personal appearances, and to substantiate their claims and present all relevant evidence. Members must also provide a means to identify and protect confidential information in the course of civil proceedings, unless this is contrary to existing constitutional requirements.

188. **Article 43, entitled “Evidence,”** provides that Members must endow their judicial authorities with the power to order that certain evidence be made available to the court and the opposing party, subject in appropriate cases to protection of confidential information (paragraph 1), and to make determinations based on incomplete information where a party does not provide necessary information within a reasonable period or significantly impedes a procedure, although both parties must be allowed an opportunity to be heard on the evidence actually to be considered (paragraph 2).

189. **Article 44, entitled “Injunctions,”** provides that a Member must endow its judicial authorities with the power to order a party to desist from an infringement. Such orders (referred to as “injunctions”) must be available to prevent the importation of goods that involve the infringement of an intellectual property right, and need not be given in cases where the infringing subject matter was acquired or ordered without knowledge of, or reasonable grounds to know, the infringing nature of the goods (paragraph 1). Injunctions need not be available in the case of use by, or authorized by, governments (compulsory licenses), but remuneration in accordance with the provisions on compulsory licenses (see Article 31(h) of the TRIPS Agreement) must be available. Where injunctions are inconsistent with a Member's law, declaratory judgments and adequate compensation are to be available (paragraph 2).

190. **Article 45, entitled “Damages,”** provides that a Member must endow its judicial authorities with the power to order payment of damages adequate to compensate the right holder, where the infringer knowingly, or with reasonable grounds to know, engaged in the

infringing activity (paragraph 1), and to order an infringer to pay the right holder's expenses, which may include attorney's fees (paragraph 2). A Member may also endow its judicial authorities with the power to order recovery of profits or payment of pre-established damages, even where the infringement was unknowing (paragraph 2).

191. **Article 46, entitled “Other Remedies,”** provides that, in order to deter infringement, a Member must endow its judicial authorities with the power to order that infringing goods, and materials and implements used in their creation, be disposed of or destroyed without compensation (subject to constitutional restrictions), taking into account the need for balance between the seriousness of the infringement and the remedies ordered and the interests of third parties. It is not sufficient, for the release of counterfeit trademark goods into the channels of commerce, that the infringer simply removes the infringing trademark.

192. **Article 47, entitled “Right of Information,”** reads as follows: “Members may provide that the judicial authorities shall have the authority, unless this would be out of proportion to the seriousness of the infringement, to order the infringer to inform the right holder of the identity of third persons involved in the production and distribution of the infringing goods or services and of their channels of distribution.”

193. **Article 48, entitled “Indemnification of the Defendant,”** provides that a Member must endow its judicial authorities with the power to order an applicant for enforcement measures who has abused those enforcement procedures to pay to the wronged party adequate compensation and expenses, which may include attorney's fees (paragraph 1). In addition, public authorities and officials may only be exempted from liability for administration of any law pertaining to enforcement where their actions were taken or intended in good faith (paragraph 2).

194. **Article 49, entitled “Administrative Procedures,”** provides that administrative procedures which can result in a civil remedy must conform to the principles of this Section.

**Part III, Section 3, of the TRIPS Agreement, entitled
“PROVISIONAL MEASURES”**

195. This Section consists of one Article (**Article 50**).

196. *General.* This Section of the TRIPS Agreement requires certain procedures, and provides guidelines for such procedures, under which judicial authorities must have the authority to order prompt and effective provisional measures to prevent an infringement of any intellectual property right from occurring, and in particular to prevent the entry of infringing goods into the channels of commerce (paragraph 1).

197. *Specific.* In brief, this Section of the TRIPS Agreement requires that Members endow their judicial authorities, in undertaking such procedures, with the power to order the preservation of relevant evidence (paragraph 1); to adopt provisional measures, in certain cases, before the other party has a right to be heard (paragraph 2), so long as prompt notice and a right to a hearing are given within a reasonable time (paragraph 4); to require the production of evidence and the provision of a security (paragraph 3); and to order the applicant to compensate the defendant where there is no final determination of infringement (paragraph 7). Members may endow their judicial authorities with further powers to require the applicant to supply other information concerning the identification of the goods (paragraph 5). Members’ judicial authorities must revoke provisional measures on request if proceedings are not initiated within a certain period (paragraph 6). Any administrative procedures which can result in provisional measures must conform to the principles of this Section (paragraph 8).

**Part III, Section 4, of the TRIPS Agreement, entitled
“SPECIAL REQUIREMENTS RELATED
TO BORDER MEASURES”**

198. This Section consists of 10 Articles (**Articles 51 to 60**).

199. Article 51, entitled “Suspension of Release by Customs Authorities,” provides the basis of this Section of the TRIPS Agreement, stating in part that “Members shall, in conformity with the provisions set out below, adopt procedures to enable a right holder, who has valid grounds for suspecting that the importation of counterfeit trademark or pirated copyright goods may take place, to lodge an application in writing with competent authorities, administrative or judicial, for the suspension by the customs authorities of the release into free circulation of such goods.” Two footnotes provide that such procedures are not required in the cases of goods moving within a customs union, goods put on the market in another country by or with the consent of the right holder, and goods in transit. Members may provide for procedures corresponding to those provided for in this Section in respect of goods which involve other infringements of intellectual property rights, and goods destined for exportation.

200. The remaining nine Articles of this Section of the TRIPS Agreement provide detailed guidelines with which such border measures must conform, concerning, in particular, application for suspension of release by customs authorities (**Article 52**), requirement for security or equivalent assurance (**Article 53**), notification of the importer and the applicant (**Article 54**), duration of the suspension (**Article 55**), indemnification of the importer and of the owner of the goods (**Article 56**), the right of the right holder to inspection of the goods and information concerning the importers and of the quantity of goods (**Article 57**), procedures where actions are taken *ex officio* (**Article 58**), disposal or destruction of the goods (**Article 59**) and permitted exclusion from these procedures of certain small quantities of goods of a non-commercial nature (**Article 60**).

201. *Border Measures Required under the Treaties Administered by WIPO.* Several of the treaties administered by WIPO provide for seizure upon importation of certain infringing goods. These provisions are described in the following three paragraphs.

202. *Copyright.* The Berne Convention provides that recordings of musical works made on the basis of Article 13(1) and (2) of the Convention (allowing the application of non-voluntary licenses) and imported without permission from the parties concerned into a country where they are treated as infringing recordings are liable to seizure (Article 13(3)), and that infringing copies of a work coming from a country where the work is not protected, or has ceased to be protected, are liable to seizure in any country of the Union where the work enjoys legal protection, in accordance with the legislation of that country (Article 16).

203. *Trademarks, Trade Names, etc.* The Paris Convention provides that appropriate legal remedies must be available to ensure that all goods unlawfully bearing a trademark or trade name, and goods in cases of direct or indirect use of a false indication of the source of the good or the identity of the producer, manufacturer, or merchant, are seized on importation into, or inside of, those countries of the Union where such mark or trade name is entitled to legal protection. Such seizure must take place at the request of the public prosecutor, or any other competent authority, or any interested party, whether a natural person or a legal entity, in conformity with the domestic legislation of each country, and is subject to being permitted by the legislation of the country (Article 9(1), (3), (5) and (6), Article 10(1) and Article 10ter(1)).

204. *Geographical Indications.* The Madrid (Indications of Source) Agreement provides that “All goods bearing a false or deceptive indication by which one of the countries to which this Agreement applies, or a place situated therein, is directly or indirectly indicated as being the country or place of origin shall be seized on importation into any of the said countries” (Article 1(1)).

**Part III, Section 5, of the TRIPS Agreement, entitled
“CRIMINAL PROCEDURES”**

205. This Section consists of one Article (**Article 61**), which contains principles that pertain to criminal procedures for certain forms of infringement. In particular, the TRIPS Agreement requires that Members provide for criminal procedures and penalties in cases of willful trademark counterfeiting or copyright piracy on a commercial scale. Such penalties must include imprisonment and/or monetary fines sufficient to deter infringement and, in appropriate cases, seizure, forfeiture and destruction of the infringing goods and related materials and implements. Members are also free to provide for criminal procedures and penalties in other cases of infringement, in particular where they are committed willfully and on a commercial scale. Criminal procedures and criminal penalties are not required by, but are not prohibited by, the treaties administered by WIPO.

**Part IV of the TRIPS Agreement, entitled
“ACQUISITION AND MAINTENANCE OF
INTELLECTUAL PROPERTY RIGHTS
AND RELATED *INTER-PARTES* PROCEDURES”**

206. This Part of the TRIPS Agreement consists of one Article (**Article 62**). Briefly stated, it establishes principles that should ensure that formalities and procedures concerning the acquisition and maintenance of intellectual property rights existing in a Member are reasonable and that final administrative decisions in a Member are generally subject to review by a judicial or quasi-judicial authority.

207. Among the WIPO-administered treaties, it is particularly the PCT, the TLT, the Madrid Agreement and its Protocol, and the Hague Agreement that deal with formalities of acquiring and maintaining patents, marks and industrial designs, respectively. The provisions of those treaties are much more detailed than those of the TRIPS Agreement, the latter concentrating on principles rather than the implementation of those principles.

208. There seems to be no conflict between the principles of the TRIPS Agreement and the provisions of the WIPO-administered treaties in respect of the acquisition and maintenance of intellectual property rights, and the latter complete the former. However, the national laws of many Members of WTO will have to be amended so that they comply with the said principles of the TRIPS Agreement. This is particularly true for States that are not yet party to the above-mentioned WIPO-administered treaties.

**Part V of the TRIPS Agreement, entitled
“DISPUTE PREVENTION AND SETTLEMENT”**

209. This Part of the TRIPS Agreement consists of two Articles (Articles 63 and 64).

210. **Article 63, entitled “Transparency,”** consists of four paragraphs.

211. *Publication of Laws, etc.* Paragraph 1 obliges the Members to publish (or, where publication is not practicable, make publicly available) their laws, regulations, final judicial decisions, administrative rulings of a general application, and bilateral agreements between Members, pertaining to the subject matter of the TRIPS Agreement. There are no corresponding provisions in the Paris and Berne Conventions, but most, if not all States proceed, and have traditionally proceeded, with such publications.

212. *Notification of Laws and Regulations, etc.* Paragraph 2, first sentence, provides that “Members shall notify the laws and regulations referred to in paragraph 1 to the Council for TRIPS in order to assist that Council in its review of the operation of the Agreement.”

213. The Berne Convention provides that “Each Country of the [Berne] Union shall promptly communicate to the International Bureau all new laws and official texts concerning the protection of copyright” (Article 24(2)); the Paris Convention provides the same in respect of laws and official texts concerning the protection of industrial property (see Article 15(2)). Thus, States that are party to both the TRIPS Agreement and the Paris and/or Berne Conventions would have to communicate certain texts to both WTO and WIPO. The TRIPS Agreement is aware of such potential duplication and envisages a solution to it in the second sentence of the paragraph under consideration (i.e., paragraph 2) which reads as follows: “The

Council [for TRIPS] shall attempt to minimize the burden on Members in carrying out this obligation and may decide to waive the obligation to notify such laws and regulations directly to the Council [for TRIPS] if consultations with WIPO on the establishment of a common register containing these laws and regulations are successful." This provision of the TRIPS Agreement has been implemented by Article 2 of the Agreement Between the World Intellectual Property Organization and the World Trade Organization, described in paragraph 232, below. Under that Article, Members of WTO may make their initial notifications of laws and regulations to the Council for TRIPS by submitting a reference to texts already existing in the collections of WIPO. In addition, WIPO will receive and keep in its collection copies of all laws and regulations notified under the TRIPS Agreement, and will make copies of those laws and regulations available to the public.

214. The Berne and the Paris Conventions also provide that the International Bureau shall assemble and publish information concerning the protection of copyright and industrial property, respectively (see the first sentences of Article 24(2) of the Berne Convention and Article 15(2) of the Paris Convention).

215. Whereas the duty of assembling, by the Council for TRIPS, the laws and regulations notified to it seems to be implicit in the TRIPS Agreement (otherwise it could not carry out its duty to review the operations of the TRIPS Agreement), the TRIPS Agreement does not provide for the publication by the Council for TRIPS of any information concerning the protection of copyright and industrial property.

216. *Notification of State Emblems, etc.* Article 6^{ter} of the Paris Convention provides for the possibility of States party to that Convention to communicate to the International Bureau their State emblems and official signs and hallmarks indicating control and warranty. The communication of such emblems, etc., is intended for the protection of the emblems, etc., against use in marks or use in

trade. This is a description which only gives the essence of Article 6ter.

217. The third sentence of Article 63, paragraph 2 of the TRIPS Agreement reads as follows: “The Council [for TRIPS] shall also consider in this connection [i.e., in connection with the consultations with WIPO] any action required regarding notifications pursuant to the obligations under this Agreement stemming from the provisions of Article 6ter of the Paris Convention (1967).” Article 3 of the Agreement Between the World Intellectual Property Organization and the World Trade Organization, described in paragraph 232, below, implements this provision of the TRIPS Agreement by establishing that the “procedures relating to communication of emblems and transmittal of objections under the TRIPS Agreement shall be administered by the International Bureau [of WIPO] in accordance with the procedures applicable under Article 6ter of the Paris Convention (1967).”

218. *Further details.* Paragraphs 3 and 4 contain certain details and qualifications to the obligations of Members provided for in paragraphs 1 and 2.

219. **Article 64 is entitled “Dispute Settlement.”** Since it is expected that the September 1996 sessions of the WIPO Governing Bodies will make decisions concerning WIPO’s plans to elaborate a WIPO system for the settlement of disputes between States in the field of intellectual property and since such decisions may yield new insights into the possible relations between that (for the moment merely planned) system, the WTO system of dispute settlement and the dispute settlement system of the International Court of Justice, whose jurisdiction is stipulated in the Berne Convention (Article 33) and the Paris Convention (Article 28), this matter will be dealt with in any subsequent version of the present paper.

Part VI of the TRIPS Agreement, entitled “TRANSITIONAL ARRANGEMENTS”

220. This Part of the TRIPS Agreement consists of three Articles (Articles 65 to 67).

221. **Articles 65 and 66, entitled “Transitional Arrangements” and “Least-Developed Country Members,”** determine the dates by which Members are obliged to apply the provisions of the TRIPS Agreement. Expressed in a somewhat simplified and different way than in the TRIPS Agreement itself, the result seems to be the following:

- (i) Any least-developed country Member may delay the application of the TRIPS Agreement--except the provisions concerning national treatment and most-favored-nation-treatment--until January 1, 2006; it may, however, apply for extensions of that deadline by the Council for TRIPS (Article 66, paragraph 1).
- (ii) Any developing country Member (other than a least-developed country Member) may delay the application of the TRIPS Agreement--except the provisions concerning national treatment and most-favored-nation-treatment and obligations under Article 70, paragraphs 8 and 9--until January 1, 2000 (Article 65, paragraph 2), plus an additional five years (until January 1, 2005) for product patent protection in certain cases (Article 65, paragraph 4).
- (iii) Any country Member (other than a least-developed or a developing country) “which is in the process of transformation from a centrally-planned into a market, free-enterprise economy and which is undertaking structural reform of its intellectual property system and facing special problems in the preparation and implementation of intellectual property laws and regulations” may delay the application of the TRIPS Agreement--except the provisions concerning national

treatment and most-favored-nation treatment and obligations under Article 70, paragraphs 8 and 9--until January 1, 2000 (Article 65, paragraph 3).

(iv) Any Member not falling into any of the three categories described in (i), (ii) and (iii), above, became obligated to apply the TRIPS Agreement on January 1, 1996 (Article 65, paragraph 1).

(v) Any Member falling into any of the four categories described above (that is, any Member of WTO) became obliged to apply the provisions of the TRIPS Agreement concerning national treatment and most-favored-nation treatment on January 1, 1996.

222. Any Member taking advantage of the transitional periods described above must “ensure that any changes in its laws, regulations and practice made during that period do not result in a lesser degree of consistency with the provisions of this [the TRIPS] Agreement” (Article 65, paragraph 5); this is referred to as the “standstill” or “no-rollback” provision.

223. **Article 67, entitled “Technical Cooperation,”** establishes the obligation of developed country Members to provide, on request and on mutually agreed terms and conditions, technical and financial cooperation in favor of developing and least-developed country Members in order to facilitate the implementation of the TRIPS Agreement by the latter countries.

224. As far as least-developed countries are concerned, Article 66, paragraph 2 of the TRIPS Agreement also obliges developed country Members to “provide incentives to enterprises and institutions in their territories for the purpose of promoting and encouraging technology transfer to least-developed country Members in order to enable them to create a sound and viable technological base.”

225. It is to be noted that WIPO has always had, and will continue to have, a permanent program on development cooperation for

developing countries, including the least-developed countries (LDCs). Under that program, WIPO is at the disposal of any such country, which so desires, for advice on legislation and for assistance in institution building and development of human resources. It is also to be noted that Article 4 of the Agreement Between the World Intellectual Property Organization and the World Trade Organization, described in paragraph 232, below, provides that the International Bureau will provide the same assistance to developing country Members of WTO which are not Member States of WIPO as it provides to its own Member States and that WTO will provide assistance to Member States of WIPO which are developing countries and not Members of WTO.

**Part VII of the TRIPS Agreement, entitled
“INSTITUTIONAL ARRANGEMENTS;
FINAL PROVISIONS”**

226. This Part of the TRIPS Agreement consists of six Articles (Articles 68 to 73).

227. Article 68, entitled “**Council for Trade-Related Aspects of Intellectual Property Rights**,” specifies the tasks of the Council for TRIPS, which include monitoring the operation of the TRIPS Agreement and Members’ compliance with their obligations under that Agreement, providing assistance requested by Members in the context of dispute settlement procedures, and carrying out other responsibilities as assigned to it by the Members. The provisions of the Paris Convention and the Berne Convention, in particular, relating to the tasks of the Assemblies that are established under those Conventions (see Article 13(2) of the Paris Convention and Article 22(2) of the Berne Convention) have a similar function, but they differ in substance; they specify, *inter alia*, such tasks as dealing with all matters concerning the maintenance and development of the Paris and Berne Unions, respectively, and the implementation of the Conventions concerned, taking any other appropriate action designed to further the objectives of the said Unions and exercising such other functions as appropriate under those Conventions.

228. Article 68 of the TRIPS Agreement also states that, “In consultation with WIPO, the Council shall seek to establish, within one year of its first meeting [which took place on March 9, 1995], appropriate arrangements for cooperation with bodies of that Organization.” These arrangements for cooperation have been implemented in the Agreement Between the World Intellectual Property Organization and the World Trade Organization of December 22, 1995 (hereinafter referred to as “the WIPO-WTO Agreement”). The WIPO-WTO Agreement establishes arrangements

for cooperation in three areas. First, with respect to notification by Members of WTO of their laws and regulations pertaining to the TRIPS Agreement, the WIPO-WTO Agreement provides that copies of laws and regulations in the WIPO collection and access to any computerized database of the International Bureau will be available to the WTO Secretariat and to Members of WTO and their nationals, that initial notification of a law or regulation may be made in the form of a statement sent by a Member of WTO to the WTO Secretariat to the effect that the relevant law or regulation already exists in the WIPO collection, that copies of all laws and regulations notified to the WTO Secretariat will be sent to WIPO for inclusion in its collection, and that the International Bureau will make available to developing country Members of WTO which are not Member States of WIPO the same assistance for translation of laws and regulations for the purposes of notification under the TRIPS Agreement as it makes available to its own Members which are developing countries. Second, the WIPO-WTO Agreement establishes that the procedures relating to communication of emblems and transmittal of objections under Article 6^{ter} of the Paris Convention for the purposes of the TRIPS Agreement will be administered by the International Bureau in accordance with the procedures applicable under Article 6^{ter} of the Paris Convention (1967). Third, the WIPO-WTO Agreement provides that each Organization will make available the same legal-technical assistance and technical cooperation to the Members of the other Organization which are developing countries as it makes available to its own Members which are developing countries, and calls for cooperation and exchange of information between the two Organizations in this area. The WIPO-WTO Agreement, which was signed by the Director General of WIPO and the Director-General of WTO, entered into force on January 1, 1996.

229. Article 69, entitled “International Cooperation,” requires that Members cooperate to eliminate international trade in infringing goods, that they establish and notify to the TRIPS Council contact points in their administrations, that they be ready to exchange information on trade in infringing goods, and that they promote the

exchange of information and cooperation between customs authorities with regard to trade in counterfeit trademark goods and pirated copyright goods. There are no corresponding provisions in the treaties administered by WIPO.

230. **Article 70, entitled “Protection of Existing Subject Matter,”** deals with the following matters.

231. *Obligations in Respect of Acts Which Occurred Prior To Application of the Agreement.* The TRIPS Agreement states that it does not impose obligations in respect of acts which occurred before the date of application of the Agreement for a given Member (paragraph 1). While the treaties administered by WIPO do not contain corresponding provisions, it is understood that those treaties do not apply to acts which occurred before the date of entry into force of the respective treaty for a given country.

232. *Subject Matter Which Existed Prior to Application of the Agreement.* Paragraphs 2 through 7 of Article 70 deal with the application of the TRIPS Agreement in a Member to subject matter which existed at the date of application of the Agreement in that Member.

233. Paragraph 2 of Article 70 of the TRIPS Agreement states that, except as otherwise provided for in the Agreement, the obligations under the Agreement apply in respect of all subject matter which exists at the date of application of the Agreement for a given Member, as long as that subject matter is either protected in that Member on that date, or comes subsequently to meet the criteria for protection under the terms of the TRIPS Agreement (paragraph 2, first sentence). However, for the purposes of this paragraph, and of paragraphs 3 and 4 of this Article of the TRIPS Agreement, copyright obligations with respect to existing works and obligations with respect to rights of producers of phonograms and performers in existing phonograms are to be determined solely under Article 18 of the Berne Convention (in the latter case, Article 18 of the Berne Convention is made applicable

under Article 14, paragraph 6, of the TRIPS Agreement) (paragraph 2, second sentence). In the case of copyright protection, even though the application of Article 18 of the Berne Convention is mandated by Article 9, paragraph 1, of the TRIPS Agreement (which requires that Members shall comply with, *inter alia*, Article 18 of the Berne Convention), the second sentence of paragraph 2 makes it clear that the first sentence does not alter the protection for existing copyright works that is provided under Article 18 of the Berne Convention.

234. The first sentence of paragraph 2, which would apply both to subject matter for which protection was in force at the date of application of the TRIPS Agreement in a Member (for example, a patent which had not yet expired), and to subject matter concerning which protection had been applied for prior to that date (for example, a pending application for trademark registration), is a departure from earlier industrial property treaties. For example, under the Paris Convention, any increased standards of protection mandated by that Convention would not necessarily apply to subject matter concerning which protection was applied for prior to the entry into force of the Convention in a given country. The effect of this provision of the TRIPS Agreement is that the new standards under that Agreement are given general effect sooner than they would be without this provision.

235. Paragraph 3 of Article 70 of the TRIPS Agreement states that there is no obligation on a Member to restore protection to subject matter which had fallen into the public domain in that Member prior to the date of application of the TRIPS Agreement for that Member. This provision is subject to Article 18 of the Berne Convention for copyright, and to that Article of the Berne Convention as applied to rights of producers of phonograms and performers under Article 14, paragraph 6, of the TRIPS Agreement (see paragraph 237, above). None of the treaties administered by WIPO other than the Berne Convention contains provisions on possible restoration of protection to subject matter which has fallen into the public domain.

236. Paragraph 4 of Article 70 of the TRIPS Agreement allows a Member to limit the remedies available for the continued performance of acts which began, or concerning which significant investment was made, before the date of acceptance of the WTO Agreement by the Member and which become infringing because of implementation of the TRIPS Agreement. However, such a Member must at least provide for the payment of equitable remuneration in respect of such acts. (Like the preceding paragraphs, this provision is subject to Article 18 of the Berne Convention for copyright, and to that Article of the Berne Convention as applied to rights of producers of phonograms and performers under Article 14, paragraph 6, of the TRIPS Agreement; see paragraph 237, above.) There are no corresponding provisions in the treaties administered by WIPO.

237. Paragraphs 5 and 6 of Article 70 of the TRIPS Agreement provide exceptions to certain obligations under that Agreement in specified cases. Concerning copyright and related rights, paragraph 5 states that a Member is not obligated to apply the provisions of Article 11 and Article 14, paragraph 4, concerning rental rights to originals or copies which were purchased prior to the date of application of the TRIPS Agreement in that Member. Concerning patents, paragraph 6 states that a Member is not obligated to apply the provisions of Article 31 concerning compulsory licenses, or the provision of Article 27, paragraph 1, concerning discrimination as to the field of technology, to use for which authorization was granted by the government of that Member without the authorization of the right holder before the date the TRIPS Agreement became known. There are no corresponding provisions in the treaties administered by WIPO.

238. Paragraph 7 of Article 70 of the TRIPS Agreement states that a Member is obligated to allow applicants to amend any applications for intellectual property rights which are pending on the date of application of the TRIPS Agreement for that Member in order to claim any enhanced protection which might become available because of the implementation of the TRIPS Agreement, provided that such

amendments may not contain new matter. There are no corresponding provisions in the treaties administered by WIPO.

239. *Interim Protection for Certain Unpatentable Products.* Paragraphs 8 and 9 of Article 70 of the TRIPS Agreement provide for certain kinds of interim protection for pharmaceutical and agricultural chemical products which are not patentable in a Member, where that Member avails itself of the relevant transition periods provided in Article 65. These provisions are discussed in paragraphs 147 and 148, above, dealing with patents.

240. Article 71, entitled “Review and Amendment,” provides that the Council for TRIPS of WTO shall review the implementation of the TRIPS Agreement after January 1, 2000, again two years after that date, and at identical intervals thereafter, and, if it chooses, at other times in light of any new developments which might warrant modification or amendment of the Agreement (paragraph 1). This Article also provides that certain amendments may be adopted by the Ministerial Conference of WTO without any further formal acceptance process if their effect is to adjust the level of protection under the TRIPS Agreement to higher levels of protection which exist in another multilateral agreement binding on all Members of WTO (paragraph 2). There are no corresponding provisions in the treaties administered by WIPO.

241. Article 72, entitled “Reservations,” prohibits a Member from entering any reservations in respect of any provision of the TRIPS Agreement without the consent of the other Members. None of the treaties administered by WIPO contains such a provision; they, in general, exclude any reservations, and, where they exceptionally allow reservations, they precisely determine in respect of which provisions, and under what conditions, reservations may be made.

242. Article 73, entitled “Security Exceptions,” exempts a Member from taking actions which would compromise its essential security interests relating to, *inter alia*, nuclear materials, traffic in

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arms, war, national emergencies, and obligations under the United Nations Charter for the maintenance of international peace and security. None of the treaties administered by WIPO contains corresponding provisions.

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