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### **NOTE**

From:	General Secretariat of the Council		
To:	Delegations		
No. prev. doc.:	9788/1/22		
Subject:	4th Session of the WIPO Working Group on the Development of the Lisbon System (Geneva, 14 to 16 June 2022)		
	- Final EU/Member States statements		

Delegations will find at annex, for information, the EU/Member States statements as delivered at the above-mentioned WIPO meeting.

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# 4<sup>th</sup> Session of the Working Group on the Development of the Lisbon System (Geneva, 14-16 June 2022)

### **Opening Statement**

## Developments concerning geographical indication protection for craft and industrial products at EU level

Thank you Chair,

- 1. On behalf of the EU and its Member States, I am pleased to inform the Working Group and the WIPO Secretariat about some recent developments concerning geographical indication protection for non-agricultural products at EU level.
- 2. On 13 April 2022, the European Commission adopted a proposal on a self-standing EU regulation concerning geographical indication protection for craft and industrial products, which is now under examination by the co-legislators of the EU.
- 3. Drawing on the success of the geographical indication system for wines, spirits and agricultural products, the proposal aims to enable producers to protect craft and industrial products associated with their region and their traditional knowhow, with effects in Europe and beyond. The regulation will make it easier for consumers to recognise the quality of such products and make more informed choices. It will help to promote, attract and retain skills and jobs in Europe's regions, contributing to their economic development. The proposal would also ensure that traditional craft and industrial products are put on an equal footing with protected geographical indications that already exist in the agricultural area.
- 4. The new regulation will establish an EU-wide sui generis protection of geographical indications for craft and industrial products to help producers protect and enforce intellectual property rights in their products across the EU.

- 5. Furthermore, the new regulation aims to support the development of Europe's rural and other regions by providing incentives for producers, especially SMEs, to invest in new authentic products and create niche markets. It will help to retain unique skills that might otherwise disappear, particularly in Europe's rural and less developed regions. Regions would benefit from the reputation of the new GIs. This can contribute to attracting tourists and to creating new highly skilled jobs in the regions, thereby boosting their economic recovery.
- 6. The proposal for a new regulation was preceded by several studies, an Impact Assessment and wide range of stakeholder consultations, and builds on support from European producers of craft and industrial products, the European Parliament, the European Committee of the Regions, the European Economic and Social Committee and a significant number of EU Member States.
- 7. Last but not least, the proposal establishes the connection between the new EU GI protection scheme and the Lisbon system by enabling producers of registered craft and industrial GIs to protect their products through the Geneva Act.
- 8. We shall keep the Working Group and the WIPO Secretariat informed of further developments concerning the proposal.

Thank you.

### Agenda item 4

Proposed Amendments to the Common Regulations under the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration and the Geneva Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications

(Document LI/WG/DEV-SYS/4/2)

Thank you Chair,

- 1. On behalf of the EU and its Member States, I would like to thank the Secretariat for the submission of document LI/WG/DEV-SYS/4/2 on proposed amendments to the Common Regulations under the Lisbon Agreement and the Geneva Act.
- 2. The Secretariat has invited the Working Group to consider and comment on the proposals made in that document.
- 3. The EU and its Member States agree with the Secretariat that the entry into force of the Geneva Act has brought to light the need to consider amendments to the Common Regulations, with the objective to simplify and streamline the procedures under the Lisbon System and to provide greater clarity to its users.
- 4. Accordingly, the EU and its Member States are currently examining the proposals made by the Secretariat, in particular as regards their suitability for the envisaged simplification and streamlining of the procedures of the Lisbon System and the aim of providing greater clarity to its users. While the internal decision-making process within the EU on these questions is still ongoing, we expect to have a formal position of the EU and its Member States on those questions for the General Assemblies in July.
- 5. However, as a preliminary reaction for this session of the Lisbon Working Group, we can already share today, at technical level, the following preliminary thoughts on the various issues under consideration:

- 6. In our view, some of the proposed amendments appear to go in the right direction, and therefore we can support them. This concerns the proposed amendments to Rule 9(1)(c) (Refusal) and Rule 15(1) (Modifications).
- 7. We have also taken a close look at the proposed amendments explained in paragraphs 10 to 14 of the Secretariat's document. These concern the failure to meet a requirement based on a notification made under Rule 5(3) or (4) of the Common Regulations, or on a declaration made under Article 7(4) of the Geneva Act.
- 8. Whilst we do understand the motivation for the approach suggested by the Secretariat, we wonder whether these proposed amendments would actually lead to a simplification and clarification of procedures in practice. We would therefore be grateful if the Secretariat could explain in more detail the rationale for these proposed amendments.
- 9. More specifically, it seems to us that these proposals could lead to situations which might make the Lisbon system less rather than more attractive. Let me please explain a bit in detail.
- 10. The wording ('subsequent to') of the proposed new fee in point 1(ii) of Rule 8 is unclear and risks triggering additional costs. Any fulfilment of the requirements, however immediately after the international registration concerned, would arguably be 'subsequent' and therefore subject to payment of the new fee. Members would no longer have the possibility to decide within three months from the accession of the requesting member, without paying an additional fee, whether to pay the individual fee. The proposal could lead to inconsistent consequences, in particular because it groups together instances that are of a different nature and should be dealt with differently.

In addition, we understand that the proposal aims at allowing the members to regroup the fulfilment of several requirements under Rules 5.3, 5.4 and Article 7.4. in one single transmission, that would trigger a single fee payment. Although this is still not clear, and to be confirmed, we consider that a member may however have an interest in paying the fee immediately for one particular other member, without waiting for other countries acceding. In other words, geographic protection is not necessarily a matter of quantity.

11. In the light of the above, we are currently not in a position to support these proposed amendments.

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Thank you Chair,

- 1. The EU and its Member States are currently also giving consideration to possibly proposing additional amendments, in addition to the amendments to Rule 9(1)(c) and Rule 15(1) that we discussed yesterday.
- 2. In this respect, we would like to invite the Working Group, first, to reflect upon a possible deletion of Rule 5(4) (Application Governed by the Geneva Act Signature and/or Intention to Use). We would note in this regard that the signature requirement in Rue 5(4) is already fulfilled and verified at the time of the initial application for registration. We invite the Working Group to consider whether the requirements in Rule 5(4) to declare the intention to use the appellation of origin or geographical indication and to exercise control over the use are indeed constituent elements of appellations of origin or geographical indications. Appellations of origin or geographical indications are protected against any use of the designation that does not comply with the recognised specifications, even if the products concerned are not marketed in the country where the fraudulent uses are detected. Moreover, the elements required for their international registration necessarily imply the control of the use of the appellation of origin or geographical indication within the Contracting Party from which it originates.

- 3. Secondly, we invite the Working Group to consider the possible insertion in the Common Regulations of a new provision. That provision would provide more flexibility for members in cases where a new Contracting Party to the Geneva Act requests the payment of an individual fee under Article 7(4) of the Geneva Act when acceding. It would allow them more time to decide on the payment of the individual fee and thus correct the irregularities of their appellations of origin and geographical indications registered before the accession of the new Contracting Party, or filed before that accession, without having to pay a modification fee. In concrete terms, the proposed new rule would allow to correct the irregularity within 18 months from the accession of the new Contracting Party instead of the current three months from the date on which the International Bureau sent an invitation to correct the irregularity.
- 4. Finally, we would also like to invite the Working Group to reflect upon a possible rationalisation of the fee structure as set out in Rule 8 of the present Common Regulations with a view to making the system more attractive for potential new members.

5. We are looking forward to a constructive and successful discussion on these i	ssues
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Thank you.