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PROVISIONS ON ENFORCEMENT IN INTERNATIONAL AGREEMENTS ON INTELLECTUAL PROPERTY RIGHTS

Note by the Secretariat

1. This note describes the provisions of international agreements on intellectual property rights on two issues:

(i) Enforcement of intellectual property rights under national law: the means of enforcement of intellectual property rights that must be provided under the national law of member States (Section I); and

(ii) Enforcement of international obligations under international law: the means of recourse available to a member State considering that another member State is not meeting its obligations under the agreement - international dispute settlement provisions (Section II).

2. The provisions of the General Agreement on Tariffs and Trade, in so far as they relate to these two aspects, are not dealt with in this note since they have already been described in document MTN.GNG/NG11/W/6.

3. This paper takes into account certain comments provided by the Secretariats of the World Intellectual Property Organization and of Unesco. It also draws on the Guides to the Paris Convention, to the Berne Convention and to the Rome and Phonogram Conventions published by WIPO. It should be borne in mind that the Governing Bodies of WIPO decided in September 1987 that these Guides will be revised.

SECTION I: INTERNATIONAL OBLIGATIONS ON MECHANISMS FOR THE ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS TO BE INCORPORATED IN NATIONAL LEGISLATION

4. International treaties on the protection of intellectual property contain two types of obligation regarding mechanisms for the enforcement of intellectual property rights to be incorporated in national law:

(i) The "national treatment" principle. This says nothing about what the mechanisms should be, but requires that the means of enforcement available to nationals are also available to nationals of other member States; and

(ii) Certain common rules or minimum standards specifying some characteristics that domestic enforcement mechanisms available to nationals of other member States must have.

(i) "National treatment" provisions

5. A common feature of the main international treaties providing for the substantive protection of intellectual property rights is that they include a "national treatment" or "assimilation" provision. Under this provision, a member State must, as regards the protection of the intellectual property in question, accord to nationals of other member States the same treatment (or "rights" or "protection") that its laws grant to its own nationals. This obligation is sometimes extended in certain specific situations, to persons who are not nationals of member States, for example where they are domiciled or have a real and effective industrial or commercial establishment in a member State (Paris Convention) or where their works are first published in a country of the Union or they have their habitual residence in a member State (Berne Convention).[1]

6. Such national treatment provisions apply not only to the basic rights to be granted but also to the means of redress or remedy against infringement of these rights. This is spelt out in the Paris Convention, Article 2(1) of which states that nationals of other member States shall have "the same legal remedy [as nationals of the country] against any infringement of their rights, provided that the conditions and formalities imposed upon nationals are complied with". The national treatment Article of the Paris Convention also specifies that discrimination against nationals of other member States is, nevertheless, permitted where such discrimination relates to judicial and administrative procedure and to jurisdiction, and to the designation of an address for service or the appointment of an agent (Article 2(3)).

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[1]The Berne, Universal Copyright and UPOV Conventions contain certain exceptions to the national treatment principle, under which the protection accorded in a member State may, in certain respects, be made a function of the protection accorded in:

- the country of origin of the work or the country to which the author belongs (Berne Convention, Articles 2(7), 7(8) and 14ter(2));

- the member State of which the author is a national or in which the work was first published (Universal Copyright Convention, Article IV(4));

- the country of which the person seeking protection is a national or in which he is resident or has his registered office (UPOV Convention of 1978, Article 3(3)).

These exceptions, for the most part, concern questions of substantive rights (e.g. duration of copyright term) rather than remedies and procedures for enforcement of rights.

7. National treatment provisions are found in the following international agreements, which provide the basic international framework for the protection of intellectual property in their respective areas:

Industrial property;

- The Paris Convention for the Protection of Industrial Property (Articles 2 and 3);

Copyright;

- Berne Convention for the Protection of Literary and Artistic Works (Article 5);

- Universal Copyright Convention (Article II);

Neighbouring rights;

- Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations (Articles 2, 4, 5 and 6);

Plant Varieties;

- The International Convention for the Protection of New Varieties of Plants (UPOV Convention) (Article 3).

8. It should be noted that the "national treatment" concept in international intellectual property law differs from that in the General Agreement in that it concerns the treatment given to persons (foreign nationals compared to nationals of the country) whereas the concept in Article III of the General Agreement concerns the treatment given to goods (imported goods compared to domestically produced goods).

(ii) International obligations on the characteristics of enforcement mechanisms

(a) Paris Convention for the Protection of Industrial Property

9. Although the Paris Convention generally leaves questions of enforcement to the domestic legislation of member States, it contains a number of provisions which deal with remedies or sanctions against infringement and which persons can request such measures. These are:

- Article 6bis in regard to "well-known" trademarks;

- Article 6septies in regard to registration or use of a mark by an agent or representative without the authorisation of the proprietor of the mark;

- Articles 9 and 10ter in regard to goods unlawfully bearing a trademark or trade name;

- Articles 9, 10 and 10ter in regard to false indications of the source of goods or the identity of the producer, manufacturer or merchant;

- Articles 10bis and 10ter in regard to unfair competition.

Also relevant to enforcement questions is the provision of Article 5quater on the rights of the owner of a process patent to take action against imported products manufactured using the patented process.

10. These provisions are described in the paragraphs that follow. The texts of these provisions are reproduced at Annex 1 of this note. Further information on the enforcement provisions of the Paris Convention as they relate to trade in counterfeit goods can be found in the Memorandum by the International Bureau for the Protection of Intellectual Property (the WIPO Secretariat) on Protection Against Counterfeiting (WIPO document PAC/CE/II/2), prepared for the WIPO Committee of Experts on the Protection Against Counterfeiting. This has been made available to the Group (see MTN.GNG/NG11/W/5). These provisions were also discussed in the GATT Group of Experts on Trade in Counterfeit Goods (documents L/5878 and MDF/W/19).

Article 5quater

11. This deals with the rights of the owner of a process patented in the country of importation to take action against imported products manufactured using that process. The Guide to the Application of the Paris Convention, published by the United International Bureaux for the Protection of Intellectual Property (BIRPI - i.e. the WIPO Secretariat) and written by Professor G. H. C. Bodenhausen when he was Director of BIRPI, contains the following commentary:

> "(a) This Article was introduced into the Convention at the Revision Conference of Lisbon in 1958. Before that Conference the Convention left complete freedom to the member States to define in their national legislation the acts of third parties by which a patent would be infringed. At the Conference of Lisbon it was proposed to change this situation rather drastically by stipulating in the Convention that a patent, granted for a process of manufacture, would be infringed by the importation, sale or use of

products obtained by such process in another country. This proposal was not accepted and the adopted Article has a considerably narrower scope.

"(b) The legislation of several countries stipulates that, if a patent is granted only for a process, such patent extends its effect to products obtained, or directly obtained, by such process, which means that not only the application of the process but also, and independently, the sale and use of its products will constitute patent infringement. The provision under consideration prescribes that, when a country has adopted this system, all rights granted by its legislation, on the basis of the process patent, with respect to products manufactured according to the patented process in the country itself, must also apply in the case of importation of such products if they are manufactured according to the said process in another country, even if that process is not patented in the said other country."

Article 6bis

12. This provision deals with the protection to be granted to "well-known" trademarks, even if not registered. It specifies certain measures that should be provided in the event of infringement of rights in well-known marks and at whose instigation such measures should be taken.

13. Member states are obliged to provide for the following measures in the event of infringement of "well-known" trademarks:

- refusal or cancellation of registration of a confusingly similar mark used for identical or similar goods; and

- prohibition of the use of such a mark.

Except in the case of registration or use of a mark in bad faith, national legislation may set periods within which cancellation of registration (at least 5 years from registration) and prohibition of use must be requested.

14. As for the persons who may request such measures, the Article states that the measures must be taken ex officio, if national legislation so permits, or at the request of an interested party.

Article 6septies

15. This deals with the special situations of (a) the registration of a mark by an agent or representative in his own name and (b) use of the mark by an agent or representative, without in both cases the authorisation of the proprietor of the mark. Paragraph (1) requires that the proprietor of the mark must be given the right to oppose the registration applied for or demand its cancellation, unless the agent or representative justifies his action. The Article also mentions a third remedy, assignment of the registration to the proprietor of the mark, but the proprietor is entitled to this remedy only "if the law of the country so allows". As regards unauthorised use of a mark by an agent or representative, paragraph (2) of the Article requires that national law gives the proprietor the right to oppose such use. This right is subject to the provisions of paragraph (1) of the Article; in this regard, the Guide published by WIPO comments that "the right exists only in the same conditions as the rights given to the proprietor in paragraph (1) and with a similar possibility for the agent or representative to justify his unauthorised use of the mark". National legislation may limit the period during which the proprietor of a mark may exercise the rights provided for under this Article, provided the time limit set is "equitable".

Article 9

16. This Article deals with remedies against goods unlawfully bearing a trademark or a trade name. It mentions three specific types of remedy: seizure on importation (paragraph (1)); seizure in the country where the unlawful affixation occurred or in the country into which the goods have been imported (paragraphs (2) and (5)); and prohibition of importation (paragraph (5)). However, the Article does not make the incorporation of such remedies in national law compulsory and, "until such time as the legislation is modified accordingly", "the actions and remedies" available to nationals shall apply (paragraph (6)). Such actions and remedies are dealt with by Article 10ter (see paragraphs 21-23 below). A fuller description of the provisions of Article 9, contained in the Memorandum of the International Bureau of WIPO on Protection Against Counterfeiting (document

PAC/CE/II/2), is reproduced below:

"14. Three Types of Measure. Article 9 mentions three such legal remedies: (i) seizure (paragraphs (1) to (6)), (ii) prohibition of importation (paragraph (5)) and (iii) other "actions and remedies" (paragraph (6)), that is to say actions and remedies other than seizure or prohibition of importation.

15. Seizure. Article 9 draws a distinction between seizure applicable to goods of the country concerned ("seizure... in the country where the unlawful fixation occurred" (paragraph (2)) and seizure applicable to foreign goods (goods which must be "seized on importation" and "imported" goods (paragraphs (1) and (2)).

16. With regard to the seizure of goods counterfeited in the country, the obligation to seize them is compulsory where none of the exceptions provided for in paragraphs (4), (5) and (6) applies.

17. With regard to seizure of foreign counterfeit goods, there is an obligation to seize them (i) "on importation" and (ii) (if they are not seized de facto on importation) "in the country," that is to say in the country into which these goods are imported. However, this obligation is not compulsory in either case.

18. The obligation to seize on importation is not compulsory because, as paragraph (5) shows, a country's legislation might not permit seizure on importation. If this is the case, the country in question must replace this by "prohibition of importation" or "seizure inside the country." However, the Paris Convention allows that even these replacement measures might not exist and, if this is the case, "until such time as the legislation [of a country] is modified accordingly" (paragraph 6), these replacement measures shall be substituted "by the actions and remedies available in such cases to nationals under the law of such country" (paragraph 6). Paragraph 21 below deals with such actions and remedies.[1]

19. The obligation to seize foreign counterfeit goods inside the country is not compulsory either because, as paragraph (6) shows, a country's legislation may not provide for such seizure. However, if it does not provide for such seizure, it must replace it "by the actions and remedies available in such cases to nationals under the law of such country" (paragraph (6)). Paragraph 21 below deals with such actions and remedies.1

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1Paragraph 21 of the Memorandum of the International Bureau is reproduced at paragraph 22 of this note.

20. Prohibition of Importation. As has already been stated, one of the measures by which a contracting country may replace seizure on importation is "prohibition of importation" (paragraph (5)). However, the Paris Convention allows that such a replacement measure may not exist and, if this is the case, "until such time as the legislation [of a country] is modified accordingly" (paragraph (6)), the said replacement measure shall be substituted "by the actions and remedies available in such cases to nationals under the law of such country" (paragraph (6)). The following paragraph deals with such actions and remedies.[1]"

17. Article 9, in its last paragraph, confirms the general rule embodied in Articles 2 and 3 of the Convention which ensures to persons entitled to the benefits of the Convention 'national treatment' in all member States, including sanctions and remedies in the case of infringement of their industrial property rights. In its earlier paragraphs, the Article suggests a series of measures considered desirable in order to protect rights in trademarks and trade names; if national legislations adopt such measures, the Article underlines their mandatory application in cases where the Convention applies. The clause "until such time as the legislation is modified accordingly" in paragraph (6) of Article 9 was adopted by the General Commission of the 1925 Revision Conference of The Hague on the Paris Convention subject to the explanation that these words express a simple wish that member States adopt legislation according to the preceding paragraphs of the Article, but that they do not impose any obligation on member States (Actes de La Haye, p.525). The Drafting Commission at the Conference noted that this clause indicated the wish that recourse would only be provisionally limited to all other actions and remedies available to nationals, until countries had established the desired legislation (Actes de La Haye, p. 545). It might also be noted that the implementation of paragraph (1) of the Article is left to the national legislation and administrative or legal procedures of the country concerned.

18. Paragraph (3) of Article 9 concerns which parties have the right to initiate action against goods unlawfully bearing trademarks or trade names. The Guide to the Application of the Paris Convention comments that "the

domestic legislation of the country concerned will determine at whose request seizure will take place. The words 'a natural or a legal entity' do not by themselves imply an obligation to admit requests by federations or associations of interested persons".

Article 10

19. Paragraph (1) of Article 10 applies the provisions of Article 9 also to cases of direct or indirect use of a false indication of the source of goods or the identity of the producer, manufacturer or merchant. Paragraph (2) of the Article deals with the question of which parties can be deemed competent to initiate action in cases of false indications of source. The Guide notes that:

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[1] Paragraph 21 of the Memorandum of the International Bureau is reproduced at paragraph 22 of this note. 0 "The difficulty in these cases is that a geographical indication is generally not privately owned, so that, contrary to the situation which prevails regarding trademarks, trade names and false indications of identity, there is no owner or other person obviously competent to object to the use of false geographical indications. The provision under examination establishes such competence by recognising as interested parties any producer, manufacturer or merchant engaged in the production or manufacture of or trade in the goods concerned and established either in the locality or country falsely indicated or in the region where such locality is situated, or in the country where the false indication of source is used".

Article 10bis

20. Paragraph (1) requires member countries to assure to nationals of member countries effective protection against unfair competition. The Guide to the Paris Convention published by WIPO comments that "in most countries, it will hardly be possible to assure effective protection against unfair competition by means other than legislation, but it was admitted at several Revision Conferences that member States are not obliged to introduce special legislation to this effect if their existing general legislation - for example, provisions of civil law directed against torts, or principles of common law - suffices to assure effective protection against unfair competition."

Article 10ter

21. Under this provision, member countries are required to assure the nationals of the other member countries "appropriate legal remedies effectively to repress all the acts referred to in Articles 9, 10 and 10bis." The Guide to the Paris Convention states that this provision:

> "can only be understood as an obligation for member States to introduce, complete or maintain legislation effectively repressing (i) the trade in goods unlawfully bearing a trademark or a trade name which is entitled to protection in the country concerned, (ii) the use of false indications of the source of goods or the identity of the producer, manufacturer or merchant, and (iii) acts of unfair competition. The last obligation (under (iii)) is also expressed in Article 10bis(1), to which provision the paragraph under consideration only adds that appropriate legal remedies must be provided. With respect to the first two obligations (under (i) and (ii)), the paragraph under consideration reinforces Article 9(6), which is applicable also to Article 10, because it specifies that the actions and remedies available in these cases must be effective."

22. The Memorandum by the International Bureau on Protection against Counterfeiting (document PAC/CE/II/2, paragraph 21) states that, in accordance with this provision, actions and remedies against counterfeiting:

> "must be 'appropriate', 'legal' and able 'effectively to repress' unlawful acts. The Paris Convention does not give any details concerning these actions and remedies. This, however, does not mean that such actions and remedies should not exist. They must exist. The usual actions and remedies are (i) prohibition (of continuation) of the sale of the counterfeit goods, (ii) destruction of the counterfeit goods, (iii) the award of damages to be paid by the counterfeiter to the rightful owner of the counterfeited mark and (iv) punishment of the counterfeiter by a fine and/or imprisonment. All these actions and remedies are appropriate, legal and effective. Since it is difficult to envisage many other actions or remedies that correspond to these three criteria, it is believed that a correct interpretation of the Paris Convention is that

at least one of these four types of actions and remedies, if not all four, should be provided for in the legislation of each of the countries party to the Paris Convention. (Naturally ..... seizure of counterfeit goods in the country ..... also constitutes an action or remedy that should be envisaged.)"

23. Paragraph (2) of Article 10ter deals with the rights that must be granted to "federations and associations representing interested industrialists, producers or merchants ... to take action in the courts or before the administrative authorities, with a view to the repression of the acts referred to in Articles 9, 10 and 10bis". A member State must permit such action provided that: the existence of such federations or associations is not contrary to its law; and its law allows such action.

(b) Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods

24. As a result of revisions of the Paris Convention, there is now no real difference between the obligations regarding the remedies and sanctions to be applied to goods bearing false indications of source under Article 1 of the Madrid Agreement compared to those under Article 10 of the Paris Convention. Article 1 of the Madrid Agreement (see document MTN.GNG/NG11/W/11 for text) is similar in these respects to Article 9 of the Paris Convention. The Madrid Agreement, however, deals with "deceptive" as well as "false" indications of source. The Madrid Agreement also requires member countries to prohibit deceptive indications which are not necessarily affixed to a product but are used in connection with its sale or display (Article 3bis). However, in this case, the Agreement does not mention any specific sanctions or remedies.

25. There are important differences between the provisions in the Paris Convention and those in the Madrid Agreement in regard to the manner in which seizure of goods is initiated. First, under the Madrid Agreement customs authorities are required to effect seizure ex officio as a conservatory measure, and to immediately inform the interested party so that he can, if he wishes, take appropriate steps. Secondly, while the Madrid Agreement provides that the public prosecutor or any other competent authority may demand seizure either ex officio or at the request of the injured party, the Agreement does not provide for seizure to take place at the request of an injured party himself, unlike Article 10 of the Paris Convention.

(c) Lisbon Agreement for the Protection of Appellations of Origin and their International Registration

26. This Agreement obliges member States to protect the appellations of origin of products of other member States which are recognised and protected as such in the country of origin and registered with WIPO under the Agreement. Article 3 requires that protection be ensured against "any usurpation or imitation". The legal remedies to be provided are not specified; as indicated in Article 8, these are defined by the national law of each member country in accordance with its national legislation. However, Article 8 specifies that the competent public authority and any interested party (whether a natural person or a legal entity, whether public of private) must have the right to initiate legal action.

(d) Berne Convention for the Protection of Literary and Artistic Works

27. Article 16 contains obligations regarding the seizure of infringing works. It reads as follows:

"(1) Infringing copies of a work shall be liable to seizure in any country of the Union where the work enjoys legal protection.

(2) The provisions of the preceding paragraph shall also apply to reproductions coming from a country where the work is not protected, or has ceased to be protected.

(3) The seizure shall take place in accordance with the legislation of each country."

28. The Guide to the Berne Convention, published by WIPO, comments that this provision "allows the author (or his successor in title) to take steps to seize infringing copies of his work. Each country chooses its own conditions, and the provision only, of course, applies if the work in question is protected in the country concerned. ..... Member countries are free to decide on procedure e.g., to entrust it to the courts or to customs officers, and to lay down who may demand it ..... . Although the Convention does not say so expressly except in relation to seizure, all sanctions on infringers are left to national legislation."

29. Article 13(3) specifies that musical recordings made under compulsory licences granted by a member State (and those made free under certain transitional provisions in relation to works first recorded before 1908) shall be liable to seizure if imported without permission into other member States.

30. Article 15 establishes certain presumptions of authorship helping owners of rights to institute infringement proceedings (text reproduced at Annex 2).

(e) Universal Copyright Convention

31. The Universal Copyright Convention does not mention specific procedures or remedies in the event of infringement that have to be provided in the national law of member countries. In Article I of the Convention, each member State "undertakes to provide for the adequate and effective protection of the rights of authors and other copyright proprietors ....." (emphasis added). Article III, which lays down the maximum formalities that may be required as a condition of copyright, states that these "shall not preclude any Contracting State from providing that a person seeking judicial relief must, in bringing the action, comply with procedural requirements, such as that the complainant must appear through domestic counsel or that the complainant must deposit with the court or an administrative office, or both, a copy of the work involved in litigation, provided that failure to comply with such requirements shall not affect the validity of the copyright, nor shall any such requirement be imposed upon a national of another Contracting State if such requirement is not imposed on nationals of the State in which protection is claimed."

(f) Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations

32. This Convention requires (Article 7) that performers be given the "possibility of preventing" certain uses of their performances, while producers of phonograms and broadcasting organisations must be given the right to "authorise or prohibit" certain uses of respectively their phonograms or broadcasts (Articles 10 and 13). Noting this difference of wording, the Guide to the Rome Convention published by WIPO states that reason for the wording on performers' rights:

> "is to leave complete freedom of choice as to the means used to implement the Convention, and to choose those which member countries think most appropriate and best. They may be based on any one or more of a number of legal theories: law of employment, of personality, of unfair competition or unjust enrichment, etc. - and of course, if they wish, an exclusive right. The important thing is that those means achieve the purpose of this Article, namely that the performer has the possibility of preventing the acts enumerated."

33. In regard to the right of phonogram producers to authorise or prohibit direct or indirect reproduction of their phonograms (Article 10), the Guide notes that:

> "Unlike the Convention for the Protection of Producers of Phonograms Against Unauthorised Duplication of Their Phonograms, drawn up in Geneva in 1971 (the Phonograms Convention), the Rome Convention contains no express provisions against importation or the unauthorised distribution of phonograms, and it does not cover these acts if done separately from the act of unauthorised reproduction. In other words, it gives phonogram producers no right to control the distribution of their phonograms ..... nor does it forbid

importation into a Contracting State of copies which would have been infringements had they been made in that State (compare Article 16 of the Berne Convention on the seizure of infringing copies). It was agreed in 1961 that these matters were left to member countries to decide."

(g) Convention for the Protection of Producers of Phonograms against Unauthorised Duplication of their Phonograms

34. Article 2 of this Convention reads:

"Each Contracting State shall protect producers of phonograms who are nationals of other Contracting States against the making of duplicates without the consent of the producer and against the importation of such duplicates, provided that any such making or importation is for the purpose of distribution to the public, and against the distribution of such duplicates to the public."

35. The Guide to the Convention published by WIPO states that:

"This Article presents the obligations which Contracting States must undertake by setting out the persons to be protected and what they must be protected against..... According to the Article, protection must be given against three acts: the making of duplicates without consent, their distribution to the public and their importation for this purpose, i.e., the principal acts of piracy ..... The third prohibited activity is distributing to the public copies made without consent. There may be no question of importation; they may have been illicitly made in the country concerned. Whether or not the person making the records can be traced, there must be power to act against the person selling. The Article says so expressly."

36. Article 3 of the Convention reads as follows:

"The means by which this Convention is implemented shall be a matter for the domestic law of each Contracting State and shall include one or more of the following: protection by means of the grant of a copyright or other specific right; protection by means of the law relating to unfair competition; protection by means of penal sanctions."

37. The Guide to the Convention, published by WIPO, notes that the Article enumerates four legal means open to legislators in member States to implement their commitments under the Agreement and makes a number of points in regard to each of these means. These are summarised below:

i) Grant of copyright. If this means is used, a phonogram would have to be treated as the result of creativity and assimilated to a "work". The producer would then benefit from "copyright", in the same way as the author and composer of the work recorded on the phonogram, with the attendant rights.

ii) Grant of a specific right. This is a reference to "neighbouring rights". In this regard, the Rome Convention on neighbouring rights grants to producers of phonograms an exclusive right over the reproduction of their phonograms but not over the distribution of those phonograms to the public or their importation with a view to such distribution. If this means of meeting the commitments of the Phonograms Convention is adopted, it is sufficient for national legislation to extend the exclusive right over reproduction to cover these two other forms of use of phonograms.

iii) Law relating to unfair competition. The acts forbidden by the Phonograms Convention would constitute, in the great majority of cases, acts of unfair competition as defined in Article 10bis of the Paris Convention (see Annex 1 of this note), for example where a "pirate" appropriates the legitimate property of the producer of a phonogram in order to profit illicitly by the production of slavish copies, or where infringing copies are sold at less than normal prices, or where the consumer is deceived as to the true nature of the merchandise in question.

iv) Penal sanctions. If this means is adopted, the acts mentioned in Article 2 of the Convention must be treated as criminal offences under the national law.

38. The Guide to the Phonograms Convention goes on to point out that it is left to member States to determine which of the four legal means will be retained and whether one, or more than one of them, will be provided for in national legislation. Given the urgency and importance of attaining these goals through all available means, the juxtaposition in the Convention of different systems of protection was considered acceptable.

(h) Brussels Convention relating to the Distribution of Programme Carrying Signals Transmitted by Satellite

39. Under this Convention, each member State undertakes, to take "adequate measures to prevent the distribution on or from its territory of any programme-carrying signal" (except those specifically excluded from this obligation) "by any distributor for whom the signal emitted to or passing through the satellite is not intended" (Article 2.1). The choice of measures, provided they are "adequate", is not regulated by the Convention.

SECTION II: MECHANISMS FOR THE SETTLEMENT OF DISPUTES BETWEEN MEMBER STATES

40. The following international treaties providing for substantive protection of intellectual property contain dispute settlement provisions:

- The Paris Convention for the Protection of Industrial Property (Article 28);

- The Berne Convention for the Protection of Literary and Artistic Works (Article 33);

- The Universal Copyright Convention (Article XV); and

- The Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations (Article 30).

The texts of these Articles are reproduced at Annex 3 of this note.

41. The dispute settlement provisions in these Conventions contain the same basic elements (the provisions in the Paris and Berne Conventions are identical). They provide for referral of a dispute between two or more member countries on the interpretation or application of the Convention in question to the International Court of Justice if:

- the dispute is not settled by negotiation; and

- the countries concerned do not agree on some other method of settlement.

The Universal Copyright Convention states that in these circumstances, the dispute "shall" be brought before the International Court of Justice, whereas the other three Conventions state that this "may" be done by any one of the parties concerned (Paris and Berne) or "shall" be done at the request of any one of the parties to the dispute (Rome). These provisions were introduced into the Paris and Berne Conventions in respectively 1967 and 1948.

42. The most recent Acts of the Paris and Berne Conventions contain a provision by which a member State, at the time of signature, ratification or accession, may declare that it does not consider itself bound by the dispute settlement provisions. This possibility was added to the Berne Convention at Stockholm in 1967. The Guide to the Berne Convention states that "under the Brussels Act (1948) this reference to the International Court of Justice was obligatory. The Stockholm revision made it, in a sense, optional, in order to take account of those

countries which, for constitutional or political reasons, do not admit the obligatory competence of that Court". The Rome Convention does not contain an equivalent provision. The WIPO Guide to the Rome Convention, published in 1981 comments that "there was disagreement in Rome on the question of whether this recourse to the International Court should be obligatory or optional. The Article makes it clear that it is sufficient if either party wishes it. In later conventions the tendency has been to make this optional, because certain States, for constitutional or political reasons, find it difficult to accept. To meet them, the provision is now often one to which a reservation may be made. As it is, Article 30 may create difficulties for such States although its practical effect should not be over-emphasised. In fact, in the intellectual property field, no case has ever been referred to the International Court. In any case, judgements of the Court never condemn either party; they simply pronounce on the law, leaving the States to make of the judgement what they will."

43. As of the 1 January 1987, the provisions enabling countries to choose not to be bound by the dispute settlement provisions had been invoked as follows:

- Paris Convention: 21 countries (Algeria, Brazil, Bulgaria, China, Cuba, Czechoslovakia, Egypt, Hungary, Indonesia, Iraq, Lebanon, Libya, Malta, Mongolia, Poland, Romania, South Africa, Soviet Union, Tunisia, Viet Nam and Yugoslavia);

- Berne Convention: 14 countries (Bahamas, Bulgaria, Czechoslovakia, Egypt, German Democratic Republic, Hungary, India, Libya, Malta, Romania, South Africa, Thailand, Tunisia and Venezuela).

44. The International Convention for the Protection of New Varieties of Plants (UPOV Convention) of 1961 contains in its Article 38 (reproduced at Annex 3) a more elaborate system for the settlement of disputes. A party to a dispute, which has not been settled by negotiation, may:

- submit the matter to the UPOV Council, which shall endeavour to bring about agreement between the member States concerned; and

- if no agreement is reached within 6 months, have the dispute referred to an arbitration tribunal whose award is final and binding.

The Convention was revised in 1978. The revised text does not contain a dispute settlement provision. Of the 17 member States, 15 have accepted the 1978 Act.

45. The conventions mentioned in this Section contain no specific rights to consultations, equivalent to those in GATT Articles XXII and XXIII:1. However, as noted above, the dispute settlement provisions in the Paris, Berne, Universal Copyright, Rome and UPOV (1961) Conventions do suppose that an attempt will be made to settle the dispute by "negotiation" before the dispute settlement procedures under the Convention are invoked.

ANNEX I

ARTICLES 5QUATER, 6BIS, 6SEPTIES, 9, 10, 10BIS AND 10TER OF THE PARIS CONVENTION FOR THE PROTECTION OF INDUSTRIAL PROPERTY (STOCKHOLM ACT OF 14 JULY 1967)

Article 5quater

[Patents: Importation of Products Manufactured by a Process Patented in the Importing Country]

When a product is imported into a country of the Union where there exists a patent protecting a process of manufacture of the said product, the patentee shall have all the rights, with regard to the imported product, that are accorded to him by the legislation of the country of importation, on the basis of the process patent, with respect to products manufactured in that country.

Article 6bis

[Marks: Well-Known Marks]

1. The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use, of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith.

2. A period of at least five years from the date of registration shall be allowed for requesting the cancellation of such a mark. The countries of the Union may provide for a period within which the prohibition of use must be requested.

3. No time-limit shall be fixed for requesting the cancellation or the prohibition of the use of marks registered or used in bad faith.

Article 6septies

[Marks: Registration in the Name of the Agent or Representative of the Proprietor Without the Latter's Authorization]

1. If the agent or representative of the person who is the proprietor of a mark in one of the countries of the Union applies, without such proprietor's authorization, for the registration of the mark in his own name, in one or more countries of the Union, the proprietor shall be entitled to oppose the registration applied for or demand its cancellation or, if the law of the country so allows, the assignment in his favour of the said registration, unless such agent or representative justifies his action.

2. The proprietor of the mark shall, subject to the provisions of paragraph 1, above, be entitled to oppose the use of his mark by his agent or representative if he has not authorized such use.

3. Domestic legislation may provide an equitable time-limit within which the proprietor of a mark must exercise the rights provided for in this Article.

Article 9

[Marks, Trade Names: Seizure, on Importation, etc., of Goods Unlawfully Bearing a Mark or Trade Name]

1. All goods unlawfully bearing a trademark or trade name shall be seized on importation into those countries of the Union where such mark or trade name is entitled to legal protection.

2. Seizure shall likewise be effected in the country where the unlawful affixation occurred or in the country into which the goods were imported.

3. Seizure shall 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.

4. The authorities shall not be bound to effect seizure of goods in transit.

5. If the legislation of a country does not permit seizure on importation, seizure shall be replaced by prohibition of importation or by seizure inside the country.

6. If the legislation of a country permits neither seizure on importation nor prohibition of importation nor seizure inside the country, then, until such time as the legislation is modified accordingly, these measures shall be replaced by the actions and remedies available in such cases to nationals under the law of such country.

Article 10

[False Indications: Seizure, on Importation, etc., of Goods Bearing False Indications as to their Source or the Identity of the Producer]

1. The provisions of the preceding Article shall apply in cases of direct or indirect use of a false indication of the source of the goods or the identity of the producer, manufacturer, or merchant.

2. Any producer, manufacturer, or merchant, whether a natural person or a legal entity, engaged in the production or manufacture of or trade in such goods and established either in the locality falsely indicated as the source, or in the region where such locality is situated, or in the country falsely indicated, or in the country where the false indication of source is used, shall in any case be deemed an interested party.

Article 10bis

[Unfair Competition]

1. The countries of the Union are bound to assure to nationals of such countries effective protection against unfair competition.

2. Any act of competition contrary to honest practices in industrial or commercial matters constitutes an act of unfair competition.

3. The following in particular shall be prohibited:

(a) all acts of such a nature as to create confusion by any means whatever with the establishment, the goods, or the industrial or commercial activities, of a competitor;

(b) false allegations in the course of trade of such a nature as to discredit the establishment, the goods, or the industrial or commercial activities, of a competitor;

(c) indications or allegations the use of which in the course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose, or the quantity, of the goods.

Article 10ter

[Marks, Trade Names, False Indications, Unfair Competition: Remedies, Right to Sue]

1. The countries of the Union undertake to assure to nationals of the other countries of the Union appropriate legal remedies effectively to repress all the acts referred to in Articles 9, 10, and 10bis.

2. They undertake, further, to provide measures to permit federations and associations representing interested industrialists, producers, or merchants, provided that the existence of such federations and associations is not contrary to the laws of their countries, to take action in the courts or before the administrative authorities, with a view to the repression of the acts referred to in Articles 9, 10, and 10bis, in so far as the law of the country in which protection is claimed allows such action by federations and associations of that country.

ANNEX 2

ARTICLE 15 OF THE BERNE CONVENTION FOR THE PROTECTION OF LITERARY AND ARTISTIC WORKS (PARIS ACT OF 24 JULY 1971)

1. In order that the author of a literary or artistic work protected by this Convention shall, in the absence of proof to the contrary, be regarded as such, and consequently be entitled to institute infringement proceedings in the countries of the union, it shall be sufficient for his name to appear on the work in the usual manner. This paragraph shall be applicable even if this name is a pseudonym, where the pseudonym adopted by the author leaves no doubt as to his identity.

2. The person or body corporate whose name appears on a cinematographic work in the usual manner shall, in the absence of proof to the contrary, be presumed to be the maker of the said work.

3. In the case of anonymous and pseudonymous works, other than those referred to in paragraph 1 above, the publisher whose name appears on the work shall, in the absence of proof to the contrary, be deemed to represent the author, and in this capacity he shall be entitled to protect and enforce the author's rights. The provisions of this paragraph shall cease to apply when the author reveals his identity and establishes his claim to authorship of the work.

4. (a) In the case of unpublished works where the identity of the author is unknown, but where there is every ground to presume that he is a national of a country of the Union, it shall be a matter for legislation in that country to designate the competent authority which shall represent the author and shall be entitled to protect and enforce his rights in the countries of the Union.

(b) Countries of the Union which make such designation under the terms of this provision shall notify the Director-General by means of a written declaration giving full information concerning the authority thus designated. The Director-General shall at once communicate this declaration to all other countries of the Union.

ANNEX 3

PROVISIONS ON DISPUTE SETTLEMENT IN INTERNATIONAL AGREEMENTS ON INTELLECTUAL PROPERTY

Paris Convention for the Protection of Industrial Property (Stockholm Act of 14 July 1967)

Article 28

[Disputes]

1. Any dispute between two or more countries of the Union concerning the interpretation or application of this Convention, not settled by negotiation, may, by any one of the countries concerned, be brought before the International Court of Justice by application in conformity with the Statute of the Court, unless the countries concerned agree on some other method of settlement. The country bringing the dispute before the Court shall inform the International Bureau; the International Bureau shall bring the matter to the attention of the other countries of the Union.

2. Each country may, at the time it signs this Act or deposits its instrument of ratification or accession, declare that it does not consider itself bound by the provisions of paragraph 1. With regard to any dispute between such country and any other country of the Union, the provisions of paragraph 1 shall not apply.

3. Any country having made a declaration in accordance with the provisions of paragraph 2 may, at any time, withdraw its declaration by notification addressed to the Director-General.

Berne Convention for the Protection of Literary and Artistic Works
(Paris Act of 24 July 1971)

Article 33

[Disputes: 1. Jurisdiction of the International Court of Justice;
2. Reservation as to such jurisdiction; 3. Withdrawal of reservation]

1. Any dispute between two or more countries of the Union concerning the interpretation or application of this Convention, not settled by negotiation, may, by any one of the countries concerned, be brought before the International Court of Justice by application in conformity with the Statute of the Court, unless the countries concerned agree on some other method of settlement. The country bringing the dispute before the Court shall inform the International Bureau; the International Bureau shall bring the matter to the attention of the other countries of the Union.

2. Each country may, at the time it signs this Act or deposits its instrument of ratification or accession, declare that it does not consider itself bound by the provisions of paragraph 1. With regard to any dispute between such country and any other country of the Union, the provisions of paragraph 1 shall not apply.

3. Any country having made a declaration in accordance with the provisions of paragraph 2 may, at any time, withdraw its declaration by notification addressed to the Director-General.

Universal Copyright Convention, as revised at Paris on 24 July 1971

Article XV

A dispute between two or more Contracting States concerning the interpretation or application of this Convention, not settled by negotiation, shall, unless the States concerned agree on some other method of settlement, be brought before the International Court of Justice for determination by it.

Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations

Article 30

[Settlement of disputes]

Any dispute which may arise between two or more Contracting States concerning the interpretation or application of this Convention and which is not settled by negotiation shall, at the request of any one of the parties to the dispute, be referred to the International Court of Justice for decision, unless they agree to another mode of settlement.

International Convention for the Protection of New Varieties of Plants of 2 December 1961

Article 38

[Settlement of Disputes]

1. Any dispute between two or more Member States of the Union concerning the interpretation or application of this Convention which is not settled by negotiation shall, at the request of one of the States concerned, be submitted to the Council, which shall endeavour to bring about agreement between the Member States concerned.

2. If such agreement is not reached within six months from the date when the dispute was submitted to the Council, the dispute shall be referred to an arbitration tribunal at the request of one of the parties concerned.

3. The tribunal shall consist of three arbitrations.

Where two Member States are parties to a dispute, each of those States shall appoint an arbitrator.

Where more than two Member States are parties to a dispute, two of the arbitrators shall be appointed by agreement among the States concerned.

If the States concerned have not appointed the arbitrators within a period of two months from the date on which the request for convening the tribunal was notified to them by the Office of the Union, any of the Member States concerned may request the President of the International Court of Justice to make the necessary appointments.

In all cases, the third arbitrator shall be appointed by the President of the International Court of Justice.

If the President is a national of one of the Member States parties to the dispute, the Vice-President shall make the appointments referred to above, unless he is himself also a national of one of the Member States parties to the dispute. In this last case, the appointments shall be made by the member of the Court who is not a national of one of the Member States parties to the dispute and who has been selected by the President to make the appointments.

4. The award of the tribunal shall be final and biding on the Member States concerned.

5. The tribunal shall determine its own procedure, unless the Member States concerned agree otherwise.

6. Each of the Member States parties to the dispute shall bear the costs of its representation before the arbitration tribunal; other costs shall be borne in equal parts by each of the States.