

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

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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

Proposal by Japan

Addendum

The following communication has been received from the Permanent Mission of Japan with the request that it be circulated as an addendum to document MTN.GNG/NG11/W/43.

I. Introduction

1. Japan submitted to the Negotiating Group in September 1989 proposals on "Enforcement of Trade-Related Intellectual Property Rights" (MTN.GNG/NG11/W/43). In the submission, Japan has not made any concrete proposal concerning enforcement procedures at border levels; the purpose of this paper is to propose, as a supplement to the above-mentioned submission, procedures at border levels which constitute an integral part of the entire procedure necessary for an effective and appropriate enforcement of intellectual property rights.

2. Therefore, Introduction (Section I) and General Principles for Enforcement Procedures (Section II, Part 1) of the above-mentioned proposal (W/43) shall, in principle, be applied to the procedures proposed in the following Section.

II. Enforcement procedures at border levels

- (1) Participants shall establish procedures whereby a right holder of an intellectual property right, who suspects that importation of goods infringing the right is being contemplated, may lodge an application in writing with the competent authorities for the suspension of importation of goods which are recognized as infringing the intellectual property rights.

NB: In Japan, the control of goods infringing intellectual property rights at the border is being executed by the customs authorities who act as the competent authority under Article 21 of the Customs Tariff Law.

- (2) The competent authorities shall control those goods in respect of which judgement could easily be made as to whether or not they infringe intellectual property rights.
- (3) Participants shall establish and make public in advance, criteria on which acceptance or refusal of the application shall be decided.

As a part of this criteria, the applicant shall at least be required to provide in its application form material which gives valid grounds to judge that the applicant is the genuine right holder, specific length of period during which the competent authorities are requested to take action, and sufficiently detailed explanation which enables the competent authorities to judge whether the goods in question are actually infringing an intellectual property right.

Participants may establish provisions in which competent authorities require the applicant to provide a security when lodging such an application.

- (4) The competent authorities shall, upon examining whether application form fulfils the requirements of the criteria, decide whether the application in question is accepted or not, and shall inform the applicant of the decision. The competent authorities shall, in principle, accept all applications which fulfil the requirements of the criteria.

In cases where the competent authorities do not accept the application, the applicant shall be given sufficient opportunity to defend his cause.

- (5) In cases where the competent authorities do not accept the application, they shall, in the discharge of their duties, pay due attention in respect of the content of the application and, upon arrival of the goods recognized as the subject matter of the application, shall suspend their importation if such goods are judged to be actually infringing the intellectual property right in question.
- (6) In case of difficulty in judging whether the goods recognized as the subject matter of the application infringe an intellectual property right, the competent authorities shall give audience to the explanation of both the importer and the applicant, and may, as necessary, inquire administrative bodies concerned for their official view or advice or other parties concerned for opinion. Audience shall be conducted following due procedures. In cases where the competent authorities cannot judge whether the goods in question infringe the intellectual property right or not within a reasonable period of time, even after the audience from the two parties and the inquiry from the administrative bodies and other parties concerned, the competent authorities may release the goods from suspension and permit their importation.

- (7) When the competent authorities have suspended importation of goods, they shall notify both the importer and applicant of such fact. In this case, the importer shall be given sufficient opportunity to defend his cause. The content of the notification shall be as comprehensive and detailed as possible, within the limits allowed by the national law.
- (8) In addition to the procedures explained above, participants may provide for provisions which allow the competent authorities to initiate ex officio procedure for the suspension of importation of goods which is recognised as infringing an intellectual property right, when they have sufficient grounds to believe that such goods infringe intellectual property rights.

In such cases, the competent authorities may request the right holder to provide necessary information. The participants shall establish procedures comparable to those stipulated in paragraphs (6) and (7).

- (9) The competent authorities shall, in principle, forfeit and destroy goods recognized as infringing an intellectual property right or take other effective measures deemed to be appropriate.
- (10) The above-mentioned provisions shall not apply to those goods which are considered to serve only for personal usage of the importer and other small quantities of goods of a non-commercial nature recognized as import for non-business purpose.
- (11) Participants may cooperate with one another by way of exchange of information between competent authorities relating to goods infringing intellectual property rights and by other measures, in order to further improve the efficiency of the control of goods infringing intellectual property rights.