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1 ARTICLE 41

1.1 Text of Article 41

Article 41

1. Members shall ensure that enforcement procedures as specified in this Part are available under their law so as to permit effective action against any act of infringement of intellectual property rights covered by this Agreement, including expeditious remedies to prevent infringements and remedies which constitute a deterrent to further infringements. These procedures shall be applied in such a manner as to avoid the creation of barriers to legitimate trade and to provide for safeguards against their abuse.

2. Procedures concerning the enforcement of intellectual property rights shall be fair and equitable. They shall not be unnecessarily complicated or costly, or entail unreasonable time-limits or unwarranted delays.

3. Decisions on the merits of a case shall preferably be in writing and reasoned. They shall be made available at least to the parties to the proceeding without undue delay. Decisions on the merits of a case shall be based only on evidence in respect of which parties were offered the opportunity to be heard.

4. Parties to a proceeding shall have an opportunity for review by a judicial authority of final administrative decisions and, subject to jurisdictional provisions in a Member's law concerning the importance of a case, of at least the legal aspects of initial judicial decisions on the merits of a case. However, there shall be no obligation to provide an opportunity for review of acquittals in criminal cases.

5. It is understood that this Part does not create any obligation to put in place a judicial system for the enforcement of intellectual property rights distinct from that for the enforcement of law in general, nor does it affect the capacity of Members to enforce their law in general. Nothing in this Part creates any obligation with respect to the distribution of resources as between enforcement of intellectual property rights and the enforcement of law in general.

1.2 General

1. In *EC – Trademarks and Geographical Indications (US)* the Panel referred to the definition of "intellectual property" in Article 1.2 where that term is used in Part III:

"These claims are made under the obligations with respect to enforcement procedures found in Part III of the TRIPS Agreement. The obligations in Part III are applicable to acts of infringement of geographical indications by virtue of the use of the term

'intellectual property' in Part III and the definition of 'intellectual property' in Article 1.2."¹

1.3 Article 41.1

2. In *China – Intellectual Property Rights*, the Panel made the following statement with respect to certain "acts of infringement" covered by Article 41.1:

"The subject of Section 1 of Part II is 'Copyright and Related Rights'. Within Section 1, Article 9.1 incorporates Articles 1 through 21 of the Berne Convention (1971) and the Appendix thereto, with the exception of rights conferred under, or derived from, Article 6*bis*. Those provisions provide for the grant of various rights to authors in respect of their literary and artistic works. Any act falling within the scope of those rights carried out with respect to protected works without the authorization of the right holder or outside the scope of an applicable exception is *a priori* an act of infringement. Accordingly, an act of infringement of copyright in a literary or artistic work, as provided for in those provisions of the Berne Convention (1971) that are incorporated by Article 9.1 of the TRIPS Agreement, is an 'act of infringement of intellectual property rights covered by this Agreement' within the meaning of the first sentence of Article 41.1 of the TRIPS Agreement."²³

3. In *Saudi Arabia – Intellectual Property Rights*, the Panel noted the following statement made by the Appellate Body with respect to the phrase "enforcement procedures":

"[T]hese enforcement procedures ... provide for an internationally-agreed minimum standard which Members are bound to implement in their domestic legislation."⁴

4. Upon finding a violation of Article 42 of the TRIPS Agreement, the Panel recalled that the complainant had made an additional claim under Article 41.1 of the TRIPS Agreement. The Panel upheld the complainant's claim under Article 41.1 in the light of its finding of violation under Article 42:

"The Panel considers that the violation of the obligation under Article 42 of the TRIPS Agreement to allow parties to be 'represented by independent legal counsel' gave rise to a consequential violation of the obligation under Article 41.1 to 'ensure that enforcement procedures as specified in this Part are available under their law'. As the Panel has found that enforcement procedures as specified in Part III are to that extent not 'available', the question of whether they permit 'effective action against any act of infringement' of IP rights covered by the TRIPS Agreement within the meaning of Article 41.1 does not arise."⁵

1.4 Article 41.2

5. In *Canada – Patent Term*, the Panel rejected Canada's argument that, in light of a certain amount of delay in granting patent rights, the term of protection at issue met with the requirements under Article 33. In the course of its analysis, the Panel referred to Article 41.2 as it is applied to acquisition procedures by Article 62.4:

"In our view, requiring applicants to resort to delays such as abandonment, reinstatement, non-payment of fees and non-response to a patent examiner's report would be inconsistent with the general principle that procedures not be unnecessarily complicated as expressed in Article 41.2 and applied to acquisition procedures by

¹ Panel Report, *EC – Trademarks and Geographical Indications (US)*, para. 7.761. See also Panel Report, *EC – Trademarks and Geographical Indications (Australia)*, para. 7.731.

² (footnote original) The Panel's approach does not imply any view as to whether the phrase "any act of infringement of intellectual property rights covered by this Agreement" refers only to acts of infringement of the exclusive rights provided for in the TRIPS Agreement.

³ Panel Report, *China – Intellectual Property Rights*, para. 7.173.

⁴ Panel Report, *Saudi Arabia – Intellectual Property Rights*, para. 7.183 (quoting Appellate Body Report, *US – Section 211 Appropriations Act*, para. 206).

⁵ Panel Report, *Saudi Arabia – Intellectual Property Rights*, para. 7.198.

Article 62.4. By their very nature, the delays, which are not tied to any valid reason related to the examination and grant process, would be inconsistent with the general principle that procedures not entail 'unwarranted delays' as expressed in Article 41.2 and applied to acquisition procedures by Article 62.4.

We noted in paragraphs 6.107 and 6.108 above that the Commissioner's powers to reinstate and restore applications under Section 30(2) and Section 73 were discretionary at all material times and not available as a matter of right to patent applicants. Canada argued, however, that despite the use of the word 'may' in Section 73, the payment of the necessary fee enabled the applicant to obtain reinstatement of his patent application as a matter of right. In other words, had the Commissioner exercised his discretion to refuse an application for reinstatement, an applicant would have been required to pay an additional fee and pursue legal proceedings against the Commissioner in a court of law in order for a term of protection expiring 20 years from the date of filing the application to be available. We find potential requirements that an applicant commence proceedings for a writ of mandamus and pay additional fees to be in breach of the general principle that procedures not be 'unnecessarily complicated or costly' as expressed in Article 41.2 and applied to acquisition procedures by Article 62.4."⁶

6. In *EC – Trademarks and Geographical Indications (Australia)* the Panel rejected claims under Articles 41.1, 41.2, 41.3 and 42 concerning objections to GI registration because the claims concerned *inter partes* procedures related to the acquisition of intellectual property rights rather than enforcement procedures. Article 41.2 was applicable to such procedures by virtue of Article 62.4:

"Australia's claims concern an *inter partes* procedure permitting objections which is related to the acquisition of intellectual property rights under the Regulation. As such, it is covered by Part IV of the TRIPS Agreement, not Part III. The general principles in Article 41.2 and 41.3 apply to such *inter partes* procedures, where a Member's law provides for them, by virtue of Article 62.4 of the TRIPS Agreement. However, Article 62.4 is outside the Panel's terms of reference. Accordingly, the Panel rejects these claims."⁷

1.5 Article 41.3

7. For the applicability of Article 41.3 to *inter partes* procedures related to the acquisition of intellectual property rights, see paragraph 6 above.

1.6 Relationship between Article 41 and other provisions of the TRIPS Agreement and the Berne Convention

8. In *China – Intellectual Property Rights*, the Panel reached the following conclusion with respect to a claim of violation of Article 41.1:

"The Panel recalls its conclusion ... that the Copyright Law, specifically the first sentence of Article 4, is inconsistent with China's obligations (with respect to the rights specially granted by the Berne Convention) under Article 5(1) of that Convention, as incorporated by Article 9.1 of the TRIPS Agreement. In the absence of protection of the rights specially granted by the Berne Convention, there can be no enforcement procedures against any act of infringement of such rights with respect to the relevant works."⁸

Current as of: December 2020

⁶ Panel Report, *Canada – Patent Term*, paras. 6.117-6.118.

⁷ Panel Report, *EC – Trademarks and Geographical Indications (Australia)*, para. 7.731.

⁸ Panel Report, *China – Intellectual Property Rights*, para. 7.168.