

**Council for Trade-Related Aspects
of Intellectual Property Rights
Special Session**

**MULTILATERAL SYSTEM OF NOTIFICATION AND REGISTRATION OF
GEOGRAPHICAL INDICATIONS FOR WINES AND SPIRITS**

Report by the Chairman

1. This report on the negotiations on the establishment of a multilateral system of notification and registration of geographical indications for wines and spirits is submitted on my own responsibility and is without prejudice to the position of any delegation and to the outcome of the negotiations.
2. The mandate of the Special Session is set out in the first sentence of paragraph 18 of the Doha Ministerial Declaration, which reads as follows:

"With a view to completing the work started in the Council for Trade-Related Aspects of Intellectual Property Rights (Council for TRIPS) on the implementation of Article 23.4, we agree to negotiate the establishment of a multilateral system of notification and registration of geographical indications for wines and spirits by the Fifth Session of the Ministerial Conference."

The mandate refers to the work already under way in the Council for TRIPS on the basis of Article 23.4 of the TRIPS Agreement, which provides that:

"[i]n 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."

In the Hong Kong Ministerial Declaration, Ministers took note of a progress report on the negotiations in the Special Session and agreed to intensify them in order to complete them within the overall time-frame for the conclusion of the negotiations that were foreseen in the Doha Ministerial Declaration (WT/MIN(05)/DEC, paragraph 29).

3. As reported on previous occasions, three formal proposals have been tabled. Document TN/IP/W/12 sets out side by side the elements of the three proposals tabled that, in the view of the proponents of each proposal, are relevant to the mandate of the Special Session: Hong Kong, China's proposal, contained in Annex A of TN/IP/W/8; the Joint Proposal of Argentina, Australia, Canada, Chile, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Japan, Mexico, New Zealand, Nicaragua, Paraguay, Chinese Taipei and the United States ("Joint Proposal Group") in TN/IP/W/10 and Addenda 1, 2 and 3; and the European Communities' proposal, contained in the Annex set out in TN/IP/W/11. More recently the European Communities has shared with the participants in the Special Session new thinking which it has presented as an effort to narrow the gap;

the references to the position of the European Communities in this report are based on this new thinking. A detailed compilation, prepared by the Secretariat, of the points raised and views expressed on the proposals can be found in document TN/IP/W/12/Add.1 and Add.1/Corr.1 of May 2007.¹

4. The elements of a registration system that have been considered in the work can be put into three categories:

- (a) First, there are the two key issues of participation and the consequences/legal effects of registrations, where there continue to be fundamental differences, even if there has been some movement in the past months. In regard to these elements, I reproduce below the position of participants as reflected in the proposals submitted and discussions in the Special Session.
- (b) There is a second category of elements on which a fair amount of detailed work has been done. These are the areas of notification and registration. While most of this work is not all that recent and further work is clearly required, in particular because positions on these matters are linked to the treatment of participation and consequences/legal effects, my tentative appreciation of the points of convergence and divergence can be found below.
- (c) Third, there are a number of other elements which depend substantially on the key policy choices to be made, in particular on the questions of participation and consequences/legal effects, and which have thus been less fully discussed so far. These include such matters as: fees, costs, and administrative burdens, particularly as they impact on developing and least developed country Members, and special and differential treatment; as well as the duration of registrations and procedures for their modification and withdrawal; arrangements for review; and contact points. These are points that need further discussion.

5. No agreement has yet been reached on the legal form of the eventual outcome and on the institutional arrangements for its management and servicing. On the former question, the suggestions on the table include a TRIPS Council decision and the addition of an annex to the TRIPS Agreement through an amendment to it. On the latter question, delegations have not excluded the possibility of inviting the WIPO secretariat to play a role.

6. There are different views on whether the work of the Special Session should be addressed in the context of the modalities decision. Some Members believe that the issue of the GI register should be part of the horizontal process in order to have modality texts that reflect Ministerial agreement on the key parameters for negotiating a final draft legal text as part of the Single Undertaking. Some other Members believe that no further guidance is necessary since the existing mandate is sufficiently clear and technical work can and should be pursued intensively on this basis in order to fulfil the Doha mandate to which they remain committed.

7. This report does not describe the range of views that have been expressed on issues of linkage between work in the Special Session and work on the relationship between the TRIPS Agreement and the Convention on Biological Diversity and on GI extension, including in regard to the coverage of the GI register and in regard to procedural parallelism between these three TRIPS issues. This is because the issues of GI extension and TRIPS/CBD relate to matters which go beyond the mandate of the Special Session, including its limitation to GIs for wines and spirits.

¹ A record of the most recent expression of the positions and views of Members will be circulated in document TN/IP/M/19 (minutes of the Special Session's meeting of 29 April 2008).

Participation

8. The Joint Proposal Group has proposed:

"In accordance with paragraph 4 of Article 23 of the TRIPS Agreement, participation in the System established by the Decision is strictly voluntary, and no Member shall be required to participate.

In order to participate in the System, a Member shall make a written notification to the WTO Secretariat of its intention to participate."

9. The European Communities has proposed:

"In accordance with paragraph 4 of Article 23 of the TRIPS Agreement, the system is multilateral, that is applicable to all WTO Members.

Participating Members are Members above a certain share in world trade."

Under the EC approach, all WTO Members would be entitled to submit notifications under the system.

10. Hong Kong, China has proposed:

"Participation in the system is voluntary which means that:

- (a) Members should be free to participate and notify GIs protected in their territories.
- (b) The obligation to give legal effect to registrations under the system will only be binding upon Members choosing to participate in the system."

Hong Kong, China has also proposed that "the question of scope of participation should be revisited as part of the review" of the notification and registration system that it is proposing should be held "after [four] years from establishment of the system".

11. The range of positions taken in regard to whether and, if so, in what way registration should have consequences/legal effects in non-participating Members is described in paragraphs 25-28 of this report.

Notification

12. On the notification by Members of GIs for inclusion in the register, earlier discussions indicated a fair measure of common ground on certain aspects, but significant remaining differences on some others. With regard to the content of notifications, there seemed to be significant common ground among Members that the notifying Member would be required to:

- (a) specify the name of the notifying Member;
- (b) specify whether the good for which the geographical indication is used is a wine or a spirit;
- (c) identify the geographical indication as it appears on or is protected for the wine or spirit in the notifying Member's territory;

- (d) where the geographical indication is in characters other than Latin characters, include a transliteration into Latin characters using the phonetics of the language in which the notification is made;
- (e) specify the territory of the notifying Member, or the region or locality in that territory, from which the wine or spirit must originate in order to be eligible in that Member to be identified by the geographical indication;
- (f) include, where available, the date on which the geographical indication first received protection in the notifying Member and, if applicable, any date for the expiration of the protection currently accorded.

On point (d) there were different views as to whether it should be specified that transliterations would be for information purposes only, and on point (f) whether the inclusion of the date of first protection should be obligatory or voluntary.

13. There were different views on whether notifying Members should be required to identify how the geographical indication is protected in the territory of the notifying Member including, as appropriate, the legal instrument that forms the basis of such protection; or, as suggested in one proposal, as an optional alternative, by providing a statement executed under seal affirming the protection of the geographical indication in the notifying country. It might also be noted that there were outstanding differences on whether or not there should be an explicit requirement that a notifying Member only notify GIs which, in its territory, meet the definition of a geographical indication specified in paragraph 1 of Article 22 of the TRIPS Agreement and are protected and have not fallen into disuse.

14. Significant differences also remain on the treatment of translations in notifications. These include whether the notifying Member should provide any available translation of the geographical indication into the language in which the notification is made in cases where the language in which the geographical indication appears on the wine or spirit in the notifying Member is not that language; whether the notifying Member should be explicitly given the option of providing suggested translations of the geographical indication into other languages; and whether, if provisions on these matters are included, it should be made clear that this would be for information purposes only.

15. Other points which remain to be settled are whether notifications:

- (a) should, on a mandatory or voluntary basis, include information identifying the producers of the wine or spirit entitled to use the geographical indication in the notifying Member and/or the owner of the geographical indication; and
- (b) may include other information that the notifying Member considers may be useful in facilitating protection of the geographical indication, such as:
 - (i) details of the quality, reputation or other characteristics of the wine or spirit essentially attributable to its geographical origin;
 - (ii) for information purposes only, any bilateral, regional and/or multilateral agreement under which the geographical indication is protected.

16. It is my impression that there is a large measure of common ground among Members regarding the following issues:

- (a) the notification shall be made in an official WTO language;
- (b) the notification, with the exception of the geographical indication itself, shall be translated by the administering body into the other official WTO languages;
- (c) the notifications shall be made in a standard format to be adopted by the Council for TRIPS prior to the entry into operation of the system, which shall be such as to limit notifications, wherever possible, to no longer than two pages, not counting any attached or cross-referenced texts.

Registration

17. Regarding the issue of registration of geographical indications in the system it is my sense that there is significant common ground among Members on the following elements:

- (a) following receipt of a notification of a geographical indication, the administering body shall register the notified geographical indication on the register of geographical indications for wines and spirits;
- (b) the registration of the notified geographical indication on the register shall consist of the recording on the register of the information provided in the notification; and
- (c) the administering body shall notify all WTO Members of the registration of each notified geographical indication.

18. Members also seem to agree that the register shall take the form of a searchable on-line database, available in the three WTO languages and accessible free of charge to all WTO Members and the public, and that it shall provide a means of access to the original notification of each geographical indication as made by the notifying Member.

19. Different views have been expressed on a proposal that has been made for a formality examination of each notification by the administering body prior to its entry on the register.

20. The view has been expressed that the appropriateness of a system providing for the registration of geographical indications notified by Members without a prior opportunity for opposition or reservation by other Members in the light of national examination by them of those GIs was dependent on the consequences/legal effects that such registration would have.

Consequences/Legal Effects of Registrations

In participating Members

21. The Joint Proposal Group has proposed:

"Each Participating Member commits to ensure that its procedures include the provision to consult the Database when making decisions regarding registration and protection of trademarks and geographical indications for wines and spirits in accordance with its domestic law."

22. The European Communities has proposed:

"Commitment to consult the Register when making decisions on registration and protection of trademarks and GIs in accordance with domestic law.

Rebuttable presumptions that the notified GI:

- (i) is a GI in accordance with the definition in Article 22.1 TRIPS;
- (ii) is not a generic (Article 24.6 TRIPS);
- (iii) does not falsely represent to the public the true origin of the goods (Article 22.4 TRIPS)."

23. Hong Kong, China has proposed:

"Registration of an indication on the Register shall be admitted as prima facie evidence to prove:

- (a) ownership of the indication;
- (b) that the indication satisfies the definition in Article 22.1 of the TRIPS Agreement as a geographical indication; and
- (c) that the indication is protected in the country of origin (i.e. Article 24.9 of the TRIPS Agreement does not apply)

in any domestic courts, tribunals or administrative bodies of the Participating Members in any judicial, quasi-judicial or administrative proceedings related to the geographical indication. The issues will be deemed to have been proven unless evidence to the contrary is produced by the other party to the proceedings."

24. The position has also been taken that there should be no national legal effects consequent on the registration of GIs in the register.

In non-participating Members

25. The Joint Proposal Group has proposed:

"Members who choose not to participate are encouraged, but are not obliged, to consult the Database in making decisions under their domestic law involving registration or protection of trademarks and geographical indications for wines and spirits."

26. The European Communities has proposed:

"Commitment to consult the Register when making decisions on the registration and protection of trademarks and GIs in accordance with domestic law."

27. Under the Hong Kong, China proposal there would be no legal effects for non-participating countries.

28. The following positions have also been taken:

- the legal effects proposed by the European Communities for participating Members should apply also in non-participating Members;
 - there should be no national legal effects consequent on the registration of GIs in the register.
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