



COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a

COUNCIL DECISION

**approving the accession of the European Community to the Protocol Relating to the
Madrid Agreement Concerning the International Registration of Marks, adopted at
Madrid on 27 June 1989**

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. INTRODUCTION

On 20 December 1993, the Council adopted Council Regulation (EC) No 40/94 on the Community trade mark (hereafter referred to as "the Regulation")¹.

The Regulation established the Community trade mark system, which provides for the acquisition of protection for marks (both trade marks and service marks) with unitary effect for the whole territory of the European Community on the basis of the filing of one single application for their registration as Community trade marks.

The Regulation established the Office for Harmonization in the Internal Market (Trade Marks and Designs), (hereafter referred to as "the Office") to handle the administration of Community trade marks.

Subsequent to a decision taken by the representatives of the Governments of the Member States, meeting at Head of State and Government level on 29 October 1993, that the seat of the Office should be at Spain, in a city to be designated by the Spanish Government, the latter designated Alicante as the seat of the Office.

On 1 January 1996, the Office opened its doors for the filing of Community trade mark applications and on 1 April 1996, the Office became fully operational.

On the latter date, the Madrid Protocol became effective, having entered into force on 1 December 1995.

The Madrid Protocol provides for the international registration of marks at the International Bureau of the World Intellectual Property Organization (WIPO) at Geneva. Registrations effected under the Madrid Protocol are called international as every registration has effect in several countries and regions, potentially in all the Contracting Parties, including States and intergovernmental organizations who have a regional Office for the purpose of registering marks with effect in the territory of the organization.

The objective of this proposal is to establish a link between the Community trade mark system and the international registration system established under the Madrid Protocol.

¹ OJ No L 11, 14.1.1994, p. 1.

2. THE MADRID PROTOCOL

The Madrid Protocol was adopted at Madrid on 27 June 1989, to introduce certain new features into the system of international registration of marks as existing under the Madrid Agreement Concerning the International Registration of Marks of 14 April 1891 (hereafter referred to as "the Madrid Agreement"). Like the Madrid Agreement, the Madrid Protocol provides for the international registration of marks at the International Bureau of WIPO.

The new features which were introduced under the Madrid Protocol were designed to remove the difficulties that prevented certain countries, including certain Member States, from adhering to the Madrid Agreement.

Furthermore and in contrast with the Madrid Agreement, the Madrid Protocol allows intergovernmental organizations having their own regional trade mark system to participate in the international registration system.

The following four main new procedural features which were introduced under the Madrid Protocol.

- (i) The applicant for international registration may base his application not only on a registered national or regional mark but also on an application for national or regional registration before a national or a regional office of origin (Article 2),
- (ii) Each Contracting Party in which the applicant seeks protection may, if it has made a declaration to that effect, within 18 months (rather than 12 months) declare that protection to the mark cannot be granted in its territory. This period may even be extended further in the case of opposition against the international registration (Article 5),
- (iii) The office of each Contracting Party may receive higher designation fees than under the Madrid Agreement (Article 8),
- (iv) International registrations which are cancelled because the national or regional mark on which it is based has ceased to have effect (central attack; Article 6) may be transformed into national or regional applications benefiting from its filing date and, where applicable, its priority date (Article 9*quinquies*).

It should be underlined that in other respects the Madrid Protocol is similarly structured as the Madrid Agreement.

Thus, in each Contracting Party to the Madrid Protocol, the international registration is subject to the same rules which apply to national or regional application, both as regards the terms and conditions for registration of the mark and the rights conferred to the proprietor of the mark. The system of the Madrid Protocol accordingly comprises the following features:

- the international registration does not result in a supranational mark, but involves one single formality, equivalent to a whole series of filings of national or regional applications;
- the international registration cannot be applied for directly, but applied for only on the basis of a national or regional application or registration before a national or regional industrial property office.

In contrast with the Madrid Agreement, the Madrid Protocol provides for the possibility that not only States, but also intergovernmental organizations may become a party to the international registration system. This is provided for because of the coming into being of the Community trade mark system and because it was thought that the Community trade mark system should be linked to the international registration system.

According to Article 14(1)(b), in conjunction with Article 2(4), of the Madrid Protocol, intergovernmental organizations must comply with two conditions to qualify for accession to the Madrid Protocol:

- (a) at least one of the member States of that Organization must be a party to the Paris Convention for the Protection of Industrial Property of 20 March 1883;
- (b) that organization must have a regional Office for the purposes of registering marks with effect in the territory in which the constituting Treaty of that organization applies.

These provisions were specifically provided for to allow for the European Community to accede to the Madrid Protocol once the Community trade mark system became operational.

It is evident that the European Community complies with the first condition, since all the Member States are party to the Paris Convention.

The second condition is also met by the European Community, since the Harmonization Office became fully operational on 1 April 1996.

Since the Madrid Agreement continues to constitute an attractive means for obtaining international registration of marks, the Madrid Protocol will operate in a complementary way with the Madrid Agreement.

3. THE COMMUNITY INTEREST IN ADHERING TO THE MADRID PROTOCOL

The international registration of marks satisfies a requirement for simplicity and economy.

It greatly facilitates access to protection under trade mark law: a single procedure, administered by the national or regional industrial property office and the International Bureau of WIPO takes the place of a whole series of applications

which would otherwise have to be filed directly by individual companies with each of the national or regional offices.

This facility whereby companies can obtain protection under trade mark law on foreign markets is an important element of international commercial co-operation and helps to increase trade.

In this respect, the Madrid Protocol has the same objectives as the Community trade mark system, although they are achieved through different means.

Whereas the Community trade mark system provides for a complete and unified regional trade mark registration system which covers the whole territory of the European Community, the Madrid Protocol unifies the application procedure only, albeit with effect for potentially all the Contracting Parties to the Paris Convention (more than 110 States).

Therefore, both systems are complementary. The linkage of the Community trade mark system to the Madrid Protocol will imply that industry may profit from the advantages of the Community trade mark through the Madrid Protocol and vice versa. In other words, Community trade mark applicants and holders of Community trade marks may apply for international protection of their marks through the filing of an international application under the Madrid Protocol and holders of international registrations under the Madrid Protocol may apply for protection of their marks as Community trade marks.

The establishment of the link between the two systems is bound to contribute to the development of conditions favourable to trade between the European Community and the third countries concerned.

International non-governmental organizations which represent in particular the users of the Community trade mark system and the users of the international registration system have repeatedly expressed their strong interest in establishing the link between the two systems.

Furthermore, the European Commission notes that the third countries which participated in the elaboration of the Madrid Protocol have displayed their interest in the establishment of a link between the international registration system and the Community trade mark.

In this respect it should be noted that the following States have signed the Madrid Protocol once it was open for signature (from 28 June 1989 to 31 December 1989):

Austria, Belgium, Democratic People's Republic of Korea, Denmark, Egypt, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Liechtenstein, Luxembourg, Monaco, Mongolia, Morocco, Netherlands, Portugal, Romania, Senegal, Soviet Union, Spain, Sweden, Switzerland, United Kingdom and Yugoslavia (27).

In the meantime, the following States have become parties to the Madrid Protocol²:

China, Cuba, Denmark, Finland, Germany, Norway, Spain, Sweden and United Kingdom (9).

According to the Agreement on the European Economic Area signed in Oporto on 2 May 1992, all the Contracting Parties thereto undertake to adhere to the Madrid Protocol. Thus, in the foreseeable future, all the Contracting States to the EEA Agreement will participate in the international registration system.

In addition it should be noted that the agreements which have been concluded by the European Community and its Member States with the Central and Eastern European countries, (CEECs) as well as certain Republics of the former USSR and other third countries, provide that the third countries concerned shall ratify or adhere to the Madrid Protocol.

It is difficult and premature to estimate the possible success of the Madrid Protocol and its linkage to the Community trade mark system. However, the experiences with the Madrid Agreement show that the international registration system operates to the satisfaction of companies established in the States that are parties to it (51)³.

The statistics published by WIPO on the operation of the Madrid Agreement for 1995⁴ show that the International Bureau registered 18,852 marks and that 3,808 international registrations were renewed (total number international registrations and renewals for 1995: 22,660). The 22,660 international registrations represented 254,190 designations, covering the 44 Contracting States, including the 9 Member States (Austria, Benelux, France, Germany, Italy, Portugal and Spain) party to the Madrid Agreement, which implies that each international registration designates on average 11 Contracting States.

Out of these 254,190 designations, 80 % (203,029) were made by firms in the Member States. Of these designations applied for by these firms, 38 % designated Member States and 62% non-Member States. The latter accounted for 50% of all designations. The share of the designations made by firms in non-Member States designating Member States accounted for 8% of all designations, i.e. 20,138 designations.

The European Commission believes that the absence of a link could well impair the attractiveness of the Community trade mark in the eyes of companies both inside and outside the European Community and thus adversely affect the objective of completing the internal market, the very reason for establishing the Community trade mark. Absence of a link would create an obstacle for companies in third countries, impeding access to the national markets of the Member States. Such firms could thus be encouraged to continue along the path of national protection through international registration, rather than applying for registration with the

² Status on 1 January 1996 according to WIPO statistics 1.1.1996.

³ Status on 1 January 1996 according to WIPO statistics 1.1.1996.

⁴ "Les Marques internationales", Statistiques pour l'année 1995.

Harmonization Office. Similarly, without the link, Community firms that use international registration would have to continue to use the national marks of the Member States to have easy access to protection in third countries. This would also be detrimental to the Community trade mark.

Community firms are clearly major users of the international registration system and they give rise to a substantial number of international applications for protection in third country parties to the Madrid Agreement, while far fewer firms in third countries designate Member States.

The above figures can not be simply transposed to the situation which has arisen after the entry into force of the Community trade mark system and the entry into force of the Madrid Protocol. Nevertheless, taking into account that the first results under the Community trade mark system are very promising (on 1 April 1996, more than 21.000 applications for the registration of Community trade marks had been filed at the Harmonization Office) and given that it is expected that the geographical coverage of the Madrid Protocol will in the near future considerably exceed the geographical coverage of the Madrid Agreement, it seems safe to assume that the figures, indicated above will constitute the minimum once the Madrid Protocol has become fully operational, including the participation of the European Community in the international registration system.

4. LEGAL BASIS

The establishment of a link between the Community trade mark and the Madrid Protocol would make it easier for firms which are applicants for or holders of Community trade marks to obtain protection under trade mark law in third countries and for firms in the third countries in question to obtain protection under the Community trade mark system. Firms could therefore more easily protect their trade marks in the countries in question and penetrate the markets of those countries.

An international commitment on the part of the European Community in this regard would increase the attractiveness of the Community trade mark compared with national trade marks and is also directed at a trade objective. Moreover, the absence of a link would be detrimental to the Community trade mark.

In view of the above, the accession of the European Community to the Madrid Protocol directly affects the application of Community trade mark Regulation.

In its Opinion 1/94, delivered on 15 November 1994, on the division of competence between the European Community and the Member States regarding the conclusion of the WTO Agreement and its annexes, the Court of Justice confirmed⁵ the application, in the intellectual property sphere, of the AETR judgment, delivered on 31 March 1971 in Case 22/70.⁶

⁵ Paragraph 102 of opinion 1/94.

⁶ (1971) ECR 263.

The European Commission considers that this precedent is applicable to the case in question and that Article 235 of the Treaty should be used as the appropriate legal basis, in conjunction with Article 228, paragraph 2, second sentence, and paragraph 3, first sub-paragraph thereof. In accordance with the above precedent, a Community act to accede to the Madrid Protocol must be based on the provision of the Treaty on which the common rules, i.e. the Community trade mark Regulation, are based - therefore in this particular case Article 235.

It is self-evident that reference should also be made to Article 228 of the Treaty, which confers powers on the European Community to enter into agreements between the European Community and one or more States or international organisations.

5. PROCEDURE FOR THE ACCESSION OF THE EUROPEAN COMMUNITY TO THE MADRID PROTOCOL

Under Article 14(1)(b) of the Madrid Protocol, "any intergovernmental organization may also become party to this Protocol where the following conditions are fulfilled:

- (i) at least one of the member States of that organization is a party to the Paris Convention for the Protection of Industrial Property;
- (ii) that organization has a regional Office for the purposes of registering marks with effect in the territory of the organization, provided that such Office is not the subject of a notification under Article 9*quater*."

As has been explained above, the European Community fulfils both conditions.

According to Article 14(3) and (4)(b) of the Madrid Protocol, the instrument of accession to the Protocol shall be deposited with the Director-general of WIPO and the Protocol shall enter into force with regard to the Community three months after the date on which the accession has been notified by the Director General of WIPO.

6. DECLARATIONS TO BE MADE IN THE FRAMEWORK OF THE ACCESSION OF THE COMMUNITY TO THE MADRID PROTOCOL

The Madrid Protocol provides that on certain items Contracting Parties may make declarations on the occasion of their accession.

Declarations can be made on the following three subjects:

- on the extension of the time limit for refusal of protection of an international registration, pursuant to Article 5 of the Madrid Protocol;
- on the fees which the Contracting party wants to receive in connection with international registrations pursuant to Article 8 of the Madrid Protocol;

- on the protection of international registrations which have been effected under the Madrid Protocol before the date of entry into force of the Protocol with respect to the Contracting Party concerned pursuant to Article 14 of the Madrid Protocol.

The European Commission proposes that a declaration be made on the fees which the European Community wants to receive in connection with international registrations to ensure that the individual fee system is applied with regard to designations of the European Community under the Madrid Protocol (Article 8 of the Madrid Protocol).

This is proposed for the following reasons:

Under the Madrid Agreement, the registration of a mark at the International Bureau is subject to the payment of an international fee, which includes a basic fee, a supplementary fee for each class of the International Classification, beyond three, into which the goods or services to which the mark is applied will fall, and a complementary fee for any request for extension of protection under Article 3^{ter} to third States (Article 8(2) of the Madrid Agreement). The basic fee is divided equally among the Contracting Parties by the International Bureau after deduction of the expenses and charges necessitated by the implementation of the Madrid Agreement, whereas the supplementary fees and the complementary fees are divided among the contracting parties in proportion to certain criteria laid down in Article 8(5) and (6) of the Madrid Agreement.

The same distribution of fee income is incorporated in Article 8 of the Madrid Protocol.

However, the Madrid Protocol has introduced an additional and alternative fee system which Contracting Parties may apply with regard to applicants from States to which the Madrid Protocol applies.

Where a Contracting Party opts for the individual fee system, the Office of the Contracting Party concerned will in principle receive, in relation to each designation under the international registration, considerably higher fees than under the Madrid Agreement.

This is so because under the individual fee system the Office of the Contracting Party concerned will receive, instead of a share in the revenue produced by the supplementary fee and the complementary fee, an individual fee for each designation under the Madrid Protocol, to be paid by the international applicant. The amount of the individual fee may be set at the equivalent of the national or regional registration fee, reduced by the savings resulting from the international procedure (Article 8(7)(a) of the Madrid Protocol).

In order to opt for the individual fee system, Contracting Parties must make a declaration to this effect, either in their instrument of accession or later (Article 8(7)(b) of the Protocol). In the same declaration, the Contracting Party must indicate the amount of the individual fee that it wants to receive.

In terms of income, the choice between the unitary fee system or the individual fee system will have significant budgetary consequences for the Harmonization Office.

Whereas the Harmonization Office will under both fee systems receive its share in the distribution of the basic fee, a major difference occurs when a choice is to be made between the income deriving from the distribution of the supplementary and complementary fees or the income under the individual fee system under the Madrid Protocol.

Under the unitary fee system, the Harmonization Office would be entitled to its share in the income of the International Bureau on the supplementary and complementary fees. Given the fact that the level of the supplementary fee is 73 SF for each class of goods and services beyond three classes and the complementary fee for the designation of each designated Contracting Party is currently 73 SF per designation, and taking into account the fee distribution scheme as laid down in the Madrid Protocol, the Harmonization Office would probably receive around 105 SF per designation⁷.

Under the individual fee system, the Harmonization Office would be entitled to a sum per designation of the European Community which would represent the equivalent of the sum of the fees which are payable for the registration of a Community trade mark, reduced by the savings resulting from the international procedure. The European Commission proposes that the level of the fee should therefore be set at the equivalent of the sum of the fees which must be paid for the application and registration of Community trade marks, i.e. 2075 ECU⁸, diminished by the savings resulting from the international procedure. This is because the expenses of the Harmonization Office relating to the handling of international registrations designating the European Community will be comparable to the Office's expenses relating to the examination of regular Community trade mark applications. As to the possible savings, they will depend on the outcome of discussions on the European Commission proposal for a Council Regulation on the establishment of a link between the Community trade mark and the Protocol Relating to the Madrid Agreement⁹, which contains the provisions which are necessary to implement the accession of the European Community to the Madrid Protocol at the Community level.

It is evident from the above figures that the Harmonization Office expressed its great interest in the European Community opting for the individual fee system under the Madrid Protocol.

The level of the individual fee must be indicated in the declaration, which is attached to the Council decision.

⁷ See WIPO document GT/PM/V/3, p. 10 of 31.7.1992; Fifth Session of the Working Group on the Application of the Madrid Protocol, Geneva, October 12 to 16, 1992.

⁸ See Article 2 of Commission Regulation (EC) No 2869/95 of 13 December 1995 on the fees payable to the Office for Harmonization in the Internal Market (OJ L 303 of 15.12.1995).

⁹ Doc. COM(96) 372 final.

The European Commission considers that there is no need to make use of the two remaining declarations.

As to the declaration on the extension of the time limit for refusal of protection of an international registration pursuant to Article 5 of the Madrid Protocol, it should be noted that it follows from the European Commission proposal for a Council Regulation on the establishment of a link between the Community trade mark and the Protocol Relating to the Madrid Agreement that the Harmonization Office will be able to communicate any provisional refusal of protection before the expiry of the time limit of one year from the date on which notification of extension to the European Community has been sent to the Office by the International Bureau.

On the third possible declaration, i.e. the declaration denying protection of international registrations which have been effected under the Madrid Protocol before the date of entry into force of the Protocol with respect to the European Community (Article 14 of the Madrid Protocol), the European Commission considers that there are no reasons to deviate from the principle that international registrations effected under the Madrid Protocol before its entry into force with respect to the European Community can be extended to the European Community. This is so because the possible extensions of such international registrations to the European Community will be subject to examination on absolute grounds for refusal and opposition on the basis of earlier rights existing within the European Community the same as regular Community trade mark applications.

7. COMMENTARY ON THE ARTICLES

Article 1

The Council is invited to approve the Madrid Protocol. The text of the Madrid Protocol is attached to this decision in all the languages of the European Community.

Article 2

Article 2(1) specifies that following the adoption of this proposal, the President of the Council shall deposit the instrument of accession with the Director General of WIPO, in accordance with Article 14 of the Madrid Protocol. In order to avoid any complications on the implementation of the Madrid Protocol within the European Community it has been clarified that the instrument of accession may be deposited as from the date on which the Council has adopted the necessary implementing measures (the European Commission proposal for a Council Regulation on the establishment of a link between the Community trade mark and the Protocol Relating to the Madrid Agreement, see above).

The second paragraph of Article 2 specifies, in conjunction with the attached declaration, that the European Community shall declare that it wants to receive, instead of a share in the revenue produced by the supplementary and complementary fee, the individual fee.

Article 3

Once the European Community has become a Contracting Party to the Madrid Protocol, it will be a member of the Assembly of the Madrid Union with the same rights and obligations as the Contracting States (Article 10 of the Protocol).

This implies, for example, that the European Community shall have one vote in the Assembly, in addition to the votes of the Member States which are a party to the Madrid Protocol.

According to Article 10(2) of the Madrid Protocol, the Assembly shall, among others, deal with all matters concerning the maintenance and development of the Madrid Union, deal with all matters concerning the implementation of the Protocol, give directions to the International Bureau concerning the preparation for conferences of revision of the Protocol and adopt and modify the provisions of the Regulations concerning the implementation of the Protocol.

In accordance with Article 228 of the Treaty, the European Commission shall represent the European Community in the Assembly of the Madrid Union. The European Community delegation may also include representatives of the Office.

In view of the above and in order to avoid unnecessary cumbersome procedures whenever future meetings of the Assembly of the Madrid Union take place, Article 3(1) of the proposal provides that the Council authorises the European Commission to represent the European Community at the future meetings of the Assembly of the Madrid Union and to negotiate matters, on behalf of the European Community, which fall under the competence which the Assembly has pursuant to Article 10 of the Madrid Protocol. Article 3(2) specifies that the position of the European Community will be drawn up by the European Commission and the Member States within the competent Council working party or at on-the-spot meetings convened in the course of the work carried out within the framework of WIPO.

8. SUPPLEMENTARY MEASURES TO BE TAKEN SUBSEQUENT TO THE ACCESSION OF THE COMMUNITY TO THE MADRID PROTOCOL

As has been indicated earlier, the accession of the European Community to the Madrid Protocol requires implementing measures at Community level.

The implementing measures can be divided into two categories. First, the Community legislator has to provide rules for the filing of international applications under the Madrid Protocol on the basis of applications for Community trade marks or registered Community trade marks. Second, provisions must be adopted with regard to the protection and invalidation of international registrations designating the European Community.

Since the Madrid Protocol shall enter into force three months after the date on which the accession of the European Community has been notified by the Director General of WIPO, the necessary implementing measures should enter into force at the latest before the expiry of the three months period.

9. CONCLUSIONS / PROPOSAL

On the basis of the above, the Council is invited to adopt the attached decision approving, on behalf of the European Community, the Madrid Protocol, authorising the President of the Council to deposit the instrument of accession to the Madrid Protocol and the attached declaration with the Director General of WIPO, and authorising the European Commission to represent the European Community at the meetings of the Assembly of the Madrid Union to be held under auspices of WIPO and to negotiate and approve matters, on behalf of the European Community, which fall under the competence of the Assembly.

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THE COUNCIL OF THE EUROPEAN UNION

Having regard to the Treaty establishing the European Community, and in particular Article 235, in conjunction with Article 228(2), second sentence, and Article 228(3), first sub-paragraph, thereof,

Having regard to the proposal from the European Commission¹,

Having regard to the opinion of the European Parliament²,

Having regard to the opinion of the Economic and Social Committee³

Whereas Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark⁴, which is based on Article 235 of the Treaty, is designed to create a market which functions properly and offers conditions which are similar to those obtaining in a national market; whereas in order to create a market of this kind and make it increasingly a single market, the said Regulation created the Community trade mark system whereby undertakings can by means of one procedural system obtain Community trade marks to which uniform protection is given and which produce their effects throughout the entire area of the European Community;

Whereas following preparations initiated and carried out by the World Intellectual Property Organization with the participation of the Member States which are members of the Madrid Union, the Member States which are not members of the Madrid Union and the European Community, the Diplomatic Conference for the Conclusion of a Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks, adopted the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (hereafter referred to as "the Madrid Protocol") on 27 June 1989, at Madrid;

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4 OJ No L 11, 14.1.1994, p. 1.

Whereas the Madrid Protocol was adopted in order to introduce certain new features into the system of the international registration of marks existing under the Madrid Agreement Concerning the International Registration of Marks of 14 April 1891 as amended (hereafter referred to as "the Madrid Agreement")⁵;

Whereas the objectives of the Madrid Protocol are to ease the way for certain States, and in particular the Member States which are not currently parties thereto, to accede to the system of international registration of marks;

Whereas as compared to the Madrid Agreement, the Madrid Protocol introduced, in its Article 14, as one of the main innovations the possibility that an intergovernmental organization which has a regional office for the purpose of registering marks with effect in the territory of the organization may become party to the Madrid Protocol;

Whereas the possibility that an intergovernmental organisation which has a regional office for the purpose of registering marks may become a party to the Madrid Protocol was introduced in the Madrid Protocol in order to allow, in particular, for the European Community to accede to the said Protocol;

Whereas the Madrid Protocol has entered into force on 1 December 1995 and has become operational on 1 April 1996 and the Community trade mark system has also become operational on the latter date;

Whereas the Community trade mark system and the international registration system as established by the Madrid Protocol are complementary; whereas in order to enable firms to profit from the advantages of the Community trade mark through the Madrid Protocol and vice-versa, it is necessary to allow Community trade mark applicants and holders of such trade marks to apply for international protection of their trade marks through the filing of an international application under the Madrid Protocol and, conversely, holders of international registrations under the Madrid Protocol to apply for protection of their trade marks under the Community trade mark system;

⁵ The Madrid Agreement Concerning the International Registration of Marks as revised last at Stockholm on 14 July 1967 and as amended on 2 October 1979.

Whereas the establishment of a link between the Community trademark system and the international registration system under the Madrid Protocol would promote a harmonious development of economic activities, will eliminate distortions of competition, will be cost efficient and will increase the level of integration and functioning of the internal market; whereas, therefore, the accession of the Community to the Madrid Protocol is necessary in order for the Community trade mark system to become more attractive;

Whereas the European Commission should be authorised to represent the European Community in the Assembly of the Madrid Union after the accession of the Community to the Madrid Protocol; whereas the European Community will not express a view in the Assembly in matters relating solely to the Madrid Agreement;

Whereas the competence of the European Community to conclude or accede to international agreements or treaties does not derive only from explicit conferral by the Treaty but may also derive from other provisions of the Treaty and from acts adopted pursuant to those provisions by Community institutions;

Whereas this decision does not affect the right of the Member States to participate in the Assembly of the Madrid Union with regard to their national trade marks.

HAS DECIDED AS FOLLOWS:

Article 1

The Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks, adopted at Madrid on 27 June 1989 (hereafter referred to as "the Madrid Protocol"), is hereby approved on behalf of the Community with regard to matters within its competence.

The text of the Madrid Protocol is attached to this Decision.

Article 2

1. The President of the Council is hereby authorised to deposit the instrument of accession with the Director General of the World Intellectual Property Organization as from the date on which the Council has adopted the measures which are necessary for the establishment of a link between the Community trade mark and the Madrid Protocol.
2. The declaration, which is attached to this decision, shall be made in the instrument of accession.

Article 3

1. The European Commission is hereby authorised to represent the European Community at the meetings of the Assembly of the Madrid Union to be held under the auspices of the World Intellectual Property Organization and to negotiate matters, on behalf of the European Community, which fall under the competence which the Assembly has pursuant to Article 10 of the Madrid Protocol.
2. The position of the European Community will be drawn up by the European Commission and the Member States within the competent Council working party or at on-the-spot meetings convened in the course of the work carried out within the framework of the World Intellectual Property Organization.

Done at Brussels,

For the Council,

the President

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- Declaration on the individual fee system -

The President of the Council, when depositing this instrument of accession with the Director General of WIPO, shall attach the following declaration to the instrument of accession.

"The European Community declares that, in connection with each international registration in which it is mentioned under Article 3ter(1) or (2) of the Madrid Protocol, and in connection with the renewal of any such international registration, it wants to receive, instead of a share in the revenue produced by the supplementary fee and complementary fee,

for an individual mark:

a designation fee of 2,075 ECU⁶ plus, where applicable, 400 ECU for each class of goods or services exceeding three, or, where applicable,

a renewal fee of 2,500 ECU⁷ plus, where applicable, 400 ECU for each class of goods or services exceeding three;

for a collective mark:

a designation fee of 3,875 ECU⁸ plus, where applicable, 800 ECU for each class of goods or services exceeding three, or, where applicable,

a renewal fee of 5,000 ECU⁹ plus, where applicable, 800 ECU for each class of goods or services exceeding three."

⁶ the said fees are provisional; they will be diminished by the savings resulting from the international procedure, once they are known.

⁷ See footnote 6.

⁸ See footnote 6.

⁹ See footnote 6.

Article 1**Membership in the Madrid Union**

The States party to this Protocol (hereinafter referred to as "the Contracting States"), even where they are not party to the Madrid Agreement Concerning the International Registration of Marks as revised at Stockholm in 1967 and as amended in 1979 (hereinafter referred to as "the Madrid (Stockholm) Agreement"), and the organizations referred to in Article 14(1)(b) which are party to this Protocol (hereinafter referred to as "the Contracting Organizations") shall be members of the same Union of which countries party to the Madrid (Stockholm) Agreement are members. Any reference in this Protocol to "Contracting Parties" shall be construed as a reference to both Contracting States and Contracting Organizations.

(continued on page 11)

Article 2***Securing Protection through International Registration***

(1) *Where an application for the registration of a mark has been filed with the Office of a Contracting Party, or where a mark has been registered in the register of the Office of a Contracting Party, the person in whose name that application (hereinafter referred to as "the basic application") or that registration (hereinafter referred to as "the basic registration") stands may, subject to the provisions of this Protocol, secure protection for his mark in the territory of the Contracting Parties, by obtaining the registration of that mark in the register of the International Bureau of the World Intellectual Property Organization (hereinafter referred to as "the international registration," "the International Register," "the International Bureau" and "the Organization," respectively), provided that,*

- (i) *where the basic application has been filed with the Office of a Contracting State or where the basic registration has been made by such an Office, the person in whose name that application or registration stands is a national of that Contracting State, or is domiciled, or has a real and effective industrial or commercial establishment, in the said Contracting State,*
- (ii) *where the basic application has been filed with the Office of a Contracting Organization or where the basic registration has been made by such an Office, the person in whose name that application or registration stands is a national of a State member of that Contracting Organization, or is domiciled, or has a real and effective industrial or commercial establishment, in the territory of the said Contracting Organization.*

(2) *The application for international registration (hereinafter referred to as "the international application") shall be filed with the International Bureau through the intermediary of the Office with which the basic application was filed or by which the basic*

(continued on page 13)

registration was made (hereinafter referred to as "the Office of origin"), as the case may be.

(3) Any reference in this Protocol to an "Office" or an "Office of a Contracting Party" shall be construed as a reference to the office that is in charge, on behalf of a Contracting Party, of the registration of marks, and any reference in this Protocol to "marks" shall be construed as a reference to trademarks and service marks.

(4) For the purposes of this Protocol, "territory of a Contracting Party" means, where the Contracting Party is a State, the territory of that State and, where the Contracting Party is an intergovernmental organization, the territory in which the constituting treaty of that intergovernmental organization applies.

Article 3

International Application

(1) Every international application under this Protocol shall be presented on the form prescribed by the Regulations. The Office of origin shall certify that the particulars appearing in the international application correspond to the particulars appearing, at the time of the certification, in the basic application or basic registration, as the case may be. Furthermore, the said Office shall indicate,

- (i) in the case of a basic application, the date and number of that application,
- (ii) in the case of a basic registration, the date and number of that registration as well as the date and number of the application from which the basic registration resulted.

The Office of origin shall also indicate the date of the international application.

(2) The applicant must indicate the goods and services in respect of which protection of the mark is claimed and also, if possible, the corresponding class or classes according to the classification

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established by the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks. If the applicant does not give such indication, the International Bureau shall classify the goods and services in the appropriate classes of the said classification. The indication of classes given by the applicant shall be subject to control by the International Bureau, which shall exercise the said control in association with the Office of origin. In the event of disagreement between the said Office and the International Bureau, the opinion of the latter shall prevail.

(3) If the applicant claims color as a distinctive feature of his mark, he shall be required

(i) to state the fact, and to file with his international application a notice specifying the color or the combination of colors claimed;

(ii) to append to his international application copies in color of the said mark, which shall be attached to the notifications given by the International Bureau; the number of such copies shall be fixed by the Regulations.

(4) The International Bureau shall register immediately the marks filed in accordance with Article 2. The international registration shall bear the date on which the international application was received in the Office of origin, provided that the international application has been received by the International Bureau within a period of two months from that date. If the international application has not been received within that period, the international registration shall bear the date on which the said international application was received by the International Bureau. The International Bureau shall notify the international registration without delay to the Offices concerned. Marks registered in the International Register shall be published in a periodical gazette issued by the International Bureau, on the basis of the particulars contained in the international application.

(5) With a view to the publicity to be given to marks registered in the International Register, each Office shall receive from the International Bureau a number of copies of the said gazette free

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of charge and a number of copies at a reduced price, under the conditions fixed by the Assembly referred to in Article 10 (hereinafter referred to as "the Assembly"). Such publicity shall be deemed to be sufficient for the purposes of all the Contracting Parties, and no other publicity may be required of the holder of the international registration.

Article 3^{bis}

Territorial Effect

The protection resulting from the international registration shall extend to any Contracting Party only at the request of the person who files the international application or who is the holder of the international registration. However, no such request can be made with respect to the Contracting Party whose Office is the Office of origin.

Article 3^{ter}

Request for "Territorial Extension"

(1) Any request for extension of the protection resulting from the international registration to any Contracting Party shall be specially mentioned in the international application.

(2) A request for territorial extension may also be made subsequently to the international registration. Any such request shall be presented on the form prescribed by the Regulations. It shall be immediately recorded by the International Bureau, which shall notify such recordal without delay to the Office or Offices concerned. Such recordal shall be published in the periodical gazette of the International Bureau. Such territorial extension shall be effective from the date on which it has been recorded in the International Register; it shall cease to be valid on the expiry of the international registration to which it relates.

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Article 4***Effects of International Registration***

(1)(a) *From the date of the registration or recordal effected in accordance with the provisions of Articles 3 and 3^{ter}, the protection of the mark in each of the Contracting Parties concerned shall be the same as if the mark had been deposited direct with the Office of that Contracting Party. If no refusal has been notified to the International Bureau in accordance with Article 5(1) and (2) or if a refusal notified in accordance with the said Article has been withdrawn subsequently, the protection of the mark in the Contracting Party concerned shall, as from the said date, be the same as if the mark had been registered by the Office of that Contracting Party.*

(b) *The indication of classes of goods and services provided for in Article 3 shall not bind the Contracting Parties with regard to the determination of the scope of the protection of the mark.*

(2) *Every international registration shall enjoy the right of priority provided for by Article 4 of the Paris Convention for the Protection of Industrial Property, without it being necessary to comply with the formalities prescribed in Section D of that Article.*

Article 4^{bis}***Replacement of a National or Regional Registration
by an International Registration***

(1) *Where a mark that is the subject of a national or regional registration in the Office of a Contracting Party is also the subject of an international registration and both registrations stand in the name of the same person, the international registration is deemed to replace the national or regional registration, without prejudice to any rights acquired by virtue of the latter, provided that*

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- (i) *the protection resulting from the international registration extends to the said Contracting Party under Article 3^{ter}(1) or (2),*
 - (ii) *all the goods and services listed in the national or regional registration are also listed in the international registration in respect of the said Contracting Party,*
 - (iii) *such extension takes effect after the date of the national or regional registration.*
- (2) *The Office referred to in paragraph (1) shall, upon request, be required to take note in its register of the international registration.*

Article 5

Refusal and Invalidation of Effects of International Registration in Respect of Certain Contracting Parties

(1) *Where the applicable legislation so authorizes, any Office of a Contracting Party which has been notified by the International Bureau of an extension to that Contracting Party, under Article 3^{ter}(1) or (2), of the protection resulting from the international registration shall have the right to declare in a notification of refusal that protection cannot be granted in the said Contracting Party to the mark which is the subject of such extension. Any such refusal can be based only on the grounds which would apply, under the Paris Convention for the Protection of Industrial Property, in the case of a mark deposited direct with the Office which notifies the refusal. However, protection may not be refused, even partially, by reason only that the applicable legislation would permit registration only in a limited number of classes or for a limited number of goods or services.*

(2)(a) *Any Office wishing to exercise such right shall notify its refusal to the International Bureau, together with a statement of all grounds, within the period prescribed by the law applicable to that Office and at the latest, subject to subparagraphs (b) and (c), before the expiry of one year from the date on which the*

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notification of the extension referred to in paragraph (1) has been sent to that Office by the International Bureau.

(b) Notwithstanding subparagraph (a), any Contracting Party may declare that, for international registrations made under this Protocol, the time limit of one year referred to in subparagraph (a) is replaced by 18 months.

(c) Such declaration may also specify that, when a refusal of protection may result from an opposition to the granting of protection, such refusal may be notified by the Office of the said Contracting Party to the International Bureau after the expiry of the 18-month time limit. Such an Office may, with respect to any given international registration, notify a refusal of protection after the expiry of the 18-month time limit, but only if

(i) it has, before the expiry of the 18-month time limit, informed the International Bureau of the possibility that oppositions may be filed after the expiry of the 18-month time limit, and

(ii) the notification of the refusal based on an opposition is made within a time limit of not more than seven months from the date on which the opposition period begins; if the opposition period expires before this time limit of seven months, the notification must be made within a time limit of one month from the expiry of the opposition period.

(d) Any declaration under subparagraphs (b) or (c) may be made in the instruments referred to in Article 14(2), and the effective date of the declaration shall be the same as the date of entry into force of this Protocol with respect to the State or intergovernmental organization having made the declaration. Any such declaration may also be made later, in which case the declaration shall have effect three months after its receipt by the Director-General of the Organization (hereinafter referred to as "the Director General"); or at any later date indicated in the declaration, in respect of any international registration whose date is the same as or is later than the effective date of the declaration.

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(e) Upon the expiry of a period of ten years from the entry into force of this Protocol, the Assembly shall examine the operation of the system established by subparagraphs (a) to (d). Thereafter, the provisions of the said subparagraphs may be modified by a unanimous decision of the Assembly.

(3) The International Bureau shall, without delay, transmit one of the copies of the notification of refusal to the holder of the international registration. The said holder shall have the same remedies as if the mark had been deposited by him direct with the Office which has notified its refusal. Where the International Bureau has received information under paragraph (2)(c)(i), it shall, without delay, transmit the said information to the holder of the international registration.

(4) The grounds for refusing a mark shall be communicated by the International Bureau to any interested party who may so request.

(5) Any Office which has not notified, with respect to a given international registration, any provisional or final refusal to the International Bureau in accordance with paragraphs (1) and (2) shall, with respect to that international registration, lose the benefit of the right provided for in paragraph (1).

(6) Invalidation, by the competent authorities of a Contracting Party, of the effects, in the territory of that Contracting Party, of an international registration may not be pronounced without the holder of such international registration having, in good time, been afforded the opportunity of defending his rights. Invalidation shall be notified to the International Bureau.

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*Article 5^{bis}**Documentary Evidence of Legitimacy of Use
of Certain Elements of the Mark*

Documentary evidence of the legitimacy of the use of certain elements incorporated in a mark, such as armorial bearings, es-cutcheons, portraits, honorary distinctions, titles, trade names, names of persons other than the name of the applicant, or other like inscriptions, which might be required by the Offices of the Contracting Parties shall be exempt from any legalization as well as from any certification other than that of the Office of origin.

*Article 5^{ter}**Copies of Entries in International Register;
Searches for Anticipations;
Extracts from International Register*

(1) The International Bureau shall issue to any person applying therefor, upon the payment of a fee fixed by the Regulations, a copy of the entries in the International Register concerning a specific mark.

(2) The International Bureau may also, upon payment, undertake searches for anticipations among marks that are the subject of international registrations.

(3) Extracts from the International Register requested with a view to their production in one of the Contracting Parties shall be exempt from any legalization.

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Article 6

***Period of Validity of International Registration;
Dependence and Independence of International Registration***

(1) Registration of a mark at the International Bureau is effected for ten years, with the possibility of renewal under the conditions specified in Article 7.

(2) Upon expiry of a period of five years from the date of the international registration, such registration shall become independent of the basic application or the registration resulting therefrom, or of the basic registration, as the case may be, subject to the following provisions.

(3) The protection resulting from the international registration, whether or not it has been the subject of a transfer, may no longer be invoked if, before the expiry of five years from the date of the international registration, the basic application or the registration resulting therefrom, or the basic registration, as the case may be, has been withdrawn, has lapsed, has been renounced or has been the subject of a final decision of rejection, revocation, cancellation or invalidation, in respect of all or some of the goods and services listed in the international registration. The same applies if

(i) an appeal against a decision refusing the effects of the basic application,

(ii) an action requesting the withdrawal of the basic application or the revocation, cancellation or invalidation of the registration resulting from the basic application or of the basic registration, or

(iii) an opposition to the basic application

results, after the expiry of the five-year period, in a final decision of rejection, revocation, cancellation or invalidation, or ordering the withdrawal, of the basic application, or the registration resulting therefrom, or the basic registration, as the case may be, provided

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that such appeal, action or opposition had begun before the expiry of the said period. The same also applies if the basic application is withdrawn, or the registration resulting from the basic application or the basic registration is renounced, after the expiry of the five-year period, provided that, at the time of the withdrawal or renunciation, the said application or registration was the subject of a proceeding referred to in item (i), (ii) or (iii) and that such proceeding had begun before the expiry of the said period.

(4) The Office of origin shall, as prescribed in the Regulations, notify the International Bureau of the facts and decisions relevant under paragraph (3), and the International Bureau shall, as prescribed in the Regulations, notify the interested parties and effect any publication accordingly. The Office of origin shall, where applicable, request the International Bureau to cancel, to the extent applicable, the international registration, and the International Bureau shall proceed accordingly.

Article 7

Renewal of International Registration

(1) Any international registration may be renewed for a period of ten years from the expiry of the preceding period, by the mere payment of the basic fee and, subject to Article 8(7), of the supplementary and complementary fees provided for in Article 8(2).

(2) Renewal may not bring about any change in the international registration in its latest form.

(3) Six months before the expiry of the term of protection, the International Bureau shall, by sending an unofficial notice, remind the holder of the international registration and his representative, if any, of the exact date of expiry.

(4) Subject to the payment of a surcharge fixed by the Regulations, a period of grace of six months shall be allowed for renewal of the international registration.

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Article 8***Fees for International Application and Registration***

(1) The Office of origin may fix, at its own discretion, and collect, for its own benefit, a fee which it may require from the applicant for international registration or from the holder of the international registration in connection with the filing of the international application or the renewal of the international registration.

(2) Registration of a mark at the International Bureau shall be subject to the advance payment of an international fee which shall, subject to the provisions of paragraph (7)(a), include,

(i) a basic fee;

(ii) a supplementary fee for each class of the International Classification, beyond three, into which the goods or services to which the mark is applied will fall;

(iii) a complementary fee for any request for extension of protection under Article 3^{er}.

(3) However, the supplementary fee specified in paragraph (2)(ii) may, without prejudice to the date of the international registration, be paid within the period fixed by the Regulations if the number of classes of goods or services has been fixed or disputed by the International Bureau. If, upon expiry of the said period, the supplementary fee has not been paid or the list of goods or services has not been reduced to the required extent by the applicant, the international application shall be deemed to have been abandoned.

(4) The annual product of the various receipts from international registration, with the exception of the receipts derived from

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the fees mentioned in paragraph (2)(ii) and (iii), shall be divided equally among the Contracting Parties by the International Bureau, after deduction of the expenses and charges necessitated by the implementation of this Protocol.

(5) The amounts derived from the supplementary fees provided for in paragraph (2)(ii) shall be divided, at the expiry of each year, among the interested Contracting Parties in proportion to the number of marks for which protection has been applied for in each of them during that year, this number being multiplied, in the case of Contracting Parties which make an examination, by a coefficient which shall be determined by the Regulations.

(6) The amounts derived from the complementary fees provided for in paragraph (2)(iii) shall be divided according to the same rules as those provided for in paragraph (5).

(7)(a) Any Contracting Party may declare that, in connection with each international registration in which it is mentioned under Article 3^{ter}, and in connection with the renewal of any such international registration, it wants to receive, instead of a share in the revenue produced by the supplementary and complementary fees, a fee (hereinafter referred to as "the individual fee") whose amount shall be indicated in the declaration, and can be changed in further declarations, but may not be higher than the equivalent of the amount which the said Contracting Party's Office would be entitled to receive from an applicant for a ten-year registration, or from the holder of a registration for a ten-year renewal of that registration, of the mark in the register of the said Office, the said amount being diminished by the savings resulting from the international procedure. Where such an individual fee is payable,

(i) no supplementary fees referred to in paragraph (2)(ii) shall be payable if only Contracting Parties which have made a declaration under this subparagraph are mentioned under Article 3^{ter}, and

(ii) no complementary fee referred to in paragraph (2)(iii) shall be payable in respect of any Contracting Party which has made a declaration under this subparagraph.

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(b) Any declaration under subparagraph (a) may be made in the instruments referred to in Article 14(2), and the effective date of the declaration shall be the same as the date of entry into force of this Protocol with respect to the State or intergovernmental organization having made the declaration. Any such declaration may also be made later, in which case the declaration shall have effect three months after its receipt by the Director General, or at any later date indicated in the declaration, in respect of any international registration whose date is the same as or is later than the effective date of the declaration.

Article 9

Recordal of Change in the Ownership of an International Registration

At the request of the person in whose name the international registration stands, or at the request of an interested Office made ex officio or at the request of an interested person, the International Bureau shall record in the International Register any change in the ownership of that registration, in respect of all or some of the Contracting Parties in whose territories the said registration has effect and in respect of all or some of the goods and services listed in the registration, provided that the new holder is a person who, under Article 2(1), is entitled to file international applications.

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*Article 9^{bis}**Recordal of Certain Matters Concerning
an International Registration*

The International Bureau shall record in the International Register

- (i) any change in the name or address of the holder of the international registration,*
- (ii) the appointment of a representative of the holder of the international registration and any other relevant fact concerning such representative,*
- (iii) any limitation, in respect of all or some of the Contracting Parties, of the goods and services listed in the international registration,*
- (iv) any renunciation, cancellation or invalidation of the international registration in respect of all or some of the Contracting Parties,*
- (v) any other relevant fact, identified in the Regulations, concerning the rights in a mark that is the subject of an international registration.*

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Article 9th

Fees for Certain Records

Any recordal under Article 9 or under Article 9th may be subject to the payment of a fee.

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*Article 9^{quater}**Common Office of Several Contracting States*

(1) *If several Contracting States agree to effect the unification of their domestic legislations on marks, they may notify the Director General*

- (i) *that a common Office shall be substituted for the national Office of each of them, and*
- (ii) *that the whole of their respective territories shall be deemed to be a single State for the purposes of the application of all or part of the provisions preceding this Article as well as the provisions of Articles 9^{quinquies} and 9^{sexies}*

(2) *Such notification shall not take effect until three months after the date of the communication thereof by the Director General to the other Contracting Parties.*

*Article 9^{quinquies}**Transformation of an International Registration into National or Regional Applications*

Where, in the event that the international registration is cancelled at the request of the Office of origin under Article 6(4), in respect of all or some of the goods and services listed in the said registration, the person who was the holder of the international registration files an application for the registration of the same mark with the Office of any of the Contracting Parties in the territory of which the international registration had effect, that application shall be treated as if it had been filed on the date of the international registration according to Article 3(4) or on the date of recordal of the territorial extension according to Article 3^{ter}(2) and, if the international registration enjoyed priority, shall enjoy the same priority, provided that

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- (i) such application is filed within three months from the date on which the international registration was cancelled,
- (ii) the goods and services listed in the application are in fact covered by the list of goods and services contained in the international registration in respect of the Contracting Party concerned, and
- (iii) such application complies with all the requirements of the applicable law, including the requirements concerning fees.

Article 9^{sexies}

Safeguard of the Madrid (Stockholm) Agreement

(1) Where, with regard to a given international application or a given international registration, the Office of origin is the Office of a State that is party to both this Protocol and the Madrid (Stockholm) Agreement, the provisions of this Protocol shall have no effect in the territory of any other State that is also party to both this Protocol and the Madrid (Stockholm) Agreement.

(2) The Assembly may, by a three-fourths majority, repeal paragraph (1), or restrict the scope of paragraph (1), after the expiry of a period of ten years from the entry into force of this Protocol, but not before the expiry of a period of five years from the date on which the majority of the countries party to the Madrid (Stockholm) Agreement have become party to this Protocol. In the vote of the Assembly, only those States which are party to both the said Agreement and this Protocol shall have the right to participate.

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*Article 10**Assembly*

(1)(a) *The Contracting Parties shall be members of the same Assembly as the countries party to the Madrid (Stockholm) Agreement.*

(b) *Each Contracting Party shall be represented in that Assembly by one delegate, who may be assisted by alternate delegates, advisors, and experts.*

(c) *The expenses of each delegation shall be borne by the Contracting Party which has appointed it, except for the travel expenses and the subsistence allowance of one delegate for each Contracting Party, which shall be paid from the funds of the Union.*

(2) *The Assembly shall, in addition to the functions which it has under the Madrid (Stockholm) Agreement, also*

- (i) deal with all matters concerning the implementation of this Protocol;*
- (ii) give directions to the International Bureau concerning the preparation for conferences of revision of this Protocol, due account being taken of any comments made by those countries of the Union which are not party to this Protocol;*
- (iii) adopt and modify the provisions of the Regulations concerning the implementation of this Protocol;*
- (iv) perform such other functions as are appropriate under this Protocol.*

(3)(a) *Each Contracting Party shall have one vote in the Assembly. On matters concerning only countries that are party to the Madrid (Stockholm) Agreement, Contracting Parties that are not party to the said Agreement shall not have the right to vote, whereas, on matters concerning only Contracting Parties, only the latter shall have the right to vote.*

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(b) *One-half of the members of the Assembly which have the right to vote on a given matter shall constitute the quorum for the purposes of the vote on that matter.*

(c) *Notwithstanding the provisions of subparagraph (b), if, in any session, the number of the members of the Assembly having the right to vote on a given matter which are represented is less than one-half but equal to or more than one-third of the members of the Assembly having the right to vote on that matter, the Assembly may make decisions but, with the exception of decisions concerning its own procedure, all such decisions shall take effect only if the conditions set forth hereinafter are fulfilled. The International Bureau shall communicate the said decisions to the members of the Assembly having the right to vote on the said matter which were not represented and shall invite them to express in writing their vote or abstention within a period of three months from the date of the communication. If, at the expiry of this period, the number of such members having thus expressed their vote or abstention attains the number of the members which was lacking for attaining the quorum in the session itself, such decisions shall take effect provided that at the same time the required majority still obtains.*

(d) *Subject to the provisions of Articles 5(2)(e), 9^{sexies}(2), 12 and 13(2), the decisions of the Assembly shall require two-thirds of the votes cast.*

(e) *Abstentions shall not be considered as votes.*

(f) *A delegate may represent, and vote in the name of, one member of the Assembly only.*

(4) *In addition to meeting in ordinary sessions and extraordinary sessions as provided for by the Madrid (Stockholm) Agreement, the Assembly shall meet in extraordinary session upon convocation by the Director General, at the request of one-fourth of the members of the Assembly having the right to vote on the matters proposed to be included in the agenda of the session. The agenda of such an extraordinary session shall be prepared by the Director General.*

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Article 11**International Bureau**

(1) International registration and related duties, as well as all other administrative tasks, under or concerning this Protocol, shall be performed by the International Bureau.

(2)(a) The International Bureau shall, in accordance with the directions of the Assembly, make the preparations for the conferences of revision of this Protocol.

(b) The International Bureau may consult with intergovernmental and international non-governmental organizations concerning preparations for such conferences of revision.

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(c) *The Director General and persons designated by him shall take part, without the right to vote, in the discussions at such conferences of revision.*

(3) *The International Bureau shall carry out any other tasks assigned to it in relation to this Protocol.*

Article 12

Finances

As far as Contracting Parties are concerned, the finances of the Union shall be governed by the same provisions as those contained in Article 12 of the Madrid (Stockholm) Agreement, provided that any reference to Article 8 of the said Agreement shall be deemed to be a reference to Article 8 of this Protocol. Furthermore, for the purposes of Article 12(6)(b) of the said Agreement, Contracting Organizations shall, subject to a unanimous decision to the contrary by the Assembly, be considered to belong to contribution class I (one) under the Paris Convention for the Protection of Industrial Property.

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Article 13***Amendment of Certain Articles of the Protocol***

(1) Proposals for the amendment of Articles 10, 11, 12, and the present Article, may be initiated by any Contracting Party, or by the Director General. Such proposals shall be communicated by the Director General to the Contracting Parties at least six months in advance of their consideration by the Assembly.

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(2) Amendments to the Articles referred to in paragraph (1) shall be adopted by the Assembly. Adoption shall require three-fourths of the votes cast, provided that any amendment to Article 10, and to the present paragraph, shall require four-fifths of the votes cast.

(3) Any amendment to the Articles referred to in paragraph (1) shall enter into force one month after written notifications of acceptance, effected in accordance with their respective constitutional processes, have been received by the Director General from three-fourths of those States and intergovernmental organizations which, at the time the amendment was adopted, were members of the Assembly and had the right to vote on the amendment. Any amendment to the said Articles thus accepted shall bind all the States and intergovernmental organizations which are Contracting Parties at the time the amendment enters into force, or which become Contracting Parties at a subsequent date.

Article 14

Becoming Party to the Protocol; Entry into Force

(1)(a) Any State that is a party to the Paris Convention for the Protection of Industrial Property may become party to this Protocol.

(b) Furthermore, any intergovernmental organization may also become party to this Protocol where the following conditions are fulfilled:

- (i) at least one of the member States of that organization is a party to the Paris Convention for the Protection of Industrial Property;
- (ii) that organization has a regional Office for the purposes of registering marks with effect in the territory of the organization, provided that such Office is not the subject of a notification under Article 9^{quater}.

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(2) Any State or organization referred to in paragraph (1) may sign this Protocol. Any such State or organization may, if it has signed this Protocol, deposit an instrument of ratification, acceptance or approval of this Protocol or, if it has not signed this Protocol, deposit an instrument of accession to this Protocol.

(3) The instruments referred to in paragraph (2) shall be deposited with the Director General.

(4)(a) This Protocol shall enter into force three months after four instruments of ratification, acceptance, approval or accession have been deposited, provided that at least one of those instruments has been deposited by a country party to the Madrid (Stockholm) Agreement and at least one other of those instruments has been deposited by a State not party to the Madrid (Stockholm) Agreement or by any of the organizations referred to in paragraph (1)(b).

(b) With respect to any other State or organization referred to in paragraph (1), this Protocol shall enter into force three months after the date on which its ratification, acceptance, approval or accession has been notified by the Director General.

(5) Any State or organization referred to in paragraph (1) may, when depositing its instrument of ratification, acceptance or approval of, or accession to, this Protocol, declare that the protection resulting from any international registration effected under this Protocol before the date of entry into force of this Protocol with respect to it cannot be extended to it.

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Article 15

Denunciation

(1) This Protocol shall remain in force without limitation as to time.

(2) Any Contracting Party may denounce this Protocol by notification addressed to the Director General.

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(3) Denunciation shall take effect one year after the day on which the Director General has received the notification.

(4) The right of denunciation provided for by this Article shall not be exercised by any Contracting Party before the expiry of five years from the date upon which this Protocol entered into force with respect to that Contracting Party.

(5)(a) Where a mark is the subject of an international registration having effect in the denouncing State or intergovernmental organization at the date on which the denunciation becomes effective, the holder of such registration may file an application for the registration of the same mark with the Office of the denouncing State or intergovernmental organization, which shall be treated as if it had been filed on the date of the international registration according to Article 3(4) or on the date of recordal of the territorial extension according to Article 3^{ter}(2) and, if the international registration enjoyed priority, enjoy the same priority, provided that

(i) such application is filed within two years from the date on which the denunciation became effective,

(ii) the goods and services listed in the application are in fact covered by the list of goods and services contained in the international registration in respect of the denouncing State or intergovernmental organization, and

(iii) such application complies with all the requirements of the applicable law, including the requirements concerning fees.

(b) The provisions of subparagraph (a) shall also apply in respect of any mark that is the subject of an international registration having effect in Contracting Parties other than the denouncing State or intergovernmental organization at the date on which denunciation becomes effective and whose holder, because of the denunciation, is no longer entitled to file international applications under Article 2(1).

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Article 16***Signature; Languages; Depositary Functions***

(1)(a) This Protocol shall be signed in a single copy in the English, French and Spanish languages, and shall be deposited with the Director General when it ceases to be open for signature at Madrid. The texts in the three languages shall be equally authentic.

(b) Official texts of this Protocol shall be established by the Director General, after consultation with the interested governments and organizations, in the Arabic, Chinese, German, Italian, Japanese, Portuguese and Russian languages, and in such other languages as the Assembly may designate.

(2) This Protocol shall remain open for signature at Madrid until December 31, 1989.

(3) The Director General shall transmit two copies, certified by the Government of Spain, of the signed texts of this Protocol to all States and intergovernmental organizations that may become party to this Protocol.

(4) The Director General shall register this Protocol with the Secretariat of the United Nations.

(5) The Director General shall notify all States and international organizations that may become or are party to this Protocol of signatures, deposits of instruments of ratification, acceptance, approval or accession, the entry into force of this Protocol and any amendment thereto, any notification of denunciation and any declaration provided for in this Protocol.

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