WTO ANALYTICAL INDEX

TRIPS Agreement – Article 62 (DS reports)

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1 ARTICLE 62

1.1 Text of Article 62

Article 62

1. Members may require, as a condition of the acquisition or maintenance of the intellectual property rights provided for under Sections 2 through 6 of Part II, compliance with reasonable procedures and formalities. Such procedures and formalities shall be consistent with the provisions of this Agreement.

2. Where the acquisition of an intellectual property right is subject to the right being granted or registered, Members shall ensure that the procedures for grant or registration, subject to compliance with the substantive conditions for acquisition of the right, permit the granting or registration of the right within a reasonable period of time so as to avoid unwarranted curtailment of the period of protection.

3. Article 4 of the Paris Convention (1967) shall apply *mutatis mutandis* to service marks.

4. Procedures concerning the acquisition or maintenance of intellectual property rights and, where a Member's law provides for such procedures, administrative revocation and *inter partes* procedures such as opposition, revocation and cancellation, shall be governed by the general principles set out in paragraphs 2 and 3 of Article 41.

5. Final administrative decisions in any of the procedures referred to under paragraph 4 shall be subject to review by a judicial or quasi-judicial authority. However, there shall be no obligation to provide an opportunity for such review of decisions in cases of unsuccessful opposition or administrative revocation, provided that the grounds for such procedures can be the subject of invalidation procedures.

1.2 Article 62.2

1. In *Canada – Patent Term*, Canada argued that Article 33, a provision calling for a minimum patent protection period, must be read in conjunction with Article 62.2, which recognizes the fact that the length of the patent-granting process invariably involves some curtailment of the period of protection. From the interplay of these two provisions, Canada argued that Article 33 embodies a notion of "effective" protection and that Article 33 can be complied with by making available a nominally shorter period of protection, while taking into consideration "effective" protection during the period of the patent approval proceedings.¹ The Appellate Body upheld the Panel's rejection of this argument:

"Article 62.2 deals with procedures relating to the acquisition of intellectual property rights. Article 62.2 does not deal with the duration of those rights once they are acquired. Article 62.2 is of no relevance to this case. This purely procedural Article cannot be used to modify the clear and substantive standard set out in Article 33 so as to conjecture a new standard of 'effective' protection. Each Member of the WTO may well have its own subjective judgement about what constitutes a 'reasonable period of time' not only for granting patents in general, but also for granting patents in specific sectors or fields of complexity. If Canada's arguments were accepted, each and every Member of the WTO would be free to adopt a term of 'effective' protection

¹ With respect to the claim that an equivalent "effective" period of protection can fulfill the requirement of Article 33, see the Section on that provision of the TRIPS Agreement.

for patents that, in its judgement, meets the criteria of 'reasonable period of time' and 'unwarranted curtailment of the period of protection', and to claim that its term of protection is substantively 'equivalent' to the term of protection envisaged by Article 33. Obviously, this cannot be what the Members of the WTO envisaged in concluding the TRIPS Agreement. Our task is to interpret the covered agreements harmoniously. A harmonious interpretation of Article 33 and Article 62.2 must regard these two treaty provisions as distinct and separate Articles containing obligations that must be fulfilled distinctly and separately."²

2. In *Canada – Patent Term*, the Panel referred to Article 62.2 in the context of examining Canada's argument that Article 1.1 permitted it to maintain a term for patent protection of 17 years calculated from the date of grant of a patent, in spite of the minimum requirement, under Articles 33 and 70, of granting patent protection for a period expiring 20 years from the date of filing of such application. The Panel noted the discretion of Members, under Article 1.1, to determine the appropriate method of implementing their obligations under the TRIPS Agreement, but emphasized that such discretion did not extend to choosing which obligations to comply with:

"Article 33 contains an obligation concerning the earliest available date of expiry of patents, and Article 62.2 contains a separate obligation prohibiting acquisition procedures which lead to unwarranted curtailment of the period of protection. We recognize that some curtailment is permitted by the text of these two provisions. However, Article 1.1 gives Members the freedom to determine the appropriate method of implementing those two specific requirements, but not to ignore either requirement in order to implement another putative obligation concerning the length of effective protection."³

1.3 Article 62.4

3. In *EC* – *Trademarks and Geographical Indications (Australia)* the Panel rejected claims concerning procedures for objections to GI registration because the claims had been brought under provisions in Part III rather than 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."⁴

Current as of: December 2023

² Appellate Body Report, *Canada – Patent Term*, para. 97.

³ Panel Report, *Canada – Patent Term*, para. 6.94.

⁴ Panel Report, *EC – Trademarks and Geographical Indications (Australia)*, para. 7.731. See also Panel Report, *EC – Trademarks and Geographical Indications (US)*, para. 7.756.