Group of Negotiations on Goods (GATT)

Negotiating Group on Trade-Related Aspects of Intellectual Property Rights, including Trade in Counterfeit Goods

ENFORCEMENT OF TRADE-RELATED INTELLECTUAL PROPERTY RIGHTS

Communication from India

The attached communication has been received from the delegation of India, with the request that it be circulated to members of the Negotiating Group.
This paper sets out India's views on paragraph 4(c) of the text adopted by the Trade Negotiations Committee on "Trade Related Aspects of Intellectual Property Rights including Trade in Counterfeit Goods".

2. At the outset, it is necessary to distinguish between enforcement at the border and internal enforcement. Enforcement at the border to check the imports of counterfeit goods through intervention by customs authorities can be regarded as a trade related issue since it directly impinges on international trade. However, such enforcement measures can easily become arbitrary or unjustifiable barriers to legitimate trade. Recognising these aspects, the Punta del Este declaration specifically provides for negotiations to develop a multilateral framework for dealing with international trade in counterfeit goods. India's views on the basic elements of such a multilateral framework have been stated in a paper submitted separately to the Group. The linkage of such a framework to the GATT system could be discussed. On the other hand, internal enforcement of intellectual property rights is not related to international trade in merchandise. Therefore, any set of rules that might be evolved on the subject cannot be linked to the GATT system.

3. Another equally important aspect to be taken into account is that it is not always expedient or feasible to provide separate procedures for internal enforcement of any particular category of rights. In any country, these procedures depend upon the general civil and criminal procedures which apply to all substantive laws. It is not realistic to expect that changes can be brought about in the administrative and judicial systems of the participants for the sake of enforcement of one category of rights. It is for this reason that the TNC text of April, 1989 stipulates that account shall be taken of differences in national legal systems. It would be difficult to come to an agreement on comprehensive rules governing judicial and administrative procedures when national legal systems vary so widely. The debate on the EEC paper at the meeting of the Negotiating Group on 3-4 July, 1989 has demonstrated the validity of this point. The EEC recognised that the national criminal law procedures varied widely between countries and it would be difficult to specify in great detail elements of criminal law procedures. In India's view, this reasoning applies to civil law procedures as well with equal force. It is, therefore, advisable to stay at
the level of general principles in the matter of internal enforcement of intellectual property rights.

4. The following general principles may be considered in this regard:

(a) There should be provision of simple, effective and adequate enforcement procedures to enable expeditious action against infringement and to provide relief to the owners of intellectual property rights. This shall include administrative and civil remedies and, in appropriate cases, penalties under criminal law.

(b) The principles of natural justice and fair play shall be observed in the enforcement procedure. There should be prior notice to the concerned parties and adequate opportunities for defence. Provision shall be made for appeal against the initial judicial order and for judicial review of administrative orders.

(c) Provisional remedies by way of injunctions should be provided. Compensation should be provided to persons suffering damage from provisional orders based on the assumption that they were infringing IPRs, if the assumption is subsequently found to be wrong.

(d) Seeking recourse to the remedies that may be available under the national law is primarily the responsibility of the owner of intellectual property rights. It is for him to set in motion the enforcement machinery and this responsibility cannot be shifted to the government.

(e) It is only through their normal administrative and judicial systems that governments, particularly of developing countries, are in a position to provide for enforcement of intellectual property rights. It shall not be expected of them to allocate additional resources establishing separate machinery for the enforcement of intellectual property rights.

(f) The procedures for enforcement shall provide for national treatment to foreign owners of intellectual property rights.