

GEOGRAPHICAL INDICATIONS: WHICH WAY SHOULD ASEAN GO?

Malobika Banerji*

I. INTRODUCTION

'Geographical Indications' (hereafter GIs) under the Trade-Related Aspects of Intellectual Property Rights (hereafter TRIPS) has been the subject of vigorous scholarly debate across the world in the last decade. The TRIPS is the first multilateral text providing for a comprehensive protection of GIs.¹ It provides for (a) a base-level protection for geographic indications related to all products²; (b) an additional protection for wines and spirits³; and (c) an extra-additional protection only for wines⁴. The 'extra-additional' protection accorded to wines has generated significant controversy and discussion.⁵ The TRIPS mandates the need to accord protection for each GI for wines in the case of homonymous indications and the establishment of a multilateral system of notification and registration of GIs for wines eligible for protection in the jurisdictions of those WTO members participating in the system.⁶ However, this mandate has not been brought into effect even though it has been a decade since the first discussions on this issue at the Fourth WTO Ministerial Meeting in Doha in November 2001.⁷ The lack of consensus of WTO members on this issue in 2001, and at the subsequent meetings in 2003⁸ and 2005 are for once not attributable to the tussle between the so-called 'old world countries' and the 'new world countries' headed by the European Union and the United States respectively. While the old world/new world tussle was responsible nonetheless for the creation of a hierarchical system of GI protection in the first instance, the reason for the current deadlock is that on the one hand, some Asian, European and African countries are seeking to extend the extra-additional protection to include other products which can help to promote the export of valuable products and prevent misappropriation. On the other hand, countries like United States, Australia, Philippines, Japan and New Zealand are of the view that according higher protection to all GI products will lead to increased administrative costs as well as potentially hinder imports.

It is in this context that this paper attempts to understand the legal framework of GIs under the TRIPS from the lens of the Association of South East Asian Nations (ASEAN)⁹ and review the divergent positions leading to the deadlock. The purpose of this discussion is to ascertain whether or not it is possible for ASEAN countries, to take a position with either camp.

For the purposes of understanding the context, this paper will begin with an introduction on the protection regime for GIs, followed by a discussion of the divergent views of the WTO member countries in relation to the implementation of the multilateral system. Ultimately, the paper attempts to advance a position considered most suited to ASEAN having regard to the specific circumstances of its constituent countries.

II. DEFINING GEOGRAPHICAL INDICATIONS

*Legal Executive, WongPartnership LLP, Singapore, LL.M. (Intellectual Property & Technology Laws), National University of Singapore; LL.B., University of Pune.

¹ Albrecht Conrad, *The Protection of Geographical Indications on the TRIPs Agreement*, 86 TMR 11, 46 (1996).

² Agreement on Trade-Related Aspects of Intellectual Property Rights art. 22, Apr. 15, 1994, 1869 U.N.T.S. 299, 33 I.L.M. 1197 [hereinafter TRIPS Agreement].

³ TRIPS Agreement art. 23, *supra* note 2, at 1205.

⁴ TRIPS Agreement art. 23, *supra* note 2, at 1205.

⁵ Bernard O'Connor, *THE LAW OF GEOGRAPHICAL INDICATIONS* 51 (Cameron May 2007).

⁶ TRIPS Agreement art. 23.4 and 25.1, *supra* note 2, at 1206-07.

⁷ World Trade Organization, *Ministerial Declaration of 14 November 2001*, WT/MIN(01)/DEC/1, 41 I.L.M. 746 (2002) [hereinafter Doha Declaration].

⁸ World Trade Organization, *Ministerial Declaration of 23 September 2003*, WT/MIN(03)/20 (2002).

⁹ The Official Website of the Association of Southeast Asian Nations, <http://www.asean.org/18619.htm> (last visited December 28, 2011).

‘Geographical indication is an identifier which associates a product to a particular region.’¹⁰ For example, ‘Sarawak pepper’ of Malaysia and ‘Thung Kula Rong-Hai Thai Hom Mali Rice’ of Thailand are GIs. The TRIPS defines GIs in the following terms:

“...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*.”¹¹ [italics added]

In other words, GIs are badges of origin that serve to identify the geographical source of goods, which grants a specifically identifiable attribute to the goods. Thus, a ‘given quality’, ‘reputation’ or ‘other characteristics’ of a good can each be a sufficient condition, *ceterius paribus*, for protection as a geographical indication.¹²

A. Elements and Features of GIs under the TRIPS

The unique characteristic features of GIs under Article 22 of the TRIPS Agreement are as follows:

1. Inclusive of ‘appellations of origin’¹³ and ‘indications of source’¹⁴: ‘Hai Hau Rice’; ‘Phu Quoc Fish Sauce’

The definition of GIs in TRIPS is broader in its scope than ‘appellations of origin’ but narrow as compared to ‘indications of source.’¹⁵ To illustrate, GIs may indicate any of the aforementioned attributes in ‘goods’ by means of words, phrases, symbols and the like. However, ‘appellations of origin’ are restricted to the geographical name of the originating territory and relate only to the ‘quality’ and ‘characteristics’ of ‘products’. For example, ‘*Hai Hau Rice*’ and ‘*Phu Quoc Fish Sauce*’ are appellations of origin from Vietnam. On the other hand, ‘indications of source’ extends to an indication referring directly or indirectly to a country of origin and does not require the conditionalities as above.¹⁶ In other words, an indication of source on a given product is merely subject to the condition that this product originates from the place designated.¹⁷ There is no quality or characteristic linkage. Nevertheless, the point remains that these two traditional concepts were instrumental in fashioning the scope of geographical indications under the TRIPS.

2. Expressing Direct and Indirect Indications: ‘Sabah Seaweed’ and ‘Longjing Tea’

Since, GIs are ‘indications which seek to identify’ the source, they can be both direct, i.e., the geographical names per se, and indirect, i.e., indications expressed via names or symbols.¹⁸ An example of the former would be ‘*Sabah seaweed*’ from Malaysia and the Thai ‘*Chaiya salted eggs*’ where both Sabah and Chaiya are the geographical names directly referring to the products. On the other hand, Longjing tea (龙井茶), also known as

¹⁰ WTO, *Background and the Current Situation: Geographical Indications in General* (Nov. 2008), www.wto.org/english/tratop_e/trips_e/gi_background_e.htm.

¹¹ TRIPS Agreement art. 22.1, *supra* note 2, at 1205.

¹² O’Connor, *supra* note 5, at 24.

¹³ Paris Convention for the Protection of Industrial Property, art. 1(2), Mar. 20, 1883, 21 U.S.T. 1583, 828 U.N.T.S. 305 [hereinafter Paris Convention]; Lisbon Agreement for the Protection of Appellations of Origin and their International Registration, art. 2, Oct. 31, 1958, 923 U.N.T.S. 205 [hereinafter Lisbon Agreement].

¹⁴ Paris Convention art. 1(2) and 10, *supra* note 13; Art. 1(1), Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods, Apr. 14, 1891, 828 U.N.T.S. 163 [hereinafter Madrid Agreement].

¹⁵ Min Chiuwan Wang, *The Asian Consciousness and the Interest in Geographical Indications*, 96 TRADEMARK REP. 906, 907 (2006).

¹⁶ WIPO, *Geographical Indications: Historical Background, Nature of Rights, Existing Systems for Protection and Obtaining Protection in Other Countries*, at 4, SCT/8/4 (2002).

¹⁷ Priyanka Sardana and Vijay Sardan, *Geographical Indications: Natural Competitive Advantage*, at <http://www.pfionline.com/index.php/columns/ipr/122-geographical-indications-natural-competitive-advantage>.

¹⁸ Carlos M. Correa, *Protection of Geographical Indications in CARICOM Countries*, at <http://www.crn.org/documents/studies/Geographical%20Indications%20-%20Correa.pdf>.

Dragon Well tea, is a variety of roasted green tea from Hangzhou, Zhejiang Province in China but the name by itself does not provide any geographical reference.

3. Comparison with trademarks: Badge of Origin but signifying Collective Manufacturers

Though the critical function of both is to serve as a ‘badge of origin’, a trademark only identifies the manufacturer, not the geographical source. Article 15 of the TRIPS stipulates an illustrative list of signs, which may serve as trademarks such as ‘words including personal names, letters, numerals, figurative elements and combination of colours.’ When read in conjunction with Art. 1(2) of the Paris Convention¹⁹, it seems that though the geographical name of a region may serve to be a part of the trademark, marks which ‘consist exclusively of signs or indications, which may serve, in trade, to designate the...place of origin’ have been explicitly refused protection.²⁰ This is a way to prevent the registration of geographical names, which do not signify a source or have not developed a secondary meaning in the minds of the consumers. For example, Section 7(2) of the Thai Trademark Act B.E. 2534 stipulates that a mark shall be deemed distinctive if it does not have any direct reference to the character or quality of the goods and it has not been prescribed as a GI by the Minister of Commerce.²¹

Article 22(3) of TRIPS further posits a connection between trademarks and GIs; it is seen as a logical complement to Article 22(2) (a) by stretching forth the protection of GIs to the area of trademarks.²² It recognises a positive obligation on member countries to refuse or invalidate the registration of a trademark, which consists or contains a GI, which has the effect of misleading the public as to the true place of origin.

4. GIs as Intellectual Property: Does it fit the bill?

Under the TRIPS, GIs form a subset of the corpus of intellectual property rights, but, as the foregoing analyses of the constituent elements indicates, the rights protected appear to belong to a very ‘unique public sphere’ rather than in private.²³ Thus, the beneficiary in the case of GIs is almost often an association or group of manufacturers in the particular field rather than an individual producer. Further, though other intellectual property branches are defined by the spatial and temporal factors, GIs appear to be protected by uninhibited rights to exclude others perpetually. Thus, while patents, copyright, trade marks and design rights have specific terms of protection, GIS are not restricted by any such conditions. It is manifest that GIs are distinguishable from the remaining branches of intellectual property like patents, copyright and trademarks. However, even though the rationale for the incorporation of GIs into TRIPS remains hazy, ‘this right to exclude use on non-GI products is sanctioned by the international community on general policy grounds ‘to individual geographical areas so that they can sustain their products’ quality and local investments.’²⁴

B. Economic and Cultural bases for Protection of GI

The *raison de etre* for the protection of GI have roots in economic and cultural justifications.²⁵ As aptly stated by CARROS, ‘GIs serve as a tool for securing consumers’ loyalty by establishing the link between products attributes and the geographical origin. In economic terms, a geographical indication essentially permits producers’ to increase

¹⁹ Paris Convention, *supra* note 13.

²⁰ Paris Convention art. 1(2), *supra* note 13.

²¹ Trademark Act B.E. 2534 (1991), available at http://www.ecap-project.org/fileadmin/ecapII/pdf/en/information/thailand/trade_mark_act_2534.pdf; Act on Protection of Geographical Indications B.E. 2546 (2003), available at <http://www.thailawonline.com/en/thai-laws/laws-of-thailand/263-act-on-protection-of-geographical-indication-be2546-2003.html> [hereinafter B.E. 2546].

²² DANIEL GERVAIS, *THE TRIPS AGREEMENT: DRAFTING HISTORY AND ANALYSIS* 194 (Sweet & Maxwell, 2nd ed. 2003).

²³ Alberto F. Ribeiro de Almeida, *The TRIPS Agreement, the Bilateral Agreements Concerning Geographical Indications and the Philosophy of the WTO*, E.I.P.R. 2005, 27 (4), 150-53, at 150.

²⁴ Irene Calboli, *Expanding the Protection of Geographical Indications of Origin under TRIPS: “Old” Debate or “New” Opportunity?*, 10 MARQ. INTELL. PROP. L. REV. 181, 203 (2006).

²⁵ Frances G. Zacher, *Pass the Parmesan: Geographic Indications in the United States and the European Union – Can There Be Compromise?*, 19 EMORY INT’L L. REV. 427, 431 (2005).

rents based on *product differentiation*, that is, a form of *monopolistic competition* prevalent in the modern economy where there are elements of both monopoly and perfect competition.²⁶

Secondly, ‘the consumer’s mental association between the indication, the place, the goods, the qualities or characteristics of the goods, and the producers elevates a geographic sign to the level of a ‘distinctive source identifier’ in that it functions to distinguish one producing source from another producing source when used on particular goods.’²⁷ Thus, as pointed out by WIPO, ‘false use of geographical indications by unauthorised parties is detrimental to consumers and legitimate producers.’²⁸ While the consumers are induced with the belief that they are buying goods of a particular attribute, they are in effect duped with an imitation. This harms the business and reputation of the manufacturers.

Thirdly, the significance of protecting GIs is also furnished by the cultural element. The uniqueness vests in ‘that the producer or manufacturer of the product is a collective, a group that has some unifying inherent characteristic, trait or quality that it is trying to protect.’²⁹ Likewise, protection of geographical indications considers the traditions and number of generations associated with production of the food or beverage.³⁰ Following such a notion, Daphne Zografos, a leading commentator on the value and importance of Geographical Indications in economic growth, argues that traditional cultural expressions in the form of handicrafts may also be recognised under the ambit of GIs due to the symbolic connection between the artisanal product and the influencing culture.³¹

Having examined the ambit of GIs under Article 22(3), we may now turn to an examination of the current standards of protection under the Agreement.

III. SCOPE OF PROTECTION

A unique feature of GIs under the Agreement is that there is a distinction between the levels of protection accorded to goods generally and to ‘wines and spirits.’ As a starting point, there is a minimum standard of protection which applies to all GIs regardless of the nature and type of goods. It is left to the individual member countries of the WTO to determine the most appropriate method of protection, the basic premise being that a GI should not mislead the public as to its true origin. A higher level of protection is conferred on wines and spirits generally and an extra-additional protection for wine GIs. The use of GIs identifying wines or spirits not originating in the place indicated by the GI is prohibited, even where the true origin of the wines and spirits is indicated, or the GI is accompanied by expressions such as kind, type, style, imitation or the like. It is not a necessary to show that the consumers might be misled or the use constitutes unfair competition. In respect of wines, TRIPS provides for further protection for each GI for wines in the case of homonymous indications and establishment of a multilateral registry for GIs for wines. Such a hierarchical system of protection is evidence of the tussle between the ‘old world countries’ who wanted higher standards for all GIs and the ‘new world countries’ who were not agreeable to the proposition as the latter did not have any significant GIs to protect and therefore was not ready to accept enhanced minimum standards.³²

²⁶ Correa, *supra* note 19, at 16.

²⁷ Amy P. Cotton, *123 Years at the Negotiating Table and Still No Dessert? The Case in Support of TRIPS Geographical Indication Protections*, 82 CHI.-KENT L. REV. 1295, 1295 (2007).

²⁸ Correa, *supra* note 19, at 15-16.

²⁹ Michelle Agdomar, *Removing the Greek from Feta and Adding Korbel to Champagne: The Paradox of Geographical Indications in International Law*, 18 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 541, 560 (2008).

³⁰ Stacy D. Goldberg, *Who Will Raise the White Flag? The Battle between the United States and the European Union over the Production of Geographical Indications*, 22 U. PA. J. INT’L. ECON. L. 107, 108 (2001).

³¹ Daphne Zografos, *Can Geographical Indications Be a Viable Alternative for the Protection of Traditional Cultural Expressions?*, in NEW DIRECTIONS IN COPYRIGHT LAW 37, 38 (Fiona Macmillan & Kathy Bowrey, eds., 2006).

³² Kasturi Das, *Socio-Economic Implications of Protecting Geographical Indications in India*, at http://wtocentre.iift.ac.in/Papers/GI_Paper_CWS_August%2009_Revised.pdf.

A. GIs Generally: Misleading the Public and Unfair Competition

Article 22 (2) provides a ‘negative right’ of prevention rather than a ‘positive right’ to use the GI as is the case in trademark protection. The *explication de texte* may be the lack of any registration system at the multilateral level.³³ Member countries are empowered to envisage legal means to allow interested parties to prevent (i) any use of a GI to mislead the public as to the origin of the goods; and (ii) any use, which would be an act of unfair competition as defined under Article 10bis of the Paris Convention.³⁴

It is manifest that the provision did not purport to create an exclusive substantive right but left it to the discretion of the member countries to implement in their national legislations. As a result, countries provide the protection under different legal regimes, either operating alone or in conjunction with each other, for example, laws under unfair competition, consumer protection, protection of certification marks, *sui generis* laws ie, the Geographical Indications of Goods (Registration and Protection) Act of 1999 provides for registration and protection of GIs pertaining to India.

In the context of public confusion and unfair competition, TRIPS envisages safeguard mechanisms in Articles 22(4) and 24(8). Consequently, the use of homonymous GIs is prohibited even ‘though literally true as to the territory, region or locality in which the goods originate, they falsely represent to the public that the goods originate in another territory.’ Similarly, Article 24 (8) applies where a person’s name is similar to the geographical indication in a manner, which has the effect of misleading the public.

Thus, the decisive factor in the protection of GIs is whether the public is being misled or unfair competition is caused. This leads to different protection for the same GI in different countries. For example, basmati rice and Parmesan cheese are registered GIs in Europe, but are considered generic terms in the US.³⁵

B. Geographical Indications of Wine and Spirits: Enhanced Protection

Article 23 (1), on the other hand, envisages a higher level of protection for wines and spirits and ‘prohibits the incorrect use of geographical indications and additionally prohibits the use of a corrective’ for example, ‘like’, ‘style’ etc.³⁶ Accordingly, it provides:

“Each Member shall provide the legal means for interested parties to prevent use of the geographical indication identifying wines for wines 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.”³⁷

Thus, it is a violation of Article 23 (1) if a wine is labelled as ‘Bordeaux wine produced in Hong Kong.’³⁸ It is manifest that the intention is to fashion a protection, which is akin to the ‘dilution-style protection for trademarks’³⁹ that is absent in the case of other GIs. This differential treatment has attracted the wrath of critics for ‘untenable systemic biases’ against ‘equally qualified producers of other goods.’⁴⁰

³³ GERVAIS, *supra* note 23, at 192.

³⁴ Paris Convention, *supra* note 14.

³⁵ Rajiv Seth, *Geographical Indications for the Skeptical Europe*, at http://www.delhiwineclub.com/guest_column/Geographical_Indications.aspx?serialwise=966.

³⁶ Agdomar, *supra* note 30, at 565.

³⁷ TRIPS Agreement art. 23.1.

³⁸ Agdomar, *supra* note 30, at 566.

³⁹ G.E. Evans and Michael Blakeney, *The Protection of Geographical Indications after Doha: Quo Vadis? 9 J. INT’L ECON. L.* 575, 581 (2006).

⁴⁰ Kevin M. Murphy, *Conflict, Confusion and Bias under TRIPS Articles 22-24*, 19 Am. U. Int’l L. Rev. 1181, 1224 (2004).

IV. FURTHERING THE MANDATE OF THE WTO

Article 23(4) of the TRIPS Agreement mandated the Council to provide the forum for the negotiations regarding a multilateral system of notification and registration of GIs for wines and spirits. These negotiations began at the Fourth Ministerial Conference held at Doha in 2001.⁴¹ The implementation issues in the agenda also took note of the issue regarding the extension of the enhanced protection to products other than wines and spirits. Though the initial deadline for the conclusion of the negotiations was set for the Fifth Ministerial Conference in 2003, no resolution could be reached even at the Potsdam Ministerial Conference in June 2007. The deadlock was caused due to the divergent positions on the following issues: (i) A binding versus voluntary approach to the multilateral registry for wines and spirits; and (ii) The contemplated issues entailing the extension of enhanced protection to other products.⁴²

A. 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 - Article 23 (4)

It is pertinent to note that TRIPS requires *expressis verbis* negotiations for a multilateral registry only for 'wines,' but since the issue has been captured under the heading of 'Additional Protection for Geographical Indications for Wine and Spirits' in Article 23, it has been presumed that spirits are also included.⁴³

The negotiations have primarily led to the tabling of two main proposals: (i) 'EU Proposal' – supported also by Sri Lanka, Bulgaria, Switzerland, Iceland, Malta, Mauritius, Moldova, Nigeria, Romania, the Slovak Republic; (ii) 'US Joint Paper' - supported by Honduras, Dominican Republic, Argentina, Australia, Chile, Colombia, Canada, Costa Rica, Ecuador, El Salvador, Japan, New Zealand, Guatemala, Namibia, Philippines, Chinese Taipei.⁴⁴ A third proposal which purported to combine the positive aspects of the two proposals was suggested by Hong Kong.⁴⁵

1. The Binding System of Registration: EU Proposal

The European Community proposed an Annex to the TRIPS which would complement Article 23 (4) and provide for a multilateral system of notification and registration of GIs covering wines and spirits and also all other products.⁴⁶ The proposal set out the process as follows:

- (a) Each WTO Member would notify GIs which meet the requirements of Article 22(1) and are protected in the country of origin. The WTO Secretariat would circulate such notifications among all members and also publish them on the Internet.
- (b) Member countries would have 18 months to lodge a reservation to the registration of a notified GI on any of the following grounds:
 - a. Not in conformity with the definition of GI under TRIPS; or
 - b. It is literally true but misleading; or
 - c. It has become a generic name.
 In case of a reservation, the Members concerned would begin bilateral negotiations aimed to resolve the disagreement.
- (c) Finally, the notified GI would be registered on a searchable online database which would be accessible by all. Such registration would have the legal effect of a rebuttable presumption that the GI is eligible for protection in all countries, including those who did not notify GIs in the system.

⁴¹ Doha Declaration, *supra* note 8.

⁴² O'Connor, *supra* note 6, at 389.

⁴³ Goldberg, *supra* note 31, at 133.

⁴⁴ WTO, *Negotiations, Implementation and TRIPS Council Work*, at http://www.wto.org/english/thewto_e/minist_e/min03_e/brief_e/brief06_e.htm.

⁴⁵ Council for Trade-Related Aspects of Intellectual Property Rights Special Session, *Communication from Hong Kong, China*, TN/IP/W/8 (Apr. 23, 2003) [hereinafter *Communication from Hong Kong*].

⁴⁶ Council for Trade-Related Aspects of Intellectual Property Rights Special Session, *Communication from the European Communities*, TN/IP/W/11 (June 14, 2005).

The major shortcomings of this proposal are its binding legal effect on non-participating members and the burden of costs which have to borne by the notifying countries.

2. The Voluntary System of Registration: US, Canada, Chile and Japan

This proposal envisages a non-binding informative database which members may consult during registration of a GI pertaining to wines and spirits.⁴⁷ Member countries shall send their notifications to the WTO Secretariat which shall compile a database searchable online and free-of-cost. Those member countries that do not volunteer to participate would be recommended to consult the database while registering wines and spirits under their domestic laws but there would be no legal obligation. The burden of enforcement would lie with the holders of GIs and not the governments and therefore would be an inexpensive system.⁴⁸

Though the above proposal appears to be favourable to developing countries from the perspective of legal obligations and financial burden, it has been criticised as not meeting the mandate of the TRIPS and also not adding any value to the already existing scheme of things.⁴⁹

3. Alternative Approach proposed by Hong Kong

In this proposal, members would be free to participate and notify GIs protected in their territories and the registrations shall be binding only on those members would participate in the system.⁵⁰ The administrative body would undertake only formalities examination and no substantive examinations and the registered GIs would be available on the WTO website. Initial registrations shall be for a period of ten years, which will be renewable upon payment of requisite fees after every ten years.

This approach appears to be less onerous to developing countries and workable in practice.

B. Increasing the protection of individual geographical indications under Article 23 - Article 25(1)

It is interesting that countries in favour of binding multilateral registry for wines and spirits have also supported the move towards a higher level of protection for other products. The arguments of both camps on the issue are now examined:

1. Arguments for extending enhanced protection to other products: EU

The primary argument has been with regard to the 'producer protection', which intends to protect a particular, GI from dilution and free riding on the reputation by others.⁵¹ It is alleged that the current protection is ineffective and the leeway to name products from outside the traditional location would not only undermine the region, but inferior quality of such goods could be a potential threat to the traditional GI.⁵² Extending protection would also curb deceptive trade practices.⁵³ A prime example in this context would be the case of the *Basmati Rice* indigenous to the Indian sub-continent. American manufacturers were attempting to free ride on the 'extensive goodwill and customer recognition of basmati'.⁵⁴

⁴⁷ Council for Trade-Related Aspects of Intellectual Property Rights Special Session, *Submission by Argentina et al.*, TN/IP/W/10 (Apr. 1, 2005).

⁴⁸ Council for Trade-Related Aspects of Intellectual Property Rights, *Communication from Canada et al.*, IP/C/W/133/Rev.1 (July 26, 1999).

⁴⁹ Council for Trade-Related Aspects of Intellectual Property Rights Special Session, *Minutes of Meeting Held in the Centre William Rappard on 15 - 16 March 2006*, ¶ 42, TN/IP/M/16 (May 19, 2006) [hereinafter *Minutes*].

⁵⁰ *Communication from Hong Kong*, *supra* note 46.

⁵¹ Agdomar, *supra* note 30, at 581.

⁵² Becki Graham, *TRIPS: Ten Years Later: Compromise or Conflict over Geographical Indications*, Syracuse Sci. & Tech. L. Rep. 4, (2005).

⁵³ Agdomar, *supra* note 30, at 550.

⁵⁴ D. Rangnekar, *The Pros and Cons of Stronger Geographical Indication Protection*, at <http://www.iprsonline.org/ictsd/docs/RangnekarBridgesYear6N3MarchApril2002.pdf>.

On a second level, it is asserted that extending the protection would benefit developing countries by ‘reinforcing the economic fabric in farming communities through the presence of additional industries and stimulating quality.’⁵⁵ As a result, many developing countries have acknowledged GIs in agriculture, food and handicrafts from which they might profit – for instance, Kenya, Cuba, Czech Republic, Honduras, India, Indonesia, Nicaragua, Pakistan and Sri Lanka.⁵⁶ The guiding rationale is to ‘facilitate market differentiation for a variety of common commodities such as tea, coffee, and rice’⁵⁷ that would secure an opportunity for emerging economies to use intellectual property rules to improve their living standards by generating wealth for their communities, preserving their cultural heritage and landscape.⁵⁸

Lastly, the enhancement of protection would also bring about ‘product safety’ because producers would be easily identifiable and held responsible for the quality of the goods.⁵⁹ As a result, they would invest more in upgrading their standards and maintain a competitive edge in the market.⁶⁰

It must be kept in mind that the exceptions contained in Article 24 would also automatically extend to other GIs and such use would be permitted on the same or similar goods if that Member had used the GI continuously for a minimum of ten years preceding April 15, 1994, or in good faith before that date.

2. Arguments against extending protection to food products: US

They contend that many of the food products, which may have historically originated from a particular region, have developed into generic terms and regional manufacturers would gain monopolies and stifle competition if protection was expanded to food products and generic terms were returned to their historical origin.⁶¹ Further, a look at colonization and emigration over the past centuries do not support the cause for extending protection. Since many Europeans moved to Australia and the United States, they used ‘the terms and produced the products that had European origin in their new homes and have been doing so for so long that they have become generic to these countries.’⁶² This is one of the primary grounds on which the US and Australia challenged the EU Regulation which extended protection to geographic indications for farm produce and food items and had legal effects in other WTO countries.⁶³ The Panel Report on this matter however, was favourable to both parties.⁶⁴ It was noted that though the reciprocity requirement and the registration of GIs was discriminatory and had to be brought into conformity with TRIPS, the coexistence of GIs ‘with all but the most famous of prior marks’ was a tenable proposition.⁶⁵

Secondly, the arguments favouring extension are attributed to European trade protectionism, which will lead to ‘unwarranted government intervention’ and not aimed at market access to emerging industries. Also, re-labelling and re-packaging of existing products which have become generic will require heavy investments by producers, which will not only increase consumer costs but also add to their confusion.

⁵⁵ Graham, *supra* note 53.

⁵⁶ Council for Trade-Related Aspects of Intellectual Property Rights, *Proposal from Bulgaria et al.*, IP/C/W/247 (Mar. 29, 2001); Council for Trade-Related Aspects of Intellectual Property Rights, *Proposal from Bulgaria et al.*, IP/C/W/247/Rev.1 (May 17, 2001); Council for Trade-Related Aspects of Intellectual Property Rights, *Communication from Bulgaria et al.*, IP/C/W/308 (Sep. 17, 2001).

⁵⁷ Murphy, *supra* note 41, at 604.

⁵⁸ Agdomar, *supra* note 30, at 601.

⁵⁹ Sabrina Lucatelli, *Appellations of Origin and Geographical Indications in OECD Member Countries: Economic and Legal Implications*, at http://www.ictsd.org/issarea/ag/resources/docs/OECD_GI.pdf.

⁶⁰ *Id.*

⁶¹ Graham, *supra* note 53.

⁶² Graham, *supra* note 53.

⁶³ Council Regulation 2081/92, *Protection of Geographical Indications and Designations of Origin of Agricultural Products and Foodstuffs*, 1992 O.J. (L 208) 1 (EC), available at <http://www.wipo.int/clea/docs/new/en/gr/gr022en.html>.

⁶⁴ Panel Report, *European Communities: Protection of Trademarks and Geographical Indications for Agricultural Products and Food-stuffs*, WT/DS174/23 (Apr. 20, 2005).

⁶⁵ *Id.*

Thirdly, though extending protection would instill certainty in the legal position it would also entail higher risks of disputes between WTO members.

3 Scholarly opinion on the issue of extending protection to other products

Scholars opine that the ‘current text of the TRIPS Agreement provides robust protection for GIs that are commercialized or have a reputation around the world, if implemented properly.’⁶⁶

Thus, they recommend that instead of renegotiating the TRIPS for extending protection to domestic food products and other items, scholars have suggested that the ‘attention should be given to promoting domestic registration systems that are cost-effective, efficient, open, transparent, and fair for both domestic and foreign GI owners.’⁶⁷ It is averred that these registration systems are already in existence in national trademark offices, and therefore the thrust should be on ‘fulfilling TRIPS obligations as to GIs, trademarks, national treatment and most-favoured nation protection, as well as enforcement obligations without having to reinvent the wheel.’⁶⁸ A useful model for developing countries is provided by the Indian Geographical Indications of Goods (Registration and Protection) Act, 1999. It recognises that providing legal protection for Indian GIs would boost exports and promote economic prosperity for producers of goods produced in the economic territory. Consequently, registration is granted on a renewable basis for ten years every time. On this note, let us turn to the suggested position of ASEAN on these issues.

V. THE ASEAN POSITION

The foregoing discussion illustrates that an increase in GI protection would be beneficial to countries, which are primarily dependent on agriculture or have established ‘local traditions in manufacturing different products.’⁶⁹ Therefore, a ‘reasonable expansion of Article 23 and the creation of an international GI registry could ultimately prove more beneficial than detrimental for all interested parties.’⁷⁰

As regards the ASEAN, it is suggested that the most suitable position would have to be assessed with reference to the specific circumstances of the constituent countries.

A. Establishment of Multilateral Registry for Wines and Spirits: Concurrence with the US proposal

Since almost all the countries are non-wine producing, their interests should not be prejudiced by constructing a system, which imposes undue burden through high costs, and binding legal effects.⁷¹ As noted above, the EC proposal would have effect even for non-participating members and this would be particularly unfair on developing countries.⁷² Consequently, ASEAN countries are better positioned to concur with the US proposal for a voluntary system, which would not only be inexpensive but also would not entail onerous effects.⁷³

B. Extension of Enhanced Protection to other products: In support of the EU proposal

It is common ground that large, commodity-dependent developing countries, such India, Egypt, or Kenya, will be benefited with an enhanced protection for agricultural products, foodstuffs, and traditional handicrafts. In

⁶⁶ Correa, *supra* note 19, at 13-16.

⁶⁷ Lynne Beresford, *Geographical Indications: The Current Landscape*, 17 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 979, 997 (2007).

⁶⁸ *Id.* at 997.

⁶⁹ Calboli, *supra* note 25, at 201.

⁷⁰ Calboli, *supra* note 25, at 200.

⁷¹ Council for Trade-Related Aspects of Intellectual Property Rights Special Session, *Report by the Chairman, Ambassador Manzoor Ahmad, to the Trade Negotiations Committee*, TN/IP/16, ¶5.

⁷² General Council Trade Negotiations Committee Council for Trade-Related Aspects of Intellectual Property Rights Special Session, *Communication from the European Communities*, WT/GC/W/547 (14 June 2005).

⁷³ Council for Trade-Related Aspects of Intellectual Property Rights Special Session, *Minutes of Meeting Held in the Centre William Rappard on 16 September 2005*, TN/IP/M/14 (Oct. 26, 2005).

addition, due to the expansive definition of GIs, ‘developing countries among the lower middle income range, though less well placed, may find that GIs offer the opportunity to differentiate otherwise homogenous agricultural commodities and their prices across foreign and domestic suppliers.’⁷⁴

The ASEAN countries of Malaysia, Indonesia and Thailand also stand on a similar footing with other developing countries and therefore increased levels of protection would be advantageous to their economies. Since the natural resource and traditional knowledge form the fundamental elements for the development of grass root economy, GIs can be used as effective marketing of economic value.⁷⁵

As an illustration of the potential benefit, which may accrue, let us take the Vietnamese example of the *Phu-Quoc* sauce made from salted anchovies fermented in wooden barrels. The production of this sauce is about 10 million litres out of which only ½ million is exported due to the infiltration of the markets in Japan and EU with counterfeit *Phu-Quoc* trademarked sauces allegedly owned by Thai enterprises.⁷⁶ Similarly, Toraja coffee from Indonesia is one of the best specialty coffees in the world. The coffee belongs to the Arabica group and mainly grown by small holding farmers in Tana Toraja or Toraja, a region in Sulawesi island of Indonesia.⁷⁷ However, in recent years, the manufacturers of Toraja coffee in Indonesia face stiff competition in the export market with companies from Japan and Holland marketing coffee styled as Toraja.

If higher protection is accorded to food products, then domestic industries will be able to take advantage of new markets and thereby boost quality and production. This will in turn bring economic growth in developing countries. It is suggested that protecting GI’s is valuable to agro-based economies by adding value to local production, particularly for products like coffee and tea (and increasingly, chocolate), commodities that are commonly grown in the developing world and where marketers (and consumers) are beginning to distinguish between products from different origins. A GI product would bring in more income than traditional raw commodity exports.⁷⁸ In Malaysia, the agro-based natural products sectors contribute substantially to the growth and development of the Malaysian economy. Hence, there is a need to protect it to ensure its sustainability.⁷⁹

Surbhi Jain succinctly summarises the effects and benefits of extending GI protection as follows:⁸⁰

- (a) Extension facilitates the protection and enforcement of geographical indications, since the ‘misleading test’ and/or the proof of a case of unfair competition would no longer have to be established. Extension therefore could represent a cost savings for judicial and administrative authorities as well as for those who are entitled to the use of a geographical indication and interested in the enforcement of their right against misuse;
- (b) The purpose of extension is not to benefit those members with a large number of geographical indications at the expense of those with few. The aim is to achieve a level playing field in the TRIPS for all geographical indications, enabling all members and their products to benefit from the additional, more effective protection;
- (c) Extension would prevent further geographical indications from becoming generic through the misuse of such indications in translations or through delocalization.

⁷⁴ Evans & Blakely, *supra* note 40, at 607.

⁷⁵ Suraphol Jaovisidha, *Protection of Geographical Indications: Thailand’s Perspective*, http://www.ecap-project.org/archive/fileadmin/ecapII/pdf/en/activities/regional/gi_2003/gi_thailand_surapol.pdf.

⁷⁶ Dr. D. Rangnekar, *The International Protection of Geographical Indications: The Asian Experience* at 19, available at http://www.iprsonline.org/unctadictsdialogue/docs/Rangnekar_2004-11-08.pdf

⁷⁷ Surip Mawardi, *Geographical Indication Application in Indonesia: Opportunities and Challenges*, http://www.ecap-project.org/archive/fileadmin/ecapII/pdf/en/activities/national/indonesia/gi_dec05_2/SuriMawardi_GI_PROMOTI_NG_.pdf.

⁷⁸ The International Food & Agricultural Trade Policy Council, *Geographical Indications*, <http://www.agritrade.org/Publications/DiscussionPapers/GI.pdf>.

⁷⁹ Nor Azlina bt Mohd Noor and Ahmad Shamsul bin Abd. Aziz, *Intellectual Property Rights and Agro-based Natural Product: Malaysia Legal Perspective*, J. Pol. & L. March 2011, at 138.

⁸⁰ Surbhi Jain, *Effects of the Extension of Geographical Indications: A South Asian Perspective*, ASIA-PAC. DEV. J., December 2009, at 65, 84, available at http://www.unescap.org/pdd/publications/apdj_16_2/4_jain.pdf.

VI. CONCLUSION

At present, there are existing registration systems for GIs in the following ASEAN countries - Indonesia,⁸¹ Malaysia,⁸² Thailand,⁸³ and Vietnam.⁸⁴ In Singapore, GIs are protected as a new class of intellectual property rights, but without a registration system.⁸⁵ The protection of GIs is also ensured under the trademark system in the Philippines.⁸⁶

Hence, at the national level, the ASEAN countries recognise the importance and benefits of GI protection. However, the extension of a higher level of protection to all GI products and creation of an international GI registry would help these countries to achieve the full benefits of GI protection.

It is noteworthy to recall the arguments of Michelle Agdomar for a predictable level of protection for cultural goods as a failure to do so would indeed impede the benefits from the TRIPS.⁸⁷ Michelle Agdomar argues that right holders of cultural products must have a predictable level of protection for their goods as failure to do so distorts the flow of trade and undermines the benefits flowing from the TRIPS whereas, the enhanced geographical indication protection is a means to achieve this goal by ensuring mutual reciprocity in the level of protection between member countries.⁸⁸

⁸¹ G.R. 51 (2007).

⁸² Act 602 (2000).

⁸³ B.E. 2546, *supra* note 22.

⁸⁴ Intellectual Property Law (No. 50/2005/QH11)

⁸⁵ Law No. 44 of 1998, Geographical Indications Act (1998). It should be noted that in Singapore, the law protects only the GIs of a country that is a member of the WTO, a party to the Paris Convention, or a country designated by the Singaporean government as a qualifying country.

⁸⁶ Act No. 8293 (1998).

⁸⁷ Agdomar, *supra* note 30 at 558.

⁸⁸ Agdomar, *supra* note 30, at 558.