JOB(05)/61/Add.2 17 May 2005

DOHA WORK PROGRAMME – THE EXTENSION OF THE ADDITIONAL PROTECTION FOR GEOGRAPHICAL INDICATIONS TO PRODUCTS OTHER THAN WINES AND SPIRITS

Communication from Bulgaria, the European Communities, Guinea, India, Kenya, the Kyrgyz Republic, the Former Yugoslav Republic of Macedonia, Liechtenstein, Madagascar, Romania, Switzerland, Thailand and Turkey

Addendum

By means of a communication, dated 3 May 2005, received from its Delegation, Jamaica has requested that it be added to the list of sponsors of the submission circulated in document JOB(05)/61.

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DOHA WORK PROGRAMME – THE EXTENSION OF THE ADDITIONAL PROTECTION FOR GEOGRAPHICAL INDICATIONS TO PRODUCTS OTHER THAN WINES AND SPIRITS

Communication from Bulgaria, the European Communities, Guinea, India, Kenya, the Kyrgyz Republic, the Former Yugoslav Republic of Macedonia, Liechtenstein, Madagascar, Romania, Switzerland, Thailand and Turkey

Addendum

By means of communications dated 26 and 28 April 2005, received from their Delegations, Sri Lanka and Tunisia have requested that they be added to the list of sponsors of the submission circulated in document JOB(05)/61 on 22 April 2005.

DOHA WORK PROGRAMME – THE EXTENSION OF THE ADDITIONAL PROTECTION FOR GEOGRAPHICAL INDICATIONS TO PRODUCTS OTHER THAN WINES AND SPIRITS

Communication from Bulgaria, the European Communities, Guinea, India, Kenya, the Kyrgyz Republic, the Former Yugoslav Republic of Macedonia, Liechtenstein, Madagascar, Romania, Switzerland, Thailand and Turkey

- 1. Following the Decision of the General Council on the Doha Work Programme adopted on 1 August 2004, the Director-General has continued his consultative process on issues related to the extension of the protection of geographical indications provided for in Article 23 of the TRIPS Agreement to products other than wines and spirits (hereafter: GI-extension). As agreed by the Director-General and WTO Members participating in the consultations held on 24 November 2004, technical level consultations have been carried out since then, chaired by a Deputy Director-General (DDG) (acting as a Friend of the Director-General (DG)) and supervised by the DG.
- 2. As proposed in the respective invitations for technical level consultations on GI-extension issued by the DDG, a comprehensive range of issues relating to GI-extension has been examined in detail by WTO Members in three sessions of technical level consultations which took place on 16 December 2004, 7 February 2005 and 10 March 2005. This exercise enabled WTO Members to further clarify:
 - the objectives, scope and content of the extension proposal; and
 - the implications (including costs and benefits) of this proposal, including the implications on: (a) producers benefiting from a GI; (b) other producers; (c) consumers; and (d) government authorities.
- 3. It is important to emphasize that these issues have been discussed extensively for a number of years now and the questions related to them have been posed and answered repeatedly. There has been a thorough examination and an exhaustive discussion on GI-extension since the start of the Doha Round. Evidence of this can be found in the numerous communications and proposals made by several WTO Members¹ and in the respective minutes of the TRIPS Council.²

¹ IP/C/W/204/Rev.1, 2 October 2000; IP/C/W/247/Rev.1, 17 May 2001; IP/C/W/289, 29 June 2001; IP/C/W/308/Rev.1, 2 October 2001; JOB(02)/32, 11 April 2002; IP/C/W/353, 24 June 2002; JOB(02)/194, 26 November 2002; IP/C/W/360, 26 July 2002; JOB(02)/95, 26 July 2002; IP/C/W/386, 8 November 2002; IP/C/W/395, 10 December 2002; JOB(03)/119, 23 June 2003; JOB(03)/137, 8 July 2003; TN/C/W/14, 9 July 2003 (and TN/C/W/14/Add.1, Add.2 and Corr.1); TN/C/4, 13 July 2004; TN/C/W/21/Rev.1 – WT/GC/W/540/Rev.1.

² See in particular: IP/C/M/26, 24 May 2000 (paras. 37-53 and Annex); IP/C/M/27, 14 August 2000 (paras. 68-91); IP/C/M/28, 23 November 2000 (paras. 75-105); IP/C/M/29, 6 March 2001 (paras. 83-107); IP/C/M/30, 1 June 2001 (paras. 86-121); IP/C/M/33, 2 November 2001 (paras. 74-103); IP/C/M/35, 22 March 2002 (paras. 139-205); IP/C/M/36/Add.1, 10 September 2002 (paras. 57-193); IP/C/M/37/Add.1, 8 November 2002 (paras. 97-194); and IP/C/M/38, 5 February 2003 (paras. 65-216).

- 4. The consultations by the DDG acting as a Friend of the DG now conclude the technical work on GI-extension and must enable the DG to report to the TNC and the General Council no later than May 2005 in order for the Council to review progress and take appropriate action no later than July 2005. WTO Members must fulfil the mandate given to them by the Doha Declaration and the Decision of the General Council on the Doha Work Programme adopted on 1 August 2004. Annexed to this communication is document TN/C/W/14³ which sets out in its Annex in draft legal text how GI-extension can be implemented for the benefit of all Members alike. In that light, it is proposed to modify the scope of the additional protection of Article 23, currently reserved for wines and spirits geographical indications only, to cover all kinds of products without discrimination.
- 5. As has already been stated in previous submissions⁴ by the proponents, the proposal on GI-extension is designed to have effects only for the future and will not affect existing uses of names that coincide with protected geographical indications to the extent that such use has been in compliance with the TRIPS Agreement along the lines of what is embedded in Article 24 of the TRIPS Agreement.
- 6. Article 24, paragraphs 4 to 9 of the TRIPS Agreement contain a number of exceptions to the protection of geographical indications under the TRIPS Agreement, whether under Article 22 or the additional protection of Article 23. These exceptions are destined to provide flexibility in implementing the level of protection contained in Articles 22 and 23 of the TRIPS Agreement. These provisions take account of a number of pre-TRIPS instances that would have been prohibited subsequent to the entry into force of the TRIPS Agreement.
- 7. Extending the additional protection of Article 23 of the TRIPS Agreement to geographical indications also for products other than wines and spirits will therefore not impinge on these exceptions. They will continue to apply. If other Members should find it necessary to ensure and clarify this point by reflecting this explicitly in the exceptions of Article 24 of the TRIPS Agreement, the proponents of GI-extension confirm their availability to discuss appropriate wording along the lines of the existing provisions of Article 24 of the TRIPS Agreement.
- 8. More detailed comments on the substance of the proposed modifications of the TRIPS Agreement can be found in WTO documents IP/C/W/353 and TN/C/W/14.³

³ See also TN/C/W/14/Add.1, Add.2 and Corr.1

⁴ See for instance IP/C/W/353, 24 June 2002 (para. 3) and TN/C/W/14, 9 July 2003.

ANNEX

REPRODUCED TEXT OF WTO DOCUMENT TN/C/W/14 (WITH TN/C/W/14/ADD.1, ADD.2 AND CORR.1 INCORPORATED)

GEOGRAPHICAL INDICATIONS THE SIGNIFICANCE OF "EXTENSION" IN THE TRIPS AGREEMENT AND ITS BENEFITS FOR WTO MEMBERS

Communication from Bulgaria, Cyprus, the Czech Republic, Estonia, the European Communities, the Former Yugoslav Republic of Macedonia, Georgia, Hungary, India, Jamaica, Kenya, the Kyrgyz Republic, Latvia, Liechtenstein, Malta, Morocco, Poland, Romania, the Slovak Republic, Slovenia, Sri Lanka, Switzerland, Thailand and Turkey

The following communication, dated 8 July, has been received from the Permanent Mission of Switzerland with the request that it be circulated to participants.

In accordance with para. 18 of the Doha Ministerial Declaration and the Trade Negotiations Committee (TNC) decision in February 2002, the TRIPS Council has given priority to its work on the extension of the protection provided in Article 23 of the TRIPS Agreement for geographical indications (GIs) for products other than wines and spirits (referred to as 'extension'). Since the Council was unable to meet the December 2002 deadline for recommending appropriate action, the TNC has held consultations on 'extension' since the beginning of 2003. Recently, the Director-General has also engaged in consultations in an effort to come to a decision on 'extension'.

The purpose of this communication is to summarize the essence of 'extension': what it entails, its goals and its benefits.¹

I. 'EXTENSION' IN BRIEF

- 1. The goal of 'extension' is to ensure that GIs will only be used for products actually originating from the place indicated by the GI on a product in the future.
- 2. GIs are an intellectual property right equal to trademarks, designs or patents. None of these intellectual property rights discriminates among categories of products in granting effective protection.

¹ For a more detailed presentation, see communications in doc. IP/C/W/204/Rev.1, IP/C/W/247/Rev.1, IP/C/W/308/Rev.1, JOB(02)/32 and IP/C/W/353 as submitted to the TRIPS Council by a large group of WTO Members in favour of 'extension'.

- 3. There are no commercial, economic or legal reasons to limit effective protection only to GIs for wines and spirits or not to provide such protection also to GIs for all other products.
- 4. 'Extension' means simply providing the more effective protection of Article 23 of the TRIPS Agreement, currently available only for GIs of wines and spirits, also for GIs of all other products.
- 5. 'Extension' does *not* demand rollback protection! The exceptions to protection provided for in Article 24 of the TRIPS Agreement will continue to apply under 'extension', thus providing the necessary flexibility for its application. These exceptions include reasons such as established long-term use of a GI in good-faith for products not having the corresponding origin, or indications which are already used generically in a Member State.
- 6. 'Extension' will facilitate the protection and enforcement of GIs in many instances because under the more effective protection of Article 23 of the TRIPS Agreement, the burdensome and costly misleading test and/or proof of unfair competition required by Article 22 of the TRIPS Agreement will not have to be established anymore.
- 7. 'Extension' will prevent non-generic GIs from becoming so. When GIs become generic through illegitimate free-riding and usurpation, they lose all economic value. Under the effective protection of Article 23, the use of GIs in translations or in expressions such as "kind", "style" or "imitation" is prohibited.

 The current unsatisfactory TRIPS regime prohibits for example the use of a GI such as
 - "Napa Valley type wine" for a wine produced in Switzerland, while at the same time allowing "Antigua-style coffee" produced in Switzerland.
- 8. 'Extension' does not require the establishment of new legislative or administrative national regulations (such as a register) because, as currently under Article 23, Members States are free how to implement the level of protection of Article 23 of the TRIPS Agreement.
- 9. 'Extension' will create a level playing field in the TRIPS Agreement for geographical indications of all products, thereby strengthening the value of GIs as a marketing tool and making them more attractive for all WTO Members.
- 10. In a time of globalizing and highly-competitive trade, the added-value of a GI creates new and better opportunities for quality products, especially for smaller and developing Member States and a valuable alternative to the benefit of economies of scale.

II. 'EXTENSION' IN THE TRIPS AGREEMENT

The implementation of 'extension' in the TRIPS Agreement will require only minor modifications of the text of Article 23 and corresponding changes in Article 24 of the TRIPS Agreement. The limitation to wines and spirits will be deleted and replaced with a neutral reference to products, thereby extending the more effective protection of this Article to GIs for all products².

² A proposal in the annex to this communication and as submitted by Bulgaria to the TRIPS Council in September 2002 illustrates how 'extension' could be implemented in the TRIPS Agreement (see also doc. IP/C/M/37/Add.1, para. 118, page 25, footnote 3).

III. PROPOSAL REGARDING THE MODALITIES OF 'EXTENSION'

In submission JOB(02)/194 of 26 November 2002 to the TRIPS Council, which was later circulated as TNC document TN/C/W/7 on 29 November 2002, Members in favor of 'extension' proposed that the TNC adopts the following guidelines for the negotiations on 'extension':

- (a) the protection of Article 23 of the TRIPS Agreement shall apply to GIs for all products;
- (b) the exceptions contained in Article 24 of the TRIPS Agreement shall apply *mutatis* mutandis;
- (c) the multilateral register to be established shall be open for GIs for all products.

IV. CONCLUSION

'Extension' will open new market opportunities by preventing trade distortions. The benefits resulting from 'extension' will foster development of local rural communities and encourage a quality agricultural and industrial policy. In a time of trade liberalization in these sectors, 'extension' will help make GIs a valuable tool for the marketing and promotion of quality products from developing and developed countries alike.

The TRIPS Council has examined exhaustively the questions and concerns raised in the context of the discussions on 'extension' during the last few years. At a crucial time in the Doha Round where important decisions in other fields of negotiations are to be taken, it is also the moment for the TNC to make a decision in favour of 'extension'.

ANNEX

The following proposal³ illustrates how 'extension' could be implemented in the TRIPS Agreement with regard to Article 23 TRIPS Agreement:

Article 23: Additional Protection for Geographical Indications for Wines and Spirits

- 1. Each Member shall provide the legal means for interested parties to prevent use of a geographical indication identifying goods wines for wines not originating in the place indicated by the geographical indication in question or identifying spirits for spirits for such goods not originating in the place indicated by the geographical indication in question, even where the true origin of the goods is indicated or the geographical indication is used in translation or accompanied by expressions such as "kind", "type", "style", "imitation" or the like.
- 2. The registration of a trademark for wines goods which contains or consists of a geographical indication identifying wines or for spirits which contains or consists of a geographical indication identifying spirits such goods shall be refused or invalidated, ex officio if a Member's legislation so permits or at the request of an interested party, with respect to such wines or spirits goods not having this origin.
- 3. In the case of homonymous geographical indications for wines the same goods protection shall be accorded to each indication, subject to the provisions of paragraph 4 of Article 22. Each Member shall determine the practical conditions under which the homonymous indications in question will be differentiated from each other, taking into account the need to ensure equitable treatment of the producers concerned and that consumers are not misled.

³ Proposal made by Bulgaria at the TRIPS Council in September 2002, see document IP/C/M/37/Add.1, para. 118, page 25, footnote 3.