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**WORLD INTELLECTUAL PROPERTY ORGANIZATION**  
GENEVA

## **WORKING GROUP ON THE DEVELOPMENT OF THE LISBON SYSTEM (APPELLATIONS OF ORIGIN)**

**First Session**  
**Geneva, March 17 – 20, 2009**

**POSSIBLE IMPROVEMENTS OF THE PROCEDURES  
UNDER THE LISBON AGREEMENT**

*Document prepared by the International Bureau*

### **I. INTRODUCTION**

1. At the twenty-third (6<sup>th</sup> extraordinary) session of the Assembly of the Lisbon Union (September 22 to 30, 2008), the Assembly considered and took note of document LI/A/23/1, as prepared by the International Bureau, and decided to establish a Working Group responsible for exploring possible improvements to the procedures under the Lisbon Agreement.

2. The present document has been drafted so as to allow the Working Group on the Development of the Lisbon System (Appellations of Origin) to embark upon this exercise at its meeting scheduled to take place from March 17 to 20, 2009. It elaborates on the two issues raised in the above-mentioned document LI/A/23/1, namely the possible inclusion of new provisions in the Lisbon Regulations laying down (1) specific procedures for the notification and recording of an acknowledgement or acceptance of protection of a registered appellation of origin and (2) specific procedures for the submission of notifications by electronic means. Possible drafts for new provisions relating to these issues are presented in Annex I to the present document.

3. As regards the first of these issues, it is suggested to expand Chapter 4 of the Regulations. This Chapter currently lays down the procedures applicable in case of the notification by the competent authority of a contracting country of a declaration of refusal – Rules 9 and 10 – or the withdrawal, in whole or in part, of such a declaration of refusal – Rule 11. Optional procedures could be added for the notification by the competent authority of a contracting country of a statement of grant of protection in case a decision has been made, within the applicable refusal period, to grant protection to an appellation of origin, in whole or in part. Section II below elaborates further on this proposal.
4. As regards the second issue, it is recalled that Rule 22 of the Regulations currently lays down the modes to be used by the International Bureau for the purpose of notifications effected under the procedures referred to in the Regulations. The provisions of Rule 22 stipulate that notifications be addressed to the competent authorities of the contracting countries by any means enabling the International Bureau to establish the date on which the notification was received. Notification by electronic means would appear to be the most efficient and effective option in this regard. Section III below elaborates on a proposal for the introduction of Administrative Instructions for the application of the Lisbon Agreement in the framework of which electronic communication for the purpose of the notifications referred to above could then be taken up.
5. Discussions in the Working Group are not limited to these two issues. Any other question which participants in the Working Group would like to deal with can be raised and discussed within the Working Group.
6. For the assistance of delegations, a general overview of the Lisbon system has been prepared, which explains the basic provisions of the Agreement. This overview reflects the flexible approach taken by the negotiators of the Agreement, as evidenced by the Records of the Diplomatic Conference in Lisbon where the Agreement was adopted on October 31, 1958. The overview can be found in Annex II to the present document.
7. The most recent amendments to the Regulations under the Lisbon Agreement were adopted on October 3, 2001, and entered into force on April 1, 2002. Since then, the Lisbon Union has welcomed six new contracting countries and currently counts 26 members<sup>1</sup> and the number of international registrations of appellations of origin has increased by 47. Since its entry into force on September 25, 1966, 887 appellations of origin have been registered under the Agreement, of which 813 are still in force.
8. The Lisbon system is flexible as regards the means and the legal basis of the protection that exist in its contracting countries for appellations of origin and/or geographical indications. Moreover, a much larger number of domestic protection systems exist – than those in force in the 26 members of the Lisbon Union – that would appear to be compatible with a possible Lisbon membership of the countries in question<sup>2</sup>.

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<sup>1</sup> See Annex III to the present document.

<sup>2</sup> For examples of definitions contained in domestic systems, reference is made to document SCT/9/4 and WTO document IP/C/W/253/Rev.1.

## II. POSSIBLE INCLUSION OF NEW PROVISIONS IN THE LISBON REGULATIONS LAYING DOWN SPECIFIC PROCEDURES FOR THE NOTIFICATION AND RECORDING OF A STATEMENT OF GRANT OF PROTECTION OF AN INTERNATIONALLY REGISTERED APPELLATION OF ORIGIN

9. Under Article 5(3) of the Agreement, the Office of any country may declare that it cannot ensure the protection of an appellation of origin, but only insofar as its declaration of refusal is notified to the International Bureau within a period of one year from the receipt of the notification of registration. If a contracting country has not, with respect to the international registration of a given appellation of origin, communicated a refusal to the International Bureau within the applicable time-limit, then, in principle, Article 7 and, for newly acceding contracting countries, Article 14(2)(b) of the Lisbon Agreement require that the international registration shall have the effect that the contracting country in question shall undertake to protect the appellation of origin as stipulated in Articles 1(2) and 3 of the Lisbon Agreement<sup>3</sup>.

10. In other words, under the Lisbon Agreement, contracting countries undertake to protect appellations of origin that are the subject of an international registration under the terms of the Agreement, unless they expressly declare, within a specified time-limit, that protection of the appellation of origin cannot be ensured. This principle has always been considered as one of the main attractions of the Lisbon system since, at the expiry of the refusal period of one year, the contracting country holding the international registration will be in a position to know how the protection of the appellation of origin stands in a designated contracting country, even if no communication has been received from the contracting country concerned.

11. This principle, often referred to as *tacit acceptance*, is also fundamental to the Madrid System for the International Registration of Marks (the “Madrid system”) and The Hague System for the International Registration of Industrial Designs (“The Hague system”). However, as developments under these systems have shown, competent authorities are nowadays often, well before the expiry of the applicable refusal period, already in a position to know that they will not issue a refusal of protection. As a result, there have been calls for the introduction of procedures that would acknowledge this fact and the Assemblies of the Madrid Union and of the Hague Union have both agreed to establish facilities for the issuing of statements of grant of protection. The facilities in question are not features of the Madrid or Hague treaties, but rather of the Common Regulations under these treaties.

12. Since November 1, 2000, the facility of the optional issuing of statements of grant of protection has been a feature of the Madrid system. A total of 14 Offices of Contracting Parties to the Madrid system currently issue such statements. It is a facility that is acknowledged to be of substantial interest to users of the Madrid system and at its last session (in September 2008) the Assembly of the Madrid Union decided that the facility become a requirement.

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<sup>3</sup> Rule 8(3) of the Regulations further provides that an appellation of origin that is the subject of an international registration shall, in each contracting country that has not notified a declaration in accordance with Article 5(3), be protected from the date of the international registration, or from a later date specified in a declaration provided that it be no later than the expiry of the refusal period.

13. A similar facility has meanwhile also been codified in the Common Regulations under the different Acts of the Hague Agreement, by virtue of a decision of the Assembly of the Hague Union at its last session (September 2008). More precisely, a new Rule was added under which Offices that might be willing to issue statements of grant of protection, could do so. The availability of this – optional – facility will provide transparency and cohesion, while removing any ambiguity with respect to whether Offices are entitled to issue statements of grant of protection.

14. The same considerations would appear to apply in respect of the Lisbon system.

15. Building on Article 5(3) of the Lisbon Agreement, Chapter 4 of the Regulations under the Lisbon Agreement lay down more detailed procedures applicable in case of the notification by the competent authority of a contracting country of a declaration of refusal – Rules 9 and 10 – or the withdrawal, in whole or in part, of such a declaration of refusal – Rule 11.

16. It is proposed that optional procedures could be added to Chapter 4 of the Regulations for the notification by the competent authority of a contracting country of a statement of grant of protection in case a decision has been made, within the applicable refusal period, to grant protection to an appellation of origin. Thus, rather than necessarily being obliged to await the expiry of the one-year refusal period, the recorded holder of an appellation of origin may be in a position to ascertain, *prior* to the expiration of that period, that the appellation of origin has been granted protection.

17. In the first and most straightforward situation, the statement of grant of protection might be sent by the office of the competent authority of a contracting country simply where, within the prescribed refusal period, no declaration of refusal has been notified. However, it is proposed, secondly, to introduce also in Chapter 4 a further facility for an office that is intending to *partially* refuse an appellation of origin to concomitantly send an affirmative statement of *partial* grant of protection, indicating the extent to which protection is granted to that appellation of origin.

18. Finally, it is further proposed that, in parallel with the provisions of Rule 11, the possibility of the issuing of such a statement should also be provided on the occasion of the withdrawal, or the partial withdrawal, of a refusal, as an alternative to a notification of withdrawal, as such. This more affirmative approach is in line with recent amendments to the Common Regulations under both the Madrid Agreement and Protocol, and the Hague Agreement. It has been welcomed by users of both of those systems and it is suggested that users of the Lisbon system would equally welcome such a development.

19. Annex I contains a possible draft for a new Rule 11*bis* providing for the sending of a statement of grant of protection in these three distinctly different situations.

20. More precisely, paragraph (1)(a) of proposed new Rule 11*bis* provides for the sending to the International Bureau, by the competent authority of a contracting country, of a statement of grant of protection where, *within the one-year refusal period* provided for by Article 5(3) of the Agreement, such competent authority has not notified a declaration of refusal. In simple terms, where the competent authority has decided to grant protection to the appellant of origin before the expiry of the one-year refusal period, it may so inform the holder through the International Bureau.

21. It bears emphasizing that, if adopted, this new provision is not intended to impose an obligation where none previously existed. The facility enabling a competent authority to send the statement of grant of protection will be entirely optional.

22. Paragraph (2)(a) of proposed new Rule 11*bis*, on the other hand, provides for the possibility of issuing statements of *partial* grant of protection, obviously prior to the expiry of the refusal period, to be sent simultaneously, as a complement to the partial declaration of refusal. The subject matter of the statement of partial grant of protection would consist of an indication of the extent to which protection is granted to the appellant of origin.

23. As with the proposed statement of grant of protection provided for by new Rule 11*bis*(1), the facility of sending a statement of partial grant of protection would be optional.

24. Finally, paragraph (3)(a) of proposed new Rule 11*bis* provides for the possibility of issuing statements of grant of protection in cases where an office *has* notified a declaration of refusal, which it has subsequently wholly or partly withdrawn. In other words, if adopted, paragraph (3)(a) of new Rule 11*bis* will establish a facility for a competent authority, which has previously notified a declaration of refusal, to elect *either* to withdraw that refusal, in whole or in part, in accordance with current Rule 11, or to opt instead for the sending of a positive statement of grant of protection, in whole or in part, as the case may be.

25. Paragraphs (1)(b), (2)(b) and (3)(b) all provide for the elements that should be indicated when a competent authority decides to send a statement of grant of protection. Obviously, under paragraph (1)(b), the indications will, by definition, relate to the unconditional, full protection of the appellant of origin as registered. On the other hand, under paragraph (2)(b), it will be necessary to provide for an indication of *the extent to which such (partial) protection is granted*. Finally, under paragraph (3)(b), there will be a requirement to indicate *the extent to which such protection has been granted*, but only where protection is partially granted.

26. Paragraph (3) of proposed new Rule 11*bis* provides for the recording and notification of statements of grant of protection sent under that Rule, similar to existing paragraph (3) of current Rule 11, which deals with the recording and notification of withdrawals of declarations of refusal.

27. Finally, it should be noted that the adoption of a provision such as proposed new Rule 11*bis* would entail a number of consequential amendments to the Regulations.

### III. STREAMLINING OF THE NOTIFICATION PROCEDURES THROUGH THE ESTABLISHMENT OF AN ELECTRONIC COMMUNICATION SYSTEM

#### Notification by the International Bureau

28. As indicated in document LI/A/23/1, due to the fact that the time-limit under the refusal procedures of Article 5(3) of the Lisbon Agreement starts running from the moment on which the competent authority of a contracting country receives the notification of a new international registration from the International Bureau, different starting-points for the refusal period may apply – and in practice frequently do apply – in the various contracting countries notified.

29. The provisions of Rule 22 of the Regulations under the Lisbon Agreement stipulate the modes of notification to be used by the International Bureau. Under paragraph 1 of Rule 22, notifications of international registrations are to be addressed by the International Bureau to the competent authorities of the contracting countries by registered mail with acknowledgement of receipt or by any other means enabling the International Bureau to establish the date on which the notification was received. Under paragraph 2 of Rule 22, any other notification by the International Bureau is to be addressed to these competent authorities by registered post or by any other means enabling the International Bureau to establish that the the notification was received.

30. As the International Bureau does not always receive the required acknowledgements of receipt or such acknowledgements sometimes show a date of receipt by the contracting country concerned which is much later than the date of dispatch by the International Bureau, sometimes in the order of several months, the International Bureau decided a number of years ago to send these notifications henceforth by telefacsimile, in an attempt to align the applicable refusal periods per international registration as much as possible. However, unfortunately, communication by telefacsimile did not always prove to be successful, in which case the International Bureau had to revert to registered mail after all, or decided to engage an express delivery service.

31. In this regard, the example of the Madrid and Hague systems may be followed, under which electronic communication is gradually replacing the submission of notifications by the International Bureau in paper form. Given the rapidity with which electronic technology is developing, the conditions and modalities for such a mode of communication for the purposes of international registration procedures under those systems is dealt with in the Administrative Instructions<sup>4</sup>.

32. As mentioned above, the provisions of Rule 22 stipulate that notifications be addressed by the International Bureau to the competent authorities of the contracting countries by any means enabling the International Bureau to establish the date on which the notification was received. It is suggested that implementation of these provisions might be elaborated in Administrative Instructions. A new Rule 23*bis* could be added modeled after Rule 41 of the

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<sup>4</sup> See Rule 41 of the Common Regulations under the Madrid Agreement and Protocol and Section 11 of the Administrative Instructions for the Application of the Madrid Agreement and Protocol; and Rule 34 of the Common Regulations under the 1999 Act, the 1960 Act and the 1934 Act of the Hague Agreement and Section 204 of the Administrative Instructions for the Application of the Hague Agreement.

Common Regulations under the Madrid Agreement and Protocol and Rule 34 of the Common Regulations under the 1999 Act, the 1960 Act and the 1934 Act of the Hague Agreement providing for the establishment of Administrative Instructions for the application of the Lisbon Agreement.

33. The text of such a possible new Rule 23*bis* can be found in Annex I to the present document. As the equivalent provisions of both the Madrid and the Hague Common Regulations, paragraph (1) of possible new Rule 23*bis* notably provides that the Director General shall establish Administrative Instructions, in consultation with the competent authorities of the contracting countries which have direct interest in these. If such a rule were to be introduced, electronic communication for the purpose of the notifications referred to above could then be taken up in a Section of the Administrative Instructions dealing with electronic communication more generally and Rule 22 amended so as to refer to these Administrative Instructions.

34. For comparison, under the Madrid system, provision for electronic communication between the International Bureau and Offices is made in Section 11 of the Madrid Administrative Instructions, and the International Bureau has already established electronic communication with a number of Offices. A substantial proportion of international applications are now transmitted electronically to the International Bureau; electronic communication is used by a number of Offices for the transmission of refusals, statements of grant of protection and modifications; and the number of Offices of Madrid Union members to which the International Bureau sends notifications electronically continues to increase. Under the Hague system, only in rare circumstances do Offices of Contracting Parties play a role as Offices of origin, and publication in the *International Designs Bulletin* has replaced the individual notification procedure. Nevertheless, certain Offices have indicated their interest in communicating electronically with the International Bureau, with a view to sending, in particular, notifications of refusal or statements of grant of protection.

### Signature

35. Section 7 of the current Madrid Administrative Instructions and Section 202 of the current Hague Administrative Instructions provide for the manner in which a signature may be affixed to communications. They additionally provide that with respect to electronic communication between the International Bureau and Offices (as provided for in current Section 11 of the Madrid Administrative Instructions and Section 204 of the Hague Administrative Instructions), a signature may be furnished by a mode of identification agreed upon between the International Bureau and the Office concerned.

36. It is suggested that similar provisions be included in the Administrative Instructions that might be established under the Lisbon system, as proposed above.

*37. The Working Group is invited to comment on the two proposals, above, and to indicate a course of action in relation to these and other possible improvements to the procedures under the Lisbon Agreement.*

[Annexes follow]



ANNEX I

**Regulations Under  
the Lisbon Agreement for the Protection of Appellations of Origin  
and Their International Registration**

(as in force on ~~April 1, 2002~~)

LIST OF RULES

[...]

*Chapter 4: Declarations of Refusal of Protection; Statements of Grant of Protection*

[...]

Rule 11bis: Statements of Grant of Protection

[...]

*Chapter 6: Miscellaneous Provisions and Fees*

[...]

Rule 23bis: Administrative Instructions

[...]

**Chapter 4**

**Declarations of Refusal of Protection; Statements of Grant of Protection**

[...]

Rule 11bis

Statements of Grant of Protection

(1) [Statement of Grant of Protection Where No Declaration of Refusal Has Been Notified] (a) The competent authority of a contracting country which has not notified a declaration of refusal to the International Bureau may, within the one-year period referred to in Article 5(3) of the Agreement, send to the International Bureau a statement to the effect that protection is granted to the appellation of origin that is the subject of an international registration in the contracting country concerned.

(b) The statement shall indicate:

(i) the competent authority of the contracting country making the statement,

(ii) the number of the international registration concerned, preferably accompanied by other information enabling the identity of the international registration to be confirmed, such as the name of the appellation of origin, and

(iii) the date of the statement.

(2) [Statement of Partial Grant of Protection Concomitant with a Declaration of Partial Refusal] (a) The competent authority of a contracting country which is notifying a declaration of partial refusal to the International Bureau may, at the same time, send to the International Bureau a statement to the effect that protection is granted to the appellation of origin that is the subject of an international registration in the contracting country concerned, to the extent that protection of the appellation of origin has not been refused.

(b) The statement shall indicate:

- (i) the competent authority of the contracting country making the statement,
- (ii) the number of the international registration concerned, preferably accompanied by other information enabling the identity of the international registration to be confirmed, such as the name of the appellation of origin,
- (iii) the extent to which such protection is granted, and
- (iv) the date of the statement.

(3) [Statement of Grant of Protection Following a Refusal] (a) Instead of notifying a withdrawal of refusal in accordance with Rule 11(1), the competent authority of a contracting country which has notified a declaration of refusal to the International Bureau and which has decided either partially or totally to withdraw such refusal, may send to the International Bureau a statement to the effect that protection is granted to the appellation of origin that is the subject of an international registration in the contracting country concerned.

(b) The statement shall indicate:

- (i) the competent authority of the contracting country making the statement,
- (ii) the number of the international registration concerned, preferably accompanied by other information enabling the identity of the international registration to be confirmed, such as the name of the appellation of origin,
- (iii) where the protection is partially granted, the extent to which such protection has been granted, and
- (iv) the date of the statement.

(4) [Entry in the International Register and Notification to the Competent Authority of the Country of Origin] The International Bureau shall enter in the International Register any statement referred to in paragraphs (1), (2) or (3) and notify such statement to the competent authority of the country of origin.

[...]

## Chapter 6 Miscellaneous Provisions and Fees

[...]

### Rule 23bis Administrative Instructions

(1) [Establishment of Administrative Instructions; Matters Governed by Them]

(a) The Director General shall establish Administrative Instructions. The Director General may modify them. Before establishing or modifying the Administrative Instructions, the Director General shall consult the competent authorities of the contracting countries which have direct interest in the proposed Administrative Instructions or their proposed modification.

(b) The Administrative Instructions shall deal with matters in respect of which these Regulations expressly refer to such Instructions and with details in respect of the application of these Regulations.

(2) [Control by the Assembly] The Assembly may invite the Director General to modify any provision of the Administrative Instructions, and the Director General shall proceed accordingly.

(3) [Publication and Effective Date] (a) The Administrative Instructions and any modification thereof shall be published in the Bulletin.

(b) Each publication shall specify the date on which the published provisions become effective. The dates may be different for different provisions, provided that no provision may be declared effective prior to its publication in the Bulletin.

(4) [Conflict with the Agreement or These Regulations] In the case of conflict between, on the one hand, any provision of the Administrative Instructions and, on the other hand, any provision of the Agreement or these Regulations, the latter shall prevail.

[...]

[Annex II follows]

## ANNEX II

### **General Overview of the Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration**

#### **Introduction**

1. The Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration (hereinafter referred to as “the Lisbon Agreement”) was adopted in 1958 and revised at Stockholm in 1967. It entered into force on September 25, 1966, and is administered by the International Bureau of WIPO, which keeps the International Register of Appellations of Origin and publishes a bulletin entitled *Appellations of Origin*. Registered data are also publicly available through the Lisbon page on the WIPO website, where “Lisbon Express” allows for a structured search on appellations of origin as registered under the Lisbon Agreement, the product to which they apply, their area of production, the holders of the right to use the appellation of origin, any refusals or invalidations notified by member countries, etc.
2. The Agreement is supplemented by Regulations. The latest version of these Regulations was adopted in September 2001, with a date of entry into force of April 1, 2002.
3. The Lisbon Agreement is a special agreement under Article 19 of the Paris Convention for the Protection of Industrial Property. Any country party to the Convention may accede to the Agreement.
4. Countries adhering to the Lisbon Agreement (Stockholm Act of 1967) become members of the Lisbon Union Assembly. The list of countries party to the Lisbon Agreement is given in Annex III, which shows that all contracting countries except one are members of the Lisbon Union Assembly. The Lisbon Union Assembly has the authority to modify the Regulations.

#### **Objective**

5. In many countries, unfair competition or consumer protection laws contain general provisions dealing, among others, with the misappropriation of indications serving to designate products that originate in a geographical area. In addition, many countries have also put in place special systems aimed at identifying the specific features for which such indications are known to designate the products in question and deserve special protection. Securing protection for such indications in other countries has, however, been complicated due to differences in legal concepts existing from country to country in this regard and developed in accordance with different national legal traditions within a framework of specific historical and economic conditions.
6. The Lisbon Agreement was concluded in response to the need for an international system that would facilitate the protection of a special category of such geographical indications, i.e. “appellations of origin”, in countries other than the country of origin, by means of their registration at the International Bureau of WIPO.

## Recognition and Protection in the Country of Origin

7. Article 1(2) of the Lisbon Agreement lays down that, in order to qualify for registration at the International Bureau of WIPO, an “appellation of origin” must be “recognized” and “protected” in the “country of origin”. Article 2(1) elaborates on this by defining “appellation of origin” and Article 2(2) “country of origin” (see further paragraph 9 below).

8. On this basis, the condition that the appellation of origin must be “recognized” and “protected” in the country of origin means that the appellation of origin must be constituted by a geographical denomination that is protected in the country of origin as the denomination of a geographical area (country, region or locality) recognized as serving to designate a product that originates therein and meets certain qualifications. Such recognition of the denomination must be based on the reputation of the product and protection of the appellation of origin must have been formalized by means of legislative provisions, administrative provisions, a judicial decision or any form of registration. The manner in which recognition takes place is determined by the domestic legislation of the country of origin.

### Definition of an Appellation of Origin<sup>1</sup>

9. Article 2(1) of the Lisbon Agreement defines an “appellation of origin” as 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. Article 2(2) defines the “country of origin” as “the country whose name, or the country in which is situated the region or locality whose name, constitutes the appellation of origin that has given the product its reputation”.

10. Three elements should be noted in these definitions:

(a) First, the requirement that the appellation of origin should be the *geographical denomination* of a country, region or locality means that the appellation is to consist of a denomination that identifies a geographical entity in the country of origin.

(b) Secondly, the requirement that the appellation of origin must serve to designate a *product* originating in the country, region or locality concerned means that, in addition to identifying a place, the geographical denomination in question must be known as the designation of a product originating in that place – requirement of reputation<sup>2</sup>.

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<sup>1</sup> Acts of the Lisbon Conference, p. 859: “By introducing a definition for appellations of origin into the Agreement itself, such definition could be invoked for the purposes of registration, without prejudicing a national definition, whether broader or more precise in scope.” (Unofficial translation from official French text.)

<sup>2</sup> Acts of the Lisbon Conference, p. 859: “Article 1 was approved with the addition of the term “recognized” before the words “protected as such”. This amendment was considered necessary for bringing the provision into line with the principle that appellations of origin always relate to a product enjoying a certain renown.” (Unofficial translation from official French text.)

(c) The third requirement concerns the quality or characteristics of the product to which the appellation of origin relates, which must be due exclusively or essentially to the geographical environment of the place where the product originates. The reference to the geographical environment means that there is to be a *qualitative connection* between the product and the place in which the product originates. The geographical environment is determined on the one hand by a set of *natural factors* (such as soil and climate), and on the other hand by a set of *human factors* – for instance, the traditional knowledge or know how used in the place where the product originates).

### **Protection to be Accorded**

11. Similar to the Madrid and Hague systems, the Lisbon system facilitates the registration of industrial property rights at the international level on the basis of provisions laying down the procedural rules governing the international registration procedure. However, the Lisbon Agreement also contains a number of provisions laying down the protection to be accorded to internationally registered appellations of origin. Thus, Article 3 defines that the member States are to protect appellations of origin registered at the International Bureau against any usurpation or imitation of the appellation of origin, even if the true origin of the product is stated or if the appellation is used in translated form or accompanied by terms such as “kind”, “type”, “make”, “imitation” or the like.

12. It should also be mentioned that the protection to be provided under the Lisbon Agreement does not rule out any protection that might already exist in a member country by virtue of other international treaties, such as the Paris Convention, the Madrid Agreement for the Repression of False or Deceptive Indications of Source of Goods or the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement), by virtue of bilateral or plurilateral agreements, or by virtue of national legislation or court decisions.

13. The member countries are under the obligation to provide a means of defense against any usurpation or imitation of an appellation of origin in their territory. The Lisbon Agreement does not define the terms “usurpation” and “imitation”. The necessary action has to be taken before the competent authorities of each of the countries of the Union in which the appellation is protected, according to the procedural rules laid down in the national legislation of those countries.

### Effects of Registration<sup>3</sup>

14. Subject to refusal or invalidation (see below), an appellation of origin which has been the subject of an international registration is to be ensured protection from the date of the international registration in each contracting country which has not issued a refusal.

However, a contracting country may declare that protection is ensured in that country from a different date, which may not be later than the date of expiry of the one-year refusal period<sup>4</sup>.

15. The international registration of an appellation of origin assures it of protection, without any need for renewal, for as long as the appellation is protected in the country of origin<sup>5</sup>. The appellation also has to be shielded against becoming a generic denomination<sup>6</sup>.

16. However, the competent authorities of the contracting countries that have received notice of the registration of an appellation of origin have the right to refuse to protect it in their territory, in part or in whole. Such a refusal of protection has to be the subject of a declaration to that effect, which has to meet two requirements:

(a) The first is a time requirement: the refusal has to be notified to the International Bureau within a period of *one year* from the date of receipt by that contracting country of the notice of registration.

(b) The second is a requirement regarding content: the declaration of refusal has to specify the grounds for refusal. For instance, a contracting country may refuse to protect an appellation of origin because it considers that the appellation has already acquired a generic character in its territory in relation to the product to which it refers or because it considers that the geographical designation does not conform to the definition of an appellation of origin in the Lisbon Agreement or because the appellation would conflict with a trademark or other right already protected in the country concerned.

17. When the International Bureau receives a declaration of refusal from the competent authority of a contracting country and within the prescribed period, it notifies it to the competent authority of the country of origin, enters it in the International Register and publishes it in the Bulletin<sup>7</sup>. The competent authority of the country of origin communicates it in turn to the parties concerned, who may avail themselves of the same administrative and legal remedies against the refusal as nationals of the country that pronounced it<sup>8</sup>.

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<sup>3</sup> According to the Acts of the Lisbon Conference, pp. 816/817, the purpose of registration is to: “(1) provide the other countries of the Lisbon system with precise information regarding the appellation of origin to be protected; (2) prompt position-taking by these countries with regard to the appellation of origin; (3) prevent any transformation of the appellation of origin into a generic denomination.” (Unofficial translation from official French text.)

<sup>4</sup> Rule 8(3) of the Regulations under the Lisbon Agreement.

<sup>5</sup> Article 7 of the Lisbon Agreement and, for newly acceding contracting countries, Article 14(2)(b) of the Lisbon Agreement.

<sup>6</sup> Article 6 of the Lisbon Agreement.

<sup>7</sup> Articles 5 and 14(2)(c) of the Lisbon Agreement and Rules 9 and 10 of the Lisbon Regulations.

<sup>8</sup> Article 5 of the Lisbon Agreement.

18. Refusal can be based on any situation of fact or law. However, the grounds on the basis of which the country decides not to grant protection constitute a possible basis for discussion for the purpose of reaching an understanding<sup>9</sup>. Such an understanding may result in the withdrawal of a refusal, in whole or in part. Under Rule 11 of the Regulations, a procedure is available for the notification of such withdrawals and their recording in the International Register.

19. A member country that does not refuse protection to an appellation of origin that was being used by a third party on its territory prior to the date of notification of the international registration has the option of allowing that third party a period not exceeding two years within which to terminate such use. In that case, the competent authority of the country in question has to inform the International Bureau accordingly within the three months following the expiry of the period of one year provided for the refusal of protection<sup>10</sup>.

20. And, if no declaration of refusal is submitted but the effects of an international registration are, subsequently, invalidated in a contracting country and the invalidation is no longer subject to appeal, the competent authority of the country concerned is to notify the International Bureau accordingly. Following such a notification, the International Bureau enters the invalidation in respect of the notifying country in the International Register and sends a copy of the notification to the competent authority of the country of origin<sup>11</sup>.

### **Cancellation and Amendment of Registration**

21. The international registration of an appellation of origin may be cancelled at any time at the request of the competent authority of the country of origin<sup>12</sup>.

22. That authority may likewise renounce protection in one or more countries party to the Lisbon Agreement, either in the actual application for registration or in a request filed later<sup>13</sup>.

23. The competent authority of the country of origin may also request the entry in the International Register of one or more of the following:

- (a) a change in the holder of the right to use the appellation of origin;
- (b) a modification to the names or addresses of the holders of the right to use the appellation of origin;

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<sup>9</sup> Acts of the Lisbon Conference, p. 817: “The procedure envisaged provides countries, which receive the notification of an appellation of origin via the International Bureau, with the possibility to oppose any situation that exists *de facto* or *de jure* that would prevent protection being granted on all or part of the territory of the restricted Union. The period of one year from the time the notification is received is easily sufficient to allow such opposition. A refusal must be accompanied by the grounds on which the country decides not to grant protection. These grounds constitute a possible basis for discussion for the purpose of reaching an understanding.” (Unofficial translation from the official French text.)

<sup>10</sup> Article 5(6) of the Lisbon Agreement and Rule 12 of the Lisbon Regulations.

<sup>11</sup> Rule 16 of the Lisbon Regulations.

<sup>12</sup> Rule 15 of the Lisbon Regulations.

<sup>13</sup> Rule 14 of the Lisbon Regulations.



(c) a modification to the limits of the area of production of the product to which the appellation of origin applies;

(d) a modification relating to the titles and dates of legislative or administrative provisions or of court decisions recognizing protection in the country of origin;

(e) a modification relating to the country of origin that does not affect the area of production of the product to which the appellation of origin applies<sup>14</sup>.

24. On the other hand, an amendment of the appellation of origin itself or the product to which it relates require the filing of a new application for international registration.

### **Present Status of the Lisbon System**

25. The Lisbon Agreement currently has 26 contracting countries. Since its entry into force in 1966, 887 appellations of origin were recorded in the International Register, of which 813 are currently in force.

[Annex III follows]

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<sup>14</sup> Rule 13 of the Lisbon Regulations.

## ANNEX III

**List of Member Countries of the Lisbon Agreement**

<b>Contracting countries</b>	<b>In Force</b>	<b>Latest Act</b>	<b>In Force</b>
Algeria	July 5, 1972	Stockholm	October 31, 1973
Bulgaria	August 12, 1975	Stockholm	August 12, 1975
Burkina Faso	September 2, 1975	Stockholm	September 2, 1975
Congo	November 16, 1977	Stockholm	November 16, 1977
Costa Rica	July 30, 1997	Stockholm	July 30, 1997
Cuba	September 25, 1966	Stockholm	April 8, 1975
Czech Republic	January 1, 1993	Stockholm	January 1, 1993
Democratic People's Republic of Korea	January 4, 2005	Stockholm	January 4, 2005
France <sup>1</sup>	September 25, 1966	Stockholm	August 12, 1975
Gabon	June 10, 1975	Stockholm	June 10, 1975
Georgia	September 23, 2004	Stockholm	September 23, 2004
Haiti	September 25, 1966	Lisbon	September 25, 1966
Hungary	March 23, 1967	Stockholm	October 31, 1973
Iran (Islamic Republic of)	March 9, 2006	Stockholm	March 9, 2006
Israel	September 25, 1966	Stockholm	October 31, 1973
Italy	December 29, 1968	Stockholm	April 24, 1977
Mexico	September 25, 1966	Stockholm	January 26, 2001
Montenegro	June 3, 2006	Stockholm	June 3, 2006
Nicaragua	June 15, 2006	Stockholm	June 15, 2006
Peru	May 16, 2005	Stockholm	May 16, 2005
Portugal	September 25, 1966	Stockholm	April 17, 1991
Republic of Moldova	April 5, 2001	Stockholm	April 5, 2001
Serbia <sup>2</sup>	June 1, 1999	Stockholm	June 1, 1999
Slovakia	January 1, 1993	Stockholm	January 1, 1993
Togo	April 30, 1975	Stockholm	April 30, 1975
Tunisia	October 31, 1973	Stockholm	October 31, 1973

(Total: 26 member countries)

[End of Annex III and of document]

<sup>1</sup> Including all Overseas Departments and Territories.

<sup>2</sup> Serbia is the continuing State from Serbia and Montenegro as from June 3, 2006.