



## The international legal framework for the protection of geographical indications

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### Abstract

Geographical Indications (GIs) designate products that originate from a particular region or country and have a unique character due to their particular qualities and production methods. It is a public right owned by communities collectively. In today's world GIs are considered as important intellectual assets in relation to a variety of goods. They are important for the countries especially the developing countries as they not only promote development of local communities and also protect their knowledge. They stand at the intersection of three hotly debated issues in International Law: International Trade, Intellectual Property and Agricultural Policy, the paper will also focus on the same. The present paper will mainly discuss the protection of GIs at international level. The journey of protection of place-based products at international level from the Paris Convention to the TRIPS Agreement will be discussed by the authors.

**Keywords:** Geographical indications, goods, intellectual property rights, protection, trips agreement

### Introduction

Geographical Indications (GIs) are the type of intellectual property right associated with place based names. They indicate that particular goods originate from a country, region or locality and has some special characteristics, qualities or reputation, which are attributable to its place of origin. These special characteristics, qualities or reputation may be due to various factors, e.g. natural factors such as raw materials, soil, regional climate, temperature, moisture etc; or the method of manufacture or preparation of the product such as concentration of similar businesses in the same region, specialization in the production or preparation of certain products and the maintaining of certain quality standards. It is considered a public right, owned by the state or a collectivistic entity, with the government being in charge of registering and administering it. In today's world GIs are considered as important intellectual assets in relation to a variety of goods. They stand at the intersection of three hotly debated issues in International Law: International Trade, Intellectual Property and Agricultural Policy. The western multinational corporations are taking away the rich bio resources of the developing countries to the west and getting it registered as their property. Due to this the harm and loss has been caused to developing countries who are rich in their bio resources.

Geographical Indications are understood by consumers to denote the origin and the quality of products. Many of them have acquired valuable reputations which, if not adequately protected, may be misrepresented by dishonest commercial operators. False use of geographical indications by unauthorised parties is detrimental to consumers and legitimate producers. Consumers are deceived into believing that they are buying a genuine product with specific qualities and characteristics, when they are in fact getting an imitation. Legitimate producers are deprived of valuable business and the established reputation of their products is damaged.

### International Framework for The Protection of Geographical Indications

When Intellectual Property Rights (IPRs) are increasingly influencing trade both at the national and international level, harnessing trade benefits depends on the degree of protection enjoyed by the owners of the IPRs. The TRIPS Agreement is one of the pillars of the global trade regime through the WTO which defines minimum standards of protection for IPR in WTO member states.<sup>[1]</sup> Geographical Indications (GI) is one of the six areas of the Agreement on Trade-Related Intellectual Property Rights (TRIPS) of the World Trade Organisation (WTO). It provide comprehensive and effective protection to goods registered as GI goods.

Under articles 1 (2) and 10 of the "Paris Convention for the Protection of Industrial Property", GIs are covered as an element of IPRs. Legal protection is provided to the GIs at both national and international levels. At the national level they are protected under the Geographical Indications of Goods (Registration & Protection) Act, 1999 and at the international level GIs are protected mainly by the TRIPS Agreement.

International legal framework for the protection of GIs are discussed under the following heads:

#### 1. Paris Convention for the Protection of Industrial Property, 1883

Originally signed by eleven nations, the Paris Convention currently has one hundred eighty contractual member nations.<sup>[2]</sup> It one of the most frequently ratified international agreements. This treaty was the first multilateral agreement of its kind as it provided protection for "appellations of origin (AO) and indications of source (IS)". One of the main purposes of the Paris Convention is to protect against unfair competition and deceptive indications. Indications of origin and appellations of origin were included as subject matter of industrial property in art. 1(2) of the Paris Convention. It provides as follows

"The protection of industrial property has as its object patents, utility models, industrial designs, trademarks, service marks, trade names, indications of source or

appellations of origin, and the repression of unfair competition.”

The signatories were required by Article 10 *bis* to provide safeguards against unfair competition. Article 10*bis* of the Paris Convention provides

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:
  - 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;
  - 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;
  - 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.”

The members of this international agreement are also duty provide protection against unfair competition. <sup>[1]</sup> The Paris Convention also provides the base for the protection against misleading indications of source, though it does not provide any remedies in case of its violation. It prohibits I and also provides remedies for the same. <sup>[2]</sup>

## 2. Madrid Agreement for the Representation of False and Deceptive Indications of Source on Goods, 1891

The Madrid Agreement contains particular regulations against misleading and deceptive indication of source (IS). It was concluded in the year 1891 and was revised many times from 1911 to 1967. The Agreement is for the protection of IS but it does not define the term “IS”. Only members of the Paris Convention are eligible to participate in the Madrid Agreement. It provides for repression of false or deceptive indications of source on goods. With the exception of wine regional appellations of origin, which are governed by the national law of the country of origin, the Madrid Agreement includes laws for the protection of IS based on the national legislation of the nation in which the protection applies. The provision regarding the seizure of goods bearing false or deceptive indication is also given in the Agreement. <sup>[3]</sup>

It protects indications of source (IS) against misleading use. <sup>[5]</sup> It provides as

1. “All goods bearing a false or deceptive indication by which one of the countries to which this Agreement applies, or a place situated therein, is directly or indirectly indicated as being the country or place of origin shall be seized on importation into any of the said countries.
2. Seizure shall also be effected in the country where the false or deceptive indication of source has been applied, or into which the goods bearing the false or deceptive indication have been imported.
3. If the laws of a country do not permit seizure upon importation, such seizure shall be replaced by prohibition of importation.

4. If the laws of a country permit neither seizure upon importation nor prohibition of importation nor seizure within the country, then, until such time as the laws are modified accordingly, those measures shall be replaced by the actions and remedies available in such cases to nationals under the laws of such country.
5. In the absence of any special sanctions ensuring the repression of false or deceptive indications of source, the sanctions provided by the corresponding provisions of the laws relating to marks or trade names shall be applicable.”

This agreement did not add much to the protection already given in Paris Convention.

## 3. The Lisbon Agreement for the Protection of Appellations of Origin and their International Registration, 1958

The Lisbon Agreement entered into force in 1966. The initial signatory States were those of Cuba, Czechoslovakia, France, Haiti, Israel, Mexico and Portugal. <sup>[6]</sup> The total number of member States to this Agreement is thirty. <sup>[7]</sup> Developed, developing, least developed, and transitional economies are among the parties to the Lisbon Agreement. It applies to Appellations of Origin (AO) only. Unlike the Madrid Agreement, the Lisbon Agreement defined the term ‘Appellations of Origin’. It was the first agreement to define this term. Article 2 defines two terms *viz* “Appellations of Origin (AO)” and “Country of origin” as

1. “In this Agreement, “appellation of origin” means the geographical denomination of a country, region, or locality, which serves to designate a product originating therein, the quality or characteristics of which are due exclusively or essentially to the geographical environment, including natural and human factors.”
2. “The country of origin is the country whose name, or the country in which is situated the region or locality whose name, constitutes the appellation of origin which has given the product its reputation.”

Under this Agreement, AO should be the name of the place or region where the good originates and gets the quality or characteristics. The definition of GIs given in the TRIPS Agreement is based of the above definition expect the TRIPS Agreement includes non-geographical denominations also. Enabling the international protection of appellations of origin is the aim of the Lisbon system. The International Bureau of WIPO oversees the Lisbon system and maintains the International Register of Appellations of Origin. The nations covered by the Agreement form a Special Union. There is an Assembly in the Union. All members of the Assembly are State members of the Union who have complied with the administrative and final provisions of the 1967 Stockholm Act. An application for international registration may only be made in relation to an appellation of origin that is legally protected in its home country. The provisions related to ‘genericide’ of the AOs is also given in the Agreement. Article 6 provides for the same “An appellation which has been granted protection in one of the countries of the Special Union pursuant to the procedure under Article 5 cannot, in that country, be deemed to have become generic, as long as it is protected as an appellation of origin in the country of origin.”

Many provisions of the TRIPS Agreement is based on the Lisbon Agreement. According to Article 1 of the TRIPS Agreement, “the members are ought to protect on their territory the appellations of origin of products of the other members of the Special Union that are recognized and safeguarded as such in the country of origin”. According to Article 3 of the TRIPS Agreement, protection is provided against any usurpation or imitation, even if the true origin of the product is indicated, the appellation is used in translated form, or it is combined with terms like “kind”, “type”, “make”, “imitation,” or similar terms. The provision related to the additional and absolute protection to wines and spirits is given in the Lisbon Agreement which was added in the text of the TRIPS Agreement.

#### 4. Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS), 1995

All of the above international conventions had provisions on geographical indications but these were not sufficient. The Paris Convention only had a general provision on geographical indications (GIs). The Madrid Agreement provided for the protection of ISs. The Lisbon Agreement had a limited membership. So, their practical effects were minimal. To remove these shortcoming the provisions were inserted in the TRIPS Agreement to protect GIs. The most significant impact of the TRIPS Agreement on GIs is that it became the first multilateral treaty to impose minimum criteria for application and safeguard GIs through substantive provisions. It is a treaty with many signatories who are obligated to impose minimum criteria for protection of GIs.

Unlike other intellectual properties, GIs are not given same level of protection. The protection of GI under the Agreement differs according to the type of the good. The different levels of protection and the type of protection to the origin-based goods was the main bone of contention between different group of countries. The United States of America favoured the protection of GIs through a certification mark system while the European Union and Switzerland proposed a French style of protection.<sup>[8]</sup> As a result of the divide different levels of protection are given to GIs.

The TRIPS Agreement came into force on 1<sup>st</sup> January 1995. It provides minimum standard of protection to all GIs while additional protection to wines and spirits. WTO members are required under the Agreement to provide protection to GIs. Part II, Section 3, Articles 22-24 of the TRIPS Agreement provide provisions for the protection of GIs. These are as follows

1. **Article 22:** Protection of Geographical Indications
2. **Article 23:** Additional Protection for Geographical Indications for Wines and Spirits
3. **Article 24:** International Negotiations; Exceptions

##### 4.1. Protection of Geographical Indications

The Agreement was first to use the word “Geographical Indication”. Earlier the treaties protected either AO or IS. It was the first to combine both of these and protect the origin-based goods under the GIs. The Agreement under art. 22 (1) provides the definition of GI as follows:

“Geographical indications are, for the purposes of this Agreement, 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.”

It states that quality, reputation, or any other attribute of a product should be due to its geographical origin. The provision related to the protection of GIs is also provided in art. 22. It requires all member states to provide the legal means for interested parties

1. To prevent the use of any means in the designation or presentation of a good that indicates or suggests that the good in question originates in a geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the goods, and
2. Any use which constitutes an act of unfair competition within the meaning of art. 10 *bis* of the Paris Convention.

If GIs which are not protected in their country of origin or which have fallen into disuse in that country, the countries are not obligated to protect those GIs. Article 22.3 of the TRIPS Agreement requires all signatories to refuse or invalidate the registration of a trademark containing or consisting of a GI with respect to goods not originating in the territory indicated. This is because the use of the indication in the trademark for such goods in that member country must not be of a nature that would mislead the public to the true place of origin. This provision has also solved the conflict between GI and trade mark.<sup>[9]</sup> It also prevents the use of homonymous indications. Article 22(4)<sup>[10]</sup> applies, “*when two countries or places have the same name and one of them is famous for a GIs for a particular product, the use by the other of the same name in respect of its corresponding product may prevent if it falsely represents the origin.*” The provision mainly focuses on the protection of consumers from deception and also aims to protect producers.

##### 4.2. Additional Protection for Geographical Indications for Wines and Spirits

This is a discriminatory and criticised provision of the TRIPS Agreement on GIs. It provides for a special treatment for wines and spirits. It provides for additional protection for GIs for wines and spirits. Article 23 reads as follows:

“Each Member shall provide the legal means for interested parties to prevent use of a geographical indication identifying wines for wines not originating in the place indicated by the geographical indication in question or identifying spirits for spirits 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.”

While art. 22 provides general protection of basic standard for all goods, art. 23 provides an additional and higher level of protection specifically for wines and spirits. It requires that member nations enact laws to prohibit the use of GIs in relation to wines and spirits that do not originate in the indicated regions. It implies that even in the absence of any risk of deceptive or unfair competition, wines and spirits ought to be protected. According to Lisa P. Lukose “A

higher-level protection is given not because of the unique characteristics of these products rather a compromise reached in the WTO negotiations in favour of the wine producing countries.”<sup>[11]</sup> Initially this protection was given only to wines, spirits were added later on. The protection to wines and spirits are absolute and unqualified.

### 4.3. International Negotiations; Exceptions

The provision on international negotiations is laid down in the TRIPS Agreement.<sup>[12]</sup> These negotiations can either be bilateral or multilateral. The Agreement imposes a general obligation for the Council for TRIPS as follows:

“The Council for TRIPS shall keep under review the application of the provisions of this Section; the first such review shall take place within two years of the entry into force of the WTO Agreement. Any matter affecting the compliance with the obligations under these provisions may be drawn to the attention of the Council, which, at the request of a Member, shall consult with any Member or Members in respect of such matter in respect of which it has not been possible to find a satisfactory solution through bilateral or plurilateral consultations between the Members concerned. The Council shall take such action as may be agreed to facilitate the operation and further the objectives of this Section.”<sup>[13]</sup>

### Conclusion

Uncertainties exist in the international legal framework for the protection of GIs. Due to the unequal protection provided by the varied legal systems of different nations and the double standard protection imposed by the TRIPS Agreement the protection to the products is not sufficient. The countries are free to choose the mode of protection whether by way of “Collective Marks” or “*Sui generis*” system of protection. This different types of protection to origin based goods also poses a problem. A uniform system of protection for GIs should be used all across the world like other intellectual properties such as patents, trade marks etc. Other important issue is of the discriminatory provision of the TRIPS Agreement with regard to wines and spirits. Since most of the wine producing countries are developed countries so absolute protection is provided to wines and spirits under the Agreement. The revision of provisions to provide GIs an equivalent degree of protection regardless of the type of goods is required. Equal protection to all products without making distinctions between wines, spirits, and other products. It would have been preferable if art. 23's heightened protection had not been limited to a few chosen products. The negotiations on equal level of protection which have earlier been failed should be started again and finalised.

### References

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3. Paris Convention for the Protection of Industrial Property, art, 11bis, 1883.
4. Id, art, 10(1).
5. It offers remedies like product seizure upon importation, importation prohibition, and product

- seizure within the nation for illegally bearing a source indication.
6. It provides that all goods bearing a false or deceptive indication by which one of the countries to which the Agreement applies, or a place situated therein, is directly or indirectly indicated as being the country or the place of origin shall be seized on importation into any of the said countries.
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12. Agreement on Trade Related Aspects of Intellectual Property Rights, art: The protection under paragraphs 1, 2 and 3 shall be applicable against a geographical indication which, although literally true as to the territory, region or locality in which the goods originate, falsely represents to the public that the goods originate in another territory, 1995, 22(4).
13. Supra note 11 at 217.
14. Supra note 12 art, 24.
15. Id., art, 24(2).