

# Geographical Indications under International Intellectual Property Law: An Indonesian Perspective

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*There are currently two systems for the registration of GI and Appellations of Origin. First, the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration of 1958. Second, the Madrid Agreement Concerning the International Registration of Marks and the Madrid Protocol of 1989 for countries that protect GI under the trade mark regime. Indonesia has provided for GI protection under its Trade Mark Law No. 15 of 2001, and the appertaining Government Regulation No. 51 of 2007 concerning Geographical Indication. Several cases have been reported of Indonesian GI potential products, such as Kopi Toraja and Kopi Gayo, being registered overseas as trade mark by foreign companies. Consequently, local farmers are prevented from exporting their traditional products using their own local name. In the context of international economic law, this paper is aimed at discussing three related issues, namely, what are the remedies available to Indonesia under international law to protect its GI products from misappropriation; second, to what extent can these legal remedies be expected to be effective in resolving the issue; and third, to what extent would signing the Lisbon and/or Madrid Agreement benefit Indonesia in the form of greater international protection of its GI products?*

**Keywords:** *geographical indication, international protection, TRIPS Agreement, Lisbon system, Madrid System*

## I. Introduction

There has been a lot of discussion and interest lately concerning GIs and the need for their legal protection. As the head of the European delegation to Thailand stated at a regional conference in Bangkok on GI recently, GIs are “worth protecting not only because of their connection to quality, tradition and reputation, but also because they make a very valuable con-

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tribution to sustainable rural development”.<sup>2</sup> While GIs have been around for a long time, there has been a widespread awakening in the recent years as to their business value. As a WIPO lawyer has been quoted saying, “You could say that geographical indications are the Sleeping Beauty of the intellectual property world”<sup>3</sup>. The interest in Geographical Indications has not been limited to developed countries, however. As the cases of Darjeeling tea and Basmati rice from India so well illustrate, among others, the protection of Geographical Indications has been a matter equally close to the heart of developing countries such as India as well<sup>4</sup>.

#### **A. What are Geographical Indications?**

Historically, the concept of GIs and their protection started to develop under national laws locally. With the expansion of commerce in the 19<sup>th</sup> century across borders, and the imitation of products outside the country of origin came the need to expand protection beyond national borders, in cooperation with other states based on the principle of reciprocity. The first multilateral agreement on intellectual property rights was the *Paris Convention on the Protection of Intellectual Property* adopted in 1883, which included “indications of source or appellations of origin” as objects of protection. Two special agreements were adopted subsequently, namely the 1891 Madrid Agreement for the Repression of False or Deceptive Indications of Source of Goods specifically dealing with indications of source, and the 1958 Lisbon Agreement for the Protection of Appellations of Origin to provide for the protection of appellations of origin. At the same time, the international registration system for trademarks established by the Madrid Agreement Concerning the International Registration of Marks of 1981 and the Protocol relating to the Madrid Agreement Concerning the International Registration of Marks of 1989, referred to as the Madrid system, also became relevant for countries protecting GIs through a certifi-

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<sup>2</sup> Tunsarawuth. Sinfah. EU Says GI Products Would Benefit Asian Poor In Renewing IP Assistance. <http://www.ip-watch.org/weblog/2009/06/12/eu-says-gi-products-would-benefit-asian-poor-in-renewing-ip-assistance/>. Retrieved on September 12, 2010.

<sup>3</sup> WIPO Magazine Editorial Staff, Communications and Public Outreach Division. Geographical Indications: From Darjeeling to Doha. Statement by WIPO lawyer, Marcus Höpferger, at the opening of the 2007 International Symposium on Geographical Indications in Beijing. [http://www.wipo.int/wipo\\_magazine/en/2007/04/article\\_0003.html](http://www.wipo.int/wipo_magazine/en/2007/04/article_0003.html). Retrieved on August 4, 2010.

<sup>4</sup> For details of the case refer to: TED Case Studies, BASMATI, CASE NUMBER: 493, CASE MNEMONIC: Basmati, CASE NAME: India-US Basmati Rice Dispute. <http://www1.american.edu/ted/basmati.htm>. Retrieved on September 15, 2010.

cation trademark regime and do not have specific (*sui generis*) rule on the protection of geographical indications.<sup>5</sup>

The term 'geographical indications' was introduced in the World Trade Organization Agreement on Trade-Related Aspects of Intellectual Property Rights (hereinafter referred to as TRIPS). The TRIPS provides for Geographical Indications as an independent Intellectual Property Right regime, in addition to Copyright and Related Rights, Trademarks, Industrial Design, Patents, Layout-Designs of Integrated Circuits, Protection of Undisclosed Information, and Control of Anti-Competitive Practices in Contractual Licenses.<sup>6</sup> Geographical indications are defined as indications which identify a good as originating in a certain territory, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.<sup>7</sup>

Geographical Indications are used in the form of trade names attached, used or affixed to the packaging of a good in a manner as to indicate the place of origin of the product concerned. Such place of origin indicates that the quality of the product is strongly influenced by the place of its origin. Accordingly, the product has a unique value in the mind of the public, particularly consumers, who are aware that the place of origin has special conditions and abilities to produce that particular product.<sup>8</sup> Geographical Indication can also be described as an indication used for a good which originates from a particular geographical area and which has a certain quality or reputation attributable to such place of origin. Unlike other intellectual and industrial property rights, the protection of Geographical Indications is of collective rather than of individual nature, whereby protection is afforded to a product produced in a certain area, whereby there is a strong link between the quality and thus the reputation of the product and the locality in which it is produced.<sup>9</sup>

5 O'CONNOR AND COMPANY. Geographical indications and TRIPS: 10 Years Later...A roadmap for EU GI holders to get protection in other WTO Members. Report commissioned and financed by the Commission of the European Communities. [http://trade.ec.europa.eu/doclib/docs/2007/june/tradoc\\_135088.pdf](http://trade.ec.europa.eu/doclib/docs/2007/june/tradoc_135088.pdf). Retrieved on September 15, 2010.

6 TRIPS: Agreement on Trade-Related Aspects of Intellectual Property Rights, Part II: Standards Concerning the Availability, Scope and Use of Intellectual Property Rights. [http://www.wto.org/english/tratop\\_e/trips\\_e/t\\_agm2\\_e.htm](http://www.wto.org/english/tratop_e/trips_e/t_agm2_e.htm), Retrieved on September 13, 2010.

7 TRIPS: Agreement on Trade-Related Aspects of Intellectual Property Rights, Part II: Standards Concerning the Availability, Scope and Use of Intellectual Property Rights, Part II Section 3: Geographical Indications, Article 22.1. [http://www.wto.org/english/tratop\\_e/trips\\_e/t\\_agm2\\_e.htm](http://www.wto.org/english/tratop_e/trips_e/t_agm2_e.htm). Retrieved on September 13, 2010.

8 Miranda Risang Ayu, *Memperbincangkan Hak Kekayaan Intelektual, Indikasi Geografis, (Discussing Intellectual Property Rights: Geographical Indication.)* Bandung: P.T. Alumni, 2006, p.1.

9 Surip Mawardi and Sugiono Moeljoprawiro, "Perlindungan Indikasi Geografis". ("Protection

## **B. How is GI protected in Indonesia?**

Indonesia signed the World Trade Organization Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs) on January 1, 1995. Part I Article 1 of TRIPs requires member countries to implement the provisions of the TRIPs while granting them the freedom of determining the appropriate method of implementation within their own legal system and practice. Indonesia, as member of the World Trade Organization (WTO) and a signatory to the TRIPs, has undertaken a comprehensive review of its national legislation in order to meet its commitment and obligations under these international legal instruments. The protection of Geographical Indications and Indications of Source is provided for in Law Number 15 Year 2001 Concerning Marks under a separate chapter, and a detailed IG registration procedure is provided for in an implementing regulation, namely Government Regulation No. 51 Year Concerning Geographical Indication.

## **C. How is GI protected in Indonesia?**

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of Geographical Indication"). Paper presented at the Workshop: "Kepentingan Negara Berkembang Atas Indikasi Geografis" ("Developing Countries' Interest In Geographical Indications"). The Workshop was organized by Lembaga Pengkajian Hukum Internasional Fakultas Hukum Universitas Indonesia (Center For International Law Studies Faculty of Law University of Indonesia) in cooperation with the Directorate General of Intellectual Property Rights, Ministry of Law and Human Rights of the Republic of Indonesia. (Depok, 2005), p.164.

<sup>10</sup> TRIPs: Agreement on Trade-Related Aspects of Intellectual Property Rights, Part I: General Provisions and Basic Principles, Article 1, [http://www.wto.org/english/tratop\\_c/trips\\_c/t\\_agm2\\_e.htm](http://www.wto.org/english/tratop_c/trips_c/t_agm2_e.htm). Retrieved on September 13, 2010.

<sup>11</sup> Undang-Undang Republik Indonesia Nomor 15 Tahun 2001 Tentang Merek. (Law of the Republic of Indonesia Number 15 Year 2001 Concerning Marks). Chapter VII Geographical Indication and Indication of Source.



namely Government Regulation No. 51 Year Concerning Geographical Indication.

#### **D. How is GI protection relevant for Indonesia?**

Indonesia is the world's largest archipelago country, with a total of 13,000 islands spread from Sabang to Merauke<sup>12</sup>, and with a population of over 230 million people.<sup>13</sup> Indonesia has an abundant biodiversity and an extremely diverse culture. For example, Indonesia has the highest marine biodiversity in the world, and the second highest terrestrial biodiversity after Brasil. At the same time, Indonesia has over 500 ethnic groups<sup>14</sup> in its 33 provinces. With such a high level of biodiversity and cultural diversity, Indonesia has developed an enormous number of culture or traditional knowledge based products with unique features linked to the geographical area of their origin. These traditional local products possess unique features and play a significant role in the everyday life of Indonesia's local communities as well as in the life and economic development of Indonesia as a nation.<sup>15</sup> In the context of an increasing demand for developing creative industries in order to remain competitive in the global market, these products contain enormous potentials in creating a competitive edge and advantage for Indonesia.

At the same time, in the era of globalization and free trade many countries are seeking new alternative products to trade in, frequently leading to conflicting interests and potential GI infringements across borders and

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<sup>12</sup> Results of the Latest Survey of the Total Number of Islands in Indonesia, August 17, 2010, Antara News Agency. Results of the latest survey and verification conducted by the Ministry of Marine Affairs and Fisheries (KKP) indicate that Indonesia has about 13,000 islands spread from Sabang to Merauke. <http://www.antaranews.com/berita/1282043158/hasil-survei-terbaru-jumlah-pulau-indonesia>. Retrieved on September 13, 2010.

<sup>13</sup> Kompas, June 23, 2010. The Indonesian Statistics Agency estimates that Indonesia's population will reach 234.2 million people in 2010. <http://nasional.kompas.com/read/2010/06/23/12593833/Tahun.2010.Penduduk.Indonesia.234.2.Juta>. Retrieved on September 13, 2010.

<sup>14</sup> [http://www.indonesian-embassy.de/en/about\\_indonesia/people.htm](http://www.indonesian-embassy.de/en/about_indonesia/people.htm). Retrieved on September 13, 2010.

<sup>15</sup> Protection of Geographical Indication"). Paper presented at the Workshop: "*Kepentingan Negara Berkembang Atas Indikasi Geografis*" ("Developing Countries' Interest In Geographical Indications"). The Workshop was organized by *Lembaga Pengkajian Hukum Internasional Fakultas Hukum Universitas Indonesia* (Center For International Law Studies Faculty of Law University of Indonesia) in cooperation with the Directorate General of Intellectual Property Rights, Ministry of Law and Human Rights of the Republic of Indonesia (Depok, 2005), p. 164.

legal systems. The cases of *Kopi Gayo* coffee<sup>16</sup> and *Kopi Toraja* coffee<sup>17</sup>, two Indonesian IG products which have been registered as trade mark in foreign jurisdictions,<sup>18</sup> are only a few among many other cases of IG misappropriation which may have potentially occurred to date. As Indonesian GI products are developed, gain increasing popularity and reputation over

16 *Kopi Gayo* Coffee) is a prime commodity which originates from the Gayo Plateau. The Coffee Plantation which has been developed since 1908 has been flourishing in the Bener Meriah Regency and in Central Aceh (Province of Aceh Darussalam). These two areas are located 1200 meters above sea level and possess the largest area of coffee plantation in Indonesia, totaling about 81,000 Ha. Gayo is the name of the indigenous ethnic group living in this area. The majority of the Gayo community makes a living as coffee farmers. The Arabica variety dominates the coffee grown by the Gayo coffee farmers. The amount of Arabica Coffee produced in Gayo Land is the largest in Asia. For their dedication and cooperation in maintaining the quality of their *Kopi Gayo* (Gayo Coffee), the Association of Organic Gayo Coffee Farmers (Persatuan Petani Kopi Gayo Organik - PPKO) in Tanah Gayo have obtained Fair Trade Certified™ from Fair Trade International Organization. This certificate has positioned *Kopi Gayo* as the World's best Organic Coffee. <http://kopigayo.blogspot.com/>. Retrieved on September 16, 2010. After a long process, *Kopi Gayo* coffee received a GI Certificate, which was presented to the Regent of Aceh Tengah Regency during the commemoration of the 10th IPR Day in Jakarta in May 2010. As reported in the article "Indikasi Geografis Kopi Gayo Resmi Milik Masyarakat Gayo: Diserahkan Langsung oleh Menkum HAM. ("The Geographical Indication of Gayo Coffee Officially Belongs to the Gayo community: It Was Presented by the Minister of Law and Human Rights in Person". June 25, 2010. <http://www.aped-project.org/berita/cupn.php?id=90>. Retrieved on September 16, 2010.

17 This Arabica type coffee has been known as the "queen of coffee" worldwide, together with Colombian coffee, due to its pleasant aroma and taste. It is planted in Tana Toraja, South Sulawesi. However, in fact, the *Kopi Toraja* mark has already been registered by Key Coffee in Japan. Consequently, Indonesian exporters are unable to sell *Kopi Toraja* coffee directly to Japan and the U.S., they have to sell through Key Coffee. If they export directly, Indonesian exporters can be accused of the infringement of mark registered in Japan. [http://www.budaya-indonesia.org/fiaci/Kopi\\_Toraja\\_dari\\_Sulawesi\\_Selatan\\_oleh\\_perusahaan\\_Jepang](http://www.budaya-indonesia.org/fiaci/Kopi_Toraja_dari_Sulawesi_Selatan_oleh_perusahaan_Jepang). Retrieved on September 16, 2010. As stated by the Director General of IPR, Andy Noorsaman Someng on June 25, 2008, "Regarding that *Kopi Toraja* coffee has been registered as a trademark in Japan, this coffee produced in Indonesia cannot enter Japan, while the same coffee in Japan originates from Toraja. This is harmful for Indonesia". Key Coffee has also forbidden other companies from using the Toraja brand out of concern that it would negatively impact the image of the product. In addition to Japan, *Kopi Toraja* coffee has also been reportedly registered by a U.S. company. Widiyanti, Arin. Kasus *Kopi Toraja* Dibahas di EPA Jepang. (The *Kopi Toraja* Coffee Case is Being discussed in EPA Japan). June 25, 2008. <http://www.detikfinance.com/index.php/detik/read/tahun/2008/bulan/06/tgl/25/time/134404/fidnews/962189/fidkanal/4/fidpartner/>. Retrieved on September 16, 2010.

18 According to Ansori Sinungan, the Director for Cooperation of the Directorate General of Intellectual Property Rights of the Ministry of Law and Human Rights, a great number of reports have been received from exporters, particularly exporters of Indonesian handicraft products, concerning the registration of their IP rights by foreign parties. "Exporters of *Kopi Gayo* Coffee have encountered a barrier in entering the market in the Netherlands, as the word 'Gayo' has already been registered there by a Dutch entrepreneur. Similar has been the case with the *Toraja* Coffee, which has been registered in Japan by a local entrepreneur". Oemar, Soewantin. "Banyak HaKI produk kerajinan didaftarkan asing" ("Many IPs have been registered by foreign parties"). February 4, 2009. <http://www.dgip.go.id/ebscript/publicportal.cgi?ucid=376&ctid=23&id=2070&type=2>. Retrieved on September 15, 2010.

time, the risk of an increasing number of misappropriations is most likely to occur. In the context of a global economy and free trade, the international protection of traditional local GI products against misappropriation and abuse becomes an important issue and a very real need.

As mentioned above, to date there is no international integrated multi-lateral registration system that can provide automatic protection for Geographical Indications and Appellations of Origin. Under international law, there are currently two international registration systems that can be used for the registration and protection of GI, namely the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration of 1958, and the Madrid System consisting of the 1891 Madrid Agreement Concerning the International Registration of Marks and the 1989 Madrid Protocol for countries that protect GI under the trade mark regime. Notably, Indonesia is not a signatory of either of the above mentioned International Agreements.

## **II. Statement of the Issue**

In view of the foregoing, the purpose of this paper is to look at three aspects of the protection of Indonesian GIs under the existing international IP regime. First, what are the legal mechanisms and remedies available to Indonesia for the protection of its GI products against misappropriation; second, to what extent can these legal mechanisms and remedies be expected to be effective in resolving cases of the misappropriation of Indonesian GIs; and third, to what extent would signing the Lisbon and/or Madrid Agreement benefit Indonesia in the form of greater international protection of its GI products?

## **III. Discussion**

In broad terms, the international treaties dealing with the protection of geographical indications can be classified into the following groups: first, WIPO-administered treaties providing general standards of IP protection. These include the 1883 Paris Convention and the 1891 Madrid Agreement on Sources of Indication; second, WIPO-administered treaties governing registration systems for obtaining IP protection. These include the 1958

Lisbon Agreement for the Protection of Appellations of Origin; the 1891 Madrid Agreement on the International Registration of Marks and the 1989 Protocol Relating to that Agreement; and third, WTO TRIPs Agreement, which addresses the international protection of GIs within the framework of the World Trade Organization (WTO).<sup>19</sup> A brief description of each of the above mentioned categories is provided herebelow, with a special focus on Indonesia's status as a contracting party to the same.

**A. WIPO-administered treaties providing general standards of IP protection**

**1. *The Paris Convention for the Protection of Industrial Property of 1883***

The Paris Convention, concluded in 1883, was revised at Brussels in 1900, at Washington in 1911, at The Hague in 1925, at London in 1934, at Lisbon in 1958 and at Stockholm in 1967, and it was amended in 1979. It is the first major international agreement covering patents, designs and marks. Articles 10 and 10ter of this Convention address false indications of the source of goods. The Convention applies to industrial property in the widest sense, including geographical indications (indications of source and appellations of origin) and the repression of unfair competition. The Paris Union, established by the Convention, has an Assembly and an Executive Committee. The establishment of the biennial program and budget of the WIPO Secretariat—as far as the Paris Union is concerned—is the task of its Assembly. The Convention is open to all States. The Convention is open to all States.<sup>20</sup> As of 2010, The Paris Convention of 1883 has a total of 173 signatory states. Indonesia became a signatory state on December 24, 1950.<sup>21</sup> Indonesia is also member of the Paris Union Assembly established under the 1883 Paris Convention.

**2. *Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods (1891)***

The Agreement, concluded in 1891, was revised at Washington in 1911, at The Hague in 1925, at London in 1934, at Lisbon in 1958, and at

<sup>19</sup> World Intellectual Property Organization. Treaties. Geographical Indications. [http://www.wipo.int/geo\\_indications/en/treaties.html](http://www.wipo.int/geo_indications/en/treaties.html). Retrieved on September 16, 2010.

<sup>20</sup> World Intellectual Property Organization. Summary of the Paris Convention for the Protection of Industrial Property (1883).

[http://www.wipo.int/treaties/en/ip/paris/summary\\_paris.html](http://www.wipo.int/treaties/en/ip/paris/summary_paris.html). Retrieved on September 16, 2010.

<sup>21</sup> WIPO, Paris Convention, Contracting Parties. [http://www.wipo.int/treaties/en/statistics/details.jsp? treaty\\_id=2](http://www.wipo.int/treaties/en/statistics/details.jsp? treaty_id=2). Retrieved on September 14, 2010.



Stockholm in 1967. The 1891 Madrid Agreement deals with the false or deceptive indication of source, by which one of the contracting States, or a place situated therein, is directly or indirectly indicated as being the country or place of origin. Contracting States are required to seize any and all goods bearing such false or deceptive indication of source on importation, or to prohibit such importation, or to apply other actions and sanctions in connection therewith. The Agreement provides for the cases and the manner in which seizure may be requested and effected. It prohibits the use, in connection with the sale or display or offering for sale of any goods, of all indications in the nature of publicity capable of deceiving the public as to the source of the goods. It is reserved to the courts of each contracting State to decide what appellations (other than regional appellations concerning the source of products of the vine) do not, on account of their generic character, come within the scope of the Agreement. The Agreement does not provide for the establishment of a Union, any governing body or a budget.<sup>22</sup> There are a total of 35 contracting parties as of 2010 to the 1883 Madrid Agreement.<sup>23</sup> Indonesia is not a contracting State. However, as a State party to the 1883 Paris Convention, Indonesia is eligible to become a State Party to the 1891 Madrid Agreement.

**B. WIPO-administered treaties governing global registration systems for obtaining IP protection**

**1. *Lisbon Agreement for the Protection of Appellations of Origin and their International Registration* (1958).**

The Lisbon Agreement, concluded in 1958, was revised in Stockholm in 1967, and was amended in 1979. The aim of the Agreement is to provide for the protection of appellations of origin. Appellations of origin are defined as the “geographical name of a country, region, or locality, which serves to designate a product originating therein, the quality and characteristics of which are due exclusively or essentially to the geographic environment, including natural and human factors” (Article 2). Such names are registered by the International Bureau of WIPO in Geneva

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<sup>22</sup> World Intellectual Property Organization. Summary of the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods (1891). [http://www.wipo.int/treaties/en/ip/madrid/summary\\_madrid\\_source.html](http://www.wipo.int/treaties/en/ip/madrid/summary_madrid_source.html). Retrieved on September 16, 2010.

[http://www.wipo.int/treaties/en/registration/lisbon/summary\\_lisbon.html](http://www.wipo.int/treaties/en/registration/lisbon/summary_lisbon.html). Retrieved on September 16, 2010.

<sup>23</sup> WIPO, Madrid Agreement (Indications of Source), Contracting Parties. [http://www.wipo.int/treaties/en/statistics/StatsResults.jsp?treaty\\_id=3](http://www.wipo.int/treaties/en/statistics/StatsResults.jsp?treaty_id=3). Retrieved on September 14, 2010.

upon the request of the competent authorities of the interested contracting State. The International Bureau communicates the registration to the other contracting States. A contracting State may declare, within one year, that it cannot ensure the protection of a registered appellation. A registered appellation may not be declared to have become generic in a contracting State as long as it continues to be protected in the country of origin.<sup>24</sup> The Lisbon Agreement created a Union, which has an Assembly. The Agreement is open to States party to the Paris Convention for the Protection of Industrial Property (1883). As of 2010, the Lisbon Agreement has a total of 27 contracting parties<sup>25</sup>. Indonesia is not a contracting party.

2. *Madrid Agreement Concerning the International Registration of Marks (1891) and the Protocol Relating to that Agreement (1989)*. The system of international registration of marks is governed by two treaties:
  - a. the Madrid Agreement, concluded in 1891 and revised at Brussels (1900), Washington (1911), The Hague (1925), London (1934), Nice (1957), and Stockholm (1967), and amended in 1979, and
  - b. the Protocol relating to that Agreement, which was concluded in 1989, with the aim of rendering the Madrid system more flexible and more compatible with the domestic legislation of certain countries which had not been able to accede to the Agreement. It also provides for the registration of certification marks.

The Madrid Agreement and Protocol are open to any State which is party to the Paris Convention for the Protection of Industrial Property. The two treaties are parallel and independent and States may adhere to either of them or to both. The system makes it possible to protect a mark in a large number of countries by obtaining an international registration which has effect in each of the Contracting Parties that has been designated.<sup>26</sup> As of 2010, the Madrid Agreement of 1891 has a total of 56 contracting parties

<sup>24</sup> World Intellectual Property Organization Summary of the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (1958).

<sup>25</sup> WIPO, Lisbon Agreement. Contracting Parties. [http://www.wipo.int/treaties/en/statistics/details.jsp?treaty\\_id=10](http://www.wipo.int/treaties/en/statistics/details.jsp?treaty_id=10). Retrieved on September 14, 2010.

<sup>26</sup> WIPO. Summary of the Madrid Agreement Concerning the International Registration of Marks (1891) and the Protocol Relating to that Agreement (1989). [http://www.wipo.int/treaties/en/registration/madrid/summary\\_madrid.html](http://www.wipo.int/treaties/en/registration/madrid/summary_madrid.html). Retrieved on September 16, 2010.

56<sup>27</sup>, whereas the Madrid Protocol of 1989 has 82 contracting parties.<sup>28</sup> Indonesia is not a contracting party to either the Madrid Agreement or the Madrid Protocol.

### C. WTO TRIPS Agreement

The TRIPS Agreement came into effect on 1 January 1995. It is to date the most comprehensive multilateral agreement on intellectual property. In general, the three main features of the TRIPS Agreement include standards, enforcement and dispute settlement. First, standards. The TRIPS Agreement sets forth the minimum standards of protection, defining the main elements of protection such as: subject matter to be protected, the rights to be conferred and permissible exceptions to those rights, and the minimum duration of protection. The TRIPS Agreement adds a substantial number of additional obligations on matters where the pre-existing conventions are silent or were seen as being inadequate. Second, enforcement. Provisions of the TRIPS Agreement also deals with domestic procedures and remedies for the enforcement of intellectual property rights by laying down certain general principles applicable to all IPR enforcement procedures. In addition, it contains provisions on civil and administrative procedures and remedies, provisional measures, special requirements related to border measures and criminal procedures, which specify, in a certain amount of detail, the procedures and remedies that must be available so that right holders can effectively enforce their rights. Third, dispute settlement. Disputes between WTO Members about the respect of the TRIPS obligations are subject to the WTO's dispute settlement procedures.<sup>29</sup> In Articles 22 to 24, the TRIPS Agreement addresses the international protection of GIs within the framework of the World Trade Organization (WTO). Indonesia signed the *World Trade Organization Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs)* on January 1, 1995.

Based on the above, it is evident that at the present time Indonesia is a contracting State to only two out of the existing international treaties that with the international protection of GIs to a certain detail and extent, namely the 1883 Paris Convention and the WTO TRIPS Agreement of 1995. The Paris Convention sets out the general standards of IP protection and

27 WIPO. Madrid Agreement (Marks), Contracting Parties. [http://www.wipo.int/treaties/en/statistics/details.jsp?treaty\\_id=21](http://www.wipo.int/treaties/en/statistics/details.jsp?treaty_id=21). Retrieved on September 14, 2010.

28 WIPO. Madrid Protocol. Contracting Parties. [http://www.wipo.int/treaties/en/statistics/details.jsp?treaty\\_id=8](http://www.wipo.int/treaties/en/statistics/details.jsp?treaty_id=8). Retrieved on September 14, 2010.

29 WIPO. Overview: the TRIPS Agreement. [http://www.wto.org/english/tratop\\_e/trips\\_e/fin\\_tel2\\_e.htm](http://www.wto.org/english/tratop_e/trips_e/fin_tel2_e.htm). Retrieved on September 16, 2010.

it does not specifically define geographical indications. At the same time, while the TRIPS Agreement gives a more specific definition of Geographical Indications, it deals with the protection of Geographical Indications within the general framework of WTO.

1. To what extent can the existing international legal mechanisms and remedies be expected to be effective in resolving cases of the misappropriation of Indonesian GIs?

There are at least two essential features of the TRIPS Agreement that appear to be relevant in the discussion on the implementation and enforcement of Intellectual and Industrial Property Rights in general, and GIs in particular. First, the provision of Article 24 paragraph (9), which reads as follows:

*There shall be no obligation under this Agreement to protect geographical indications which are not or cease to be protected in their country of origin, or which have fallen into disuse in that country.*

The effect of above quoted provision is that unless a member state recognizes and protects a GI, it is not protected under the TRIPS Agreement.

Second, the TRIPS Agreement clearly applies the “*the first in time first in right*” principle as spelled out in Article 24 paragraph (5), setting forth that a trademark registered in good faith prior to a GI’s being protected in the country of origin will continue to be eligible for registration, its registration will continue to be valid, and the right to use it will remain unaffected, even though it is identical or similar to a Geographical Indication.<sup>30</sup> In many cases, this provision triggers the much debated issue of precedence of trademarks over geographical indications. It is important to note that the above quoted “*the first in time first in right*” is applicable only on the condition that the use of the prior trademark would not mislead the public about the true origin of the product. If such condition is not fulfilled, Members can refuse or invalidate trademarks that contain geographical indications

<sup>30</sup> “Where a trademark has been applied for or registered in good faith, or where rights to a trademark have been acquired through use in good faith either: (a) before the date of application of these provisions in that Member as defined in Part VI; or (b) before the geographical indication is protected in its country of origin; measures adopted to implement this Section shall not prejudice eligibility for or the validity of the registration of a trademark, or the right to use a trademark, on the basis that such a trademark is identical with, or similar to, a geographical indication.” Article 24 Paragraph 5. TRIPS: Agreement on Trade-Related Aspects of Intellectual Property Rights, Part III: Geographical Indications, Article 24 paragraph (5), [http://www.wto.org/english/tratop\\_e/trips\\_e/t\\_agm2\\_e.htm](http://www.wto.org/english/tratop_e/trips_e/t_agm2_e.htm). Retrieved on September 13, 2010.



on goods that do not originate in the territory indicated.<sup>31</sup> It has generally been understood that trademarks take precedence over GI's. However, this theory was tested recently, when the Czech Republic successfully canceled Anheuser-Busch's trademark registrations for "Budweiser" and/or "Bud" in several European countries by claiming that the terms were a proprietary GI for beer from the town of Ceske Budejovice. In this case, GI's were found to be superior to trademarks.<sup>32</sup> There have been several other instances where the registrations of trademarks containing geographical indications were defeated. Notably, these include two well known cases from India, namely Basmati rice and Darjeeling tea case. In the Basmati case, some 15 external applications for new trademarks for basmati rice or its variations have been challenged with success by India's Pasmati Development Fund and Agricultural and Processed Foods Export Development Authority. Likewise, the Tea Board of India has mounted frequent legal defenses against the attempted registration in a large number of countries overseas of trademarks considered by the Board as an infringement of Darjeeling tea, a registered GI in India (Srivastava 2005).<sup>33</sup> In Indonesia's case, there has not been empirical experience in international GI enforcement so far. It will be interesting, therefore, to see the approach taken in handling the recently emerging cases such as the *Kopi Gayo* coffee and *Kopi Toraja* coffee.

How does Indonesian law deal with these two essential aspects, namely recognition and protection on the one hand, and the precedence of trademark over geographical indication on the other? Under Indonesia's current IP regime, legal protection of Geographical Indications is provided for under the Law of the Republic of Indonesia No. 15 Year 2001 Concerning Marks<sup>34</sup> (hereinafter briefly referred to as Law No. 15/2001). Furthermore,

31 "A Member shall, ex officio if its legislation so permits or at the request of an interested party, refuse or invalidate the registration of a trademark which contains or consists of a geographical indication with respect to goods not originating in the territory indicated, if use of the indication in the trademark for such goods in that Member is of such a nature as to mislead the public as to the true place of origin." Article 22 paragraph 3 of the TRIPS Agreement.

32 Geographical Indications. August 25, 2003. A Discussion Paper from the International

Food & Agricultural Trade Policy Council. <http://www.agritrade.org/Publications/Discussion-Papers/GI.pdf>. Retrieved on September 15, 2010.

33 Wattanaputtipaisan, Thitapha: Trademarks and Geographical Indications: Policy Issues and Options

in Trade Negotiations and Implementation. <http://www.adb.org/Documents/Periodicals/ADR/pdf/ADR-Vol26-1-Wattanaputtipaisan.pdf>. Retrieved on September 16, 2010.

34 Undang-Undang Republik Indonesia Nomor 15 Tahun 2001 Tentang Merek. (Law of the Republic of Indonesia Number 15 Year 2001 Concerning Marks.) Geographical Indications are provided for under a separate Chapter VII entitled Geographical Indication and Indication of Source.

it is mandated under Article 56 paragraph (9) of Law No. 15/2001, the GI registration procedure is to be provided for in a Government Regulation.<sup>35</sup> Subsequently, Government Regulation Number 51 Year 2007 Concerning Geographical Indication (hereinafter referred to as GR 51) was issued on September 4, 2007.

**a. Compulsory Registration.**

Under Law 15/2001 registration of GI is provided for in Article 56 paragraphs (1) and (2). According to the provisions of the said article, geographical indication is protected as a 'mark'<sup>36</sup> which indicates the place of origin of a good, which due to geographical environment factors including natural, human factors or a combination of both, attributes certain characteristics and quality to the good produced.<sup>37</sup> It is further set forth in paragraph (2) that a geographical indication obtains protection upon its registration based on an application filed by eligible parties.<sup>38</sup> At the same time, in the General Part of the Elucidation on PP 51 it is reaffirmed that, legal protection is provided to geographical indication if it has been registered, which is intended to guarantee legal certainty.<sup>39</sup> Since the issuance of the said GR 51 up to the time of writing this paper, Geographical Indication Certificates have been issued for four (4) local GI products and for one (1) foreign GI product.<sup>40</sup> Admittedly, Indonesia is still lagging behind many

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Chapter VII consists of two parts. Part One consisting of three articles, namely Articles 56 through 58, provides specifically for Geographical Indication. Part Two consisting of only two short articles 59 and 60 provides for Indications of Origin.

35 Undang-Undang Republik Indonesia Nomor 15 Tahun 2001 Tentang Merek. (Law of the Republic of Indonesia Number 15 Year 2001 Concerning Marks.) Article 56 paragraph (9) provides that provisions concerning GI registration procedures are to be further set forth in a Government Regulation. Law of the Republic of Indonesia No. 15 Year 2001 Concerning Marks.

36 The original word in Bahasa Indonesia (Indonesian language), is "tanda" which can be translated as 'mark' or 'sign'.

37 Undang-Undang Republik Indonesia Nomor 15 Tahun 2001 Tentang Merek (Law of the Republic of Indonesia Number 15 Year 2001). Article 56 paragraph (1).

38 Undang-Undang Republik Indonesia Nomor 15 Tahun 2001 Tentang Merek (Law of the Republic of Indonesia Number 15 Year 2001). Article 56 paragraph (2).

39 Penjelasan atas Peraturan Pemerintah Republik Indonesia Nomor 51 Tahun 2007 Tentang Indikasi-Geografis. Merek (Elucidation on the Government Regulation of the Republic of Indonesia Number 51 Year 2007). General Part I.

40 The issuing authority is the Directorate General of IP (DGIP) of the Ministry of Law and Human Rights of the Republic of Indonesia. GI Certificates for local GI products include Kopi Kintamani (Kintamani Coffee from Bali), which is the first GI registered under Government Regulation 51/2007 in Indonesia. The Kopi Kintamani GI Certificate was issued to the Association of Kintamani Coffee Producers in December 2008. As reported in Elvani Harifaningsih, "Kopi Kintamani peroleh sertifikat indikasi geografis", ("Kintamani Coffee Receives Geographical Indication Certificate"), < <http://haki.depperrin.go.id/advokasi-hukum/cetak.php?id=270>>. Retrieved on January 4, 2009.) It was followed by GI Certificates for other Indonesian local products including Kopi Gayo

countries, including some other Asian countries, in view of the number of its GI registrations.<sup>41</sup> However, as the four newly issued GI Certificates in the first half of 2010 indicate, the Indonesian Government has been working diligently towards the materialization of a strong national GI protection system, thus creating a solid ground for international protection of GI products.

**b. Trademark v. Geographical Indication**

There is a specific provision in Law 15/2007 prohibiting the registration of a Mark if it contains an essential or an overall similarity with a previously known geographical indication.<sup>42</sup> Although no explanation is provided as to the term “previously known geographical indication”, this particular provision appears to recognize precedence of geographical indication over trademark.

Provisions of Section 3 of the TRIPS Agreement specifically dealing with Geographical indications do not grant explicit precedence to geographical indications over trademarks. Article 22.3 allows Members to refuse or invalidate the registration of a trademark which contains or consists of a geographical indication with respect to goods not originating in the territory indicate only if use of the indication in the trademark misleads the public as to the true place of origin. However, Article 22.4 provides that in the event of a trademark applied for or registered in good faith before the geographical indication is protected in its country of origin, the eligibility for registration, the validity of registration or the right to use of a

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Coffee from Aceh Darussalam Province), Muntok White Pepper from Bangka Belitung Province issued in the first half of 2010. The DGIP issued these GI certificates to the Regional/Local Governments respectively. At the same time, one GI Certificate issued for Champagne from France. As reported in the article entitled Opening of the IP Based Industry Exhibition and One Day Seminar on the Occasion of Commemorating the 10th World IPR Day, <http://nsi.dgip.go.id/ebscript/publicportal.cgi?ucid=376&ctid=25&id=3376&type=0>. Retrieved on September 13, 2010.

41 As records of the Indian Intellectual Property Office indicate, since the year 2003 a total of 45 GI products have been registered in India, while a total of 9 GI products have been registered in Malaysia, including Serawak pepper, Sabah tea and Sabah sea-weed. Kopi Gayo peroleh sertifikat indikasi geografis (Kopi Gayo Coffee Obtains Geographical Indication Certificate), July 8, 2010, by Suwantin Oemar, *Bisnis Indonesia*, <http://bataviase.co.id/node/287122>. Retrieved on September 13, 2010. China has also been making concerted and systematic endeavors towards the exploitation of GIs for supporting her national economy, specifically by using GIs to create added value for her agricultural products and boosting her rural economy. Since GIs have been included in China's national trademark system, more than 250 GIs have been registered in the country, and several hundred more applications are pending. WIPO Magazine Editorial Staff, Communications and Public Outreach Division. Tasting Success in China. July 2007. [http://www.wipo.int/wipo\\_magazine/en/2007/04/article\\_0003.html](http://www.wipo.int/wipo_magazine/en/2007/04/article_0003.html). Retrieved on August 4, 2010.

42 Undang-Undang Republik Indonesia Nomor 15 Tahun 2001 Tentang Merek (Law of the Republic of Indonesia Number 15 Year 2001). Article 6 paragraph (1) sub-paragraph c.

trademark shall remain unaffected in the face of measures on the bases that such trademark is identical with, or similar to, a geographical indication.<sup>43</sup>

Based on the above brief analysis of the relevant provisions of Law No.15/2001 and GR 51 it becomes obvious that Indonesia has adopted the positive protection system for geographical indications, namely protection is provided based on registration. This is in line with the 'no registration, no protection' principle implied in Article 24 paragraph (9) of the WTO TRIPS Agreement. At the same time, while Indonesian law gives precedence to geographical indication over trademark, the TRIPS Agreement does give the same strong precedence to geographical indications. In conclusion, the need for the registration of Indonesian GI products at home constitutes the very first step and a prerequisite for any form of international GI protection. In other words, without the registration of GI products domestically, the currently existing international mechanisms for GI protection and enforcement cannot be expected to provide effective protection for Indonesian GI products.

1. To what extent would Indonesia's signing the Lisbon and/or Madrid Agreement result in a more effective international protection of its GI products?

There is no universally applicable multilateral protection of GIs under the TRIPS Agreement. In general, the options currently available to Contracting States include the two International IP Registration Systems describe above, namely the Lisbon System and the Madrid System, as well as other bilateral, plurilateral or multilateral agreements, including among other things Free Trade Area (FTA) Agreements. The protection mechanism elected and the cases of infringement encountered will further determine implementation and the appropriate forum and place for purposes of dispute settlement. The issue related to international GI protection at the global as well as the regional level has been the systemic differences resulting in diverse provisions on GIs in the bilateral or plurilateral free trade agreements (FTAs) among WTO members, including those in the *Association of Southeast Asian Nations* (ASEAN).<sup>44</sup> Indonesia, as a member state

<sup>43</sup> WTO TRIPS Agreement. [http://www.wto.org/english/tratop\\_e/trips\\_e/t\\_agm3b\\_e.htm#3](http://www.wto.org/english/tratop_e/trips_e/t_agm3b_e.htm#3). Retrieved on September 18, 2010.

<sup>44</sup> Wattanapruttipaisan, Thipatha. Trademarks and Geographical Indications: Policy Issues and Options

in *Trade Negotiations and Implementation*. Asian Development Review, vol. 26, no. 1, pp. 166–205 © 2009 Asian Development Bank. <http://www.adb.org/Documents/Periodicals/ADR/pdf/>



of both WTO<sup>45</sup> as well as ASEAN<sup>46</sup>, needs to consider particular aspects of GI Protection not only in light of its national interest and legislation, but also in the context of the relationships and provisions under the existing and future international treaties and agreements.

In this context, it is interesting to take a brief look at the latest developments taking place on the international front in the above mentioned areas related, or potentially related to the protection of geographical indications. As reported by the Intellectual Property Watch, enforcement of rights and a global harmonization of systems have been among the focal points of trademark and geographical indications policy in 2010. Efforts to improve the existing tools both at the national and international levels have included, among other things, the setting up of a database for trademark registration, amendments to the Lisbon Treaty on the Protection of Appellation of Origin, and the evaluation of the European trademark system.<sup>47</sup>

a. EU-Korea FTA

In October 2009, the free trade agreement between the European Union and South Korea included the protection of geographical indications, which should enter into force in 2010. In reaction to the said FTA agreement, The Foundation for a Free Information Infrastructure has called for the removal of the intellectual property rights chapter from the FTA out of concern that it could be a threat to innovation and competitiveness.<sup>48</sup>

b. EU – ASEAN FTA and Bilateral FTA between EU and member states of ASEAN

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ADR-Vol26-1-Wattanaputtipaisan.pdf. Retrieved on September 16, 2010.

<sup>45</sup> Indonesia ratified The Agreement Establishing the World Trade Organization

(WTO) on November 2, 1994 by the Law of the Republic of Indonesia Number Year 1994. See Britipisilo, Agus. WTO, Regional and Bilateral Trade Liberalization: Its Implication for Indonesia. [http://www.aseanlawassociation.org/9GAdocs/w3\\_Indonesia.pdf](http://www.aseanlawassociation.org/9GAdocs/w3_Indonesia.pdf). Retrieved on September 2010.

<sup>46</sup> The Association of Southeast Asian Nations, or ASEAN, was established on 8 August 1967 in Bangkok, Thailand, with the signing of the ASEAN Declaration (Bangkok Declaration) by the Founding Fathers of ASEAN, namely Indonesia, Malaysia, Philippines, Singapore and Thailand. [http://www.aseansec.org/about\\_ASEAN.html](http://www.aseansec.org/about_ASEAN.html). Retrieved on September 18, 2010.

<sup>47</sup> Saez, Catherine. Year Ahead: Stronger Protection, Harmonisation Among Goals For Trademarks And GIs In 2010. Intellectual Property Watch. 21 January 2010. <http://www.ip-watch.org/weblog/2010/01/21/year-ahead-stronger-protection-harmonisation-among-goals-for-trademarks-and-gis-in-2010/>. Retrieved on September 18, 2010.

<sup>48</sup> Saez, Catherine. Year Ahead: Stronger Protection, Harmonisation Among Goals For Trademarks And GIs In 2010. Intellectual Property Watch. 21 January 2010. <http://www.ip-watch.org/weblog/2010/01/21/year-ahead-stronger-protection-harmonisation-among-goals-for-trademarks-and-gis-in-2010/>. Retrieved on September 18, 2010.

In the context of cooperation between EU and ASEAN<sup>49</sup>, it is interesting to note that the EU has offered €5.1 million euros assistance to all 10 members of the Association of Southeast Asian Nations (ASEAN) in renewing its IP cooperation with ASEAN<sup>50</sup>, which would emphasize GI protection as one of the key elements. The said assistance would cover four years as soon as all ASEAN members ratify the cooperation agreement. The renewed EU-ASEAN Intellectual Property Rights Cooperation Programme would be the third phase of such cooperation and the GI enforcement would become a greater element in this new phase than in the previous ones. The offer for such assistance has come amidst the trend of more Asian countries offering protection to GIs, and an extended GI protection in the EU to cover various categories of food and other products among EU members in addition to wines and spirits, covering products from non-EU countries.<sup>51</sup> Negotiations for a regional FTA between EU and ASEAN covering all but three members of ASEAN (the exceptions being Cambodia, Laos and Myanmar) had been launched. After seven negotiating rounds, and a progress slower than expected, in March 2009 finally both sides agreed to temporarily suspend the negotiations. However, the EU has been currently exploring bilateral FTAs with some ASEAN countries and talks have started with Singapore, Vietnam, Thailand, Malaysia, Indonesia and the Philippines, with the expectation that bilateral FTAs should ultimately provide a stepping-stone for a future agreement in the regional context.<sup>52</sup>

49 EU is ASEAN's 2nd largest trading partner after China accounting for around 11.2 % of ASEAN trade. ASEAN as an entity represents the EU's 5th largest trading partner accounting to 118 billion EUR (exports and imports). European Commission Trade. EU is also the largest investor in the region, accounting for 24.5% of total investment ahead of Japan (15%) and the US (8%), <http://trade.ec.europa.eu/doclib/press/index.cfm?id=611>. <http://ec.europa.eu/trade/creating-opportunities/bilateral-relations/regions/asean/>. Retrieved on September 18, 2010.

50 The EU finances various trade-related technical assistance projects to support ASEAN regional integration. These cover a range of topics such as intellectual property rights (ECAP II), statistical capacity building and support to FTA negotiations as well as for the development of the ASEAN Economic Community. European Commission Trade. EU pushes links with ASEAN in Economic Ministers meeting. Brussels, 27 August 2010. <http://trade.ec.europa.eu/doclib/press/index.cfm?id=611>. Retrieved on September 18, 2010.

51 Tunsarawuth, Sinfah. EU Says GI Products Would Benefit Asian Poor In Renewing IP Assistance. Intellectual Property Watch. 12 June 2009. <http://www.ip-watch.org/weblog/2009/06/12/eu-says-gi-products-would-benefit-asian-poor-in-renewing-ip-assistance/>, accessed on September 12, 2010.

52 European Commission Trade. EU pushes links with ASEAN in Economic Ministers meeting. Brussels, 27 August 2010. <http://trade.ec.europa.eu/doclib/press/index.cfm?id=611>. Retrieved on September 18, 2010.

c. Trademarks

One of the significant activities related to the **harmonization of trademarks** has been the signing of an agreement between WIPO and the *European Union Office of Harmonization for the Internal Market (OHIM)* future collaboration in trademark classification. WIPO, which administers the *Madrid System for the International Registration of Trademarks*, is seeking to expand its goods and services database to include at least 30,000 indications and make it available online in 2010, and OHIM will share its own list of currently accepted indication with WIPO with the goal of establishing a common database of acceptable indications of goods and services, thus facilitating harmonization of classification practice and make the registration in national trademark offices easier.<sup>53</sup> At the same time, according to recent reports the number of international trademark filings under the Madrid system administered by WIPO dropped by 16% in 2009 as a result of the global economic downturn, although increases were observed among some major users of the system, notably the European Union (EU) (3.1%) and Japan (2.7%), as well as in the Republic of Korea (ROK) (+33.9%), Singapore (+20.5%), Croatia (+17.5%) and Hungary (+14.5%). Reportedly, in 2009 applicants paid on average 3,408 Swiss francs for an international registration and for 57% of registrations the fees paid were less than 3,000 Swiss francs. The total number of member states of the Madrid system (1891) and the Madrid Protocol (1989) remains 84. After the ratification of the Madrid Protocol by Egypt, and the accession to the Protocol by Liberia and Sudan, the number of contracting parties of the Protocol has risen to 81. This means that now only three countries are bound by the Madrid Agreement only.<sup>54</sup> Notably, in accordance with Article 3 of the Madrid Agreement, applications for international registration must indicate the particulars, and must mention the date and numbers of

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54 Saez, Catherine. Year Ahead: Stronger Protection, Harmonisation Among Goals For Trademarks And GIs In 2010. Intellectual Property Watch. 21 January 2010. <http://www.ip-watch.org/weblog/2010/01/21/year-ahead-stronger-protection-harmonisation-among-goals-for-trademarks-and-gis-in-2010/>. Retrieved on September 18, 2010.

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the filing of the mark in the country of origin as certified by the Trademark Office of the country of origin.<sup>55</sup>

d. Geographical Indications

**DOHA Round of Trade Negotiations.** The issues of extending to other products the high level of protection that is granted to wines and spirit in the TRIPS (Article 23) and the initiative to introduce a mandated register of GI will continue to be present in the **World Trade Organization's DOHA Round of trade negotiations**, which started in 2001.<sup>56</sup> The EU had proposed to enhance coverage of Article 23 to products other than wines and spirits. Developing countries such as India, Cuba and Indonesia and other have also been demanding for such enhancement. At the same time, it has been deemed important for all WTO member countries to work towards the development of a comprehensive mechanism for a more effective protection of geographical indications, as articulated in the recommendations of the Doha Declaration for establishment of a multilateral system of notification and registration of geographical indications. The points raised by the US and other countries have been related to national treatment with respect to geographical indications and adequate protection to pre-existing trademarks that are similar or identical to a geographical indication. With regards to the multilateral system of notification, the US proposal suggests that WTO members would notify GIs to the WTO Secretariat which would then be entered into a centralized database available through the Internet, while participating members would use the database for domestic determinations regarding trademarks and GIs.<sup>57</sup>

**Survey on the Lisbon System.** In September 2008 the Assembly of the Lisbon Union established a working group in order to explore possible improvements to the procedure under the agreement. At its first session in Geneva in March 2009, the Working Group on the Development of the Lisbon System (Appellations of Origin) agreed, among other things, that

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<sup>55</sup> Madrid Agreement Concerning the International Registration of Marks of April 14, 1891, as revised at Brussels on December 14, 1900, at Washington on June 2, 1911, at The Hague on November 6, 1925, at London on June 2, 1934, at Nice on June 15, 1957, and at Stockholm on July 14, 1967, and as amended on September 28, 1979. Article 3 paragraphs (1) and (2). [http://www.wipo.int/madrid/en/legal\\_texts/trtdocs\\_wo015.html#a1](http://www.wipo.int/madrid/en/legal_texts/trtdocs_wo015.html#a1). Retrieved on September 18, 2010.

<sup>56</sup> Saez, Catherine. Year Ahead: Stronger Protection, Harmonisation Among Goals For Trademarks And GIs In 2010. Intellectual Property Watch. 21 January 2010. <http://www.ip-watch.org/weblog/2010/01/21/year-ahead-stronger-protection-harmonisation-among-goals-for-trademarks-and-gis-in-2010/>. Retrieved on September 18, 2010.

<sup>57</sup> Chaturvedi, Sachin. India, the European Union and Geographical Indications (GI):

*Convergence of Interests and Challenges Ahead.* [http://www.ris.org.in/dp35\\_pap.pdf](http://www.ris.org.in/dp35_pap.pdf). Retrieved on September 15, 2010.



the International Bureau of WIPO should conduct a survey with a view to ascertaining how the Lisbon system might be improved. In October 2009, the International Bureau of WIPO initiated the above-mentioned survey and called upon contracting States of the Lisbon Agreement, States non-members of the Lisbon system, interested intergovernmental and non-governmental organizations, as well as interested circles to submit any suggestions for such improvements. The results of the survey were considered by the Working Group in Geneva from August 30 to September 3, 2010.<sup>58</sup> Some of the interesting points that came up as a result of the said survey<sup>59</sup> can be summed up as follows. First, dispute resolution. Many of the respondents expressed the need for the introduction of a mechanism for the settlement of disputes concerning issues related to the Lisbon system, inter-State conflict if declaration of refusal is a piece of legislation or an administrative decree, disputes between Contracting Parties of the Lisbon system. Many of the respondents suggested that such disputes be settled through the WIPO Arbitration and Mediation Center. Some proposed that the possibility be given to interested private parties to refer any dispute related to the application of the Agreement to mediation and/or arbitration through the WIPO Arbitration and Mediation Center.<sup>60</sup>

Second, the relationship between geographical indications and trademarks. On the one hand, it has been suggested that additional provisions be added in the Agreement to provide protection to geographical indications and appellations of origin against the registration of a trademark containing or consisting of a geographical indication or appellation of origin if its use would involve an infringement as provided for under Article 3 of the Agreement. At the same time, it has also been suggested to add provisions to safeguard prior trademark rights acquired in good faith prior to the date on which the geographical indication or appellation of origin became protected. On the other hand, it was suggested by some of the respondents that the relationship between trademarks and appellations of origin/geographical indications be governed by the principles of priority, exclusivity and

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<sup>58</sup> WIPO IP Services. Survey on the Lisbon System. <http://www.wipo.int/lisbon/en/survey.html>. Retrieved on September 18, 2010.

<sup>59</sup> WIPO News and Events. Results of the Survey on the Lisbon System. [http://www.wipo.int/meetings/en/doc\\_details.jsp?doc\\_id=135253](http://www.wipo.int/meetings/en/doc_details.jsp?doc_id=135253). Retrieved on September 18, 2010.

<sup>60</sup> WIPO News and Events. Results of the Survey on the Lisbon System. [http://www.wipo.int/meetings/en/doc\\_details.jsp?doc\\_id=135253](http://www.wipo.int/meetings/en/doc_details.jsp?doc_id=135253). Retrieved on September 18, 2010.

territoriality, based on which the protection of an appellation of origin/geographical indication must be refused or cancelled where it conflicts with prior trademark rights, with priority being determined from the perspective of the country in which protection is sought. The suggestion goes further by asserting that under no circumstances may the protection of an appellation of origin/geographical indication be used as a basis for a claim to enjoin the use of a trademark with an earlier priority than the appellation of origin/geographical indication.<sup>61</sup> The aforementioned suggestions seem to reflect considerable interest and concern about this area of potential 'overlap' and even conflict between these two "different, independent and equal IPRs" as Wattanapruttipaisan refers to them.<sup>62</sup>

Third, monitoring, enforcement and renewal. Contributions received by the Working Group included suggestions for the Working Group to consider issues concerning the monitoring of the use of appellations of origin and geographical indications by national control authorities; issues concerning the enforcement of appellations of origin and geographical indications; as well as issues concerning renewals of registrations.<sup>63</sup> While it will be interesting to see how the results of the above described Survey on the Lisbon System are followed up in the Working Group's subsequent discussions, it is impossible to predict with certainty when any improvements in the Lisbon System will actually take place, let alone foresee their effectiveness.

In view of all of the foregoing, the following conclusions can be made. First, due to the unresolved issues and the absence of a consensus on the international protection and registration of geographical indications, the prospects for the realization of the proposal to introduce a universally applicable multilateral registry for geographical indications remain uncertain. At the same time, the existing mechanisms which can be potentially used for the international protection of geographical indications such as bilateral, multilateral, and plurilateral treaties, are overshadowed by the

<sup>61</sup> WIPO News and Events. Results of the Survey on the Lisbon System.

[http://www.wipo.int/meetings/en/doc\\_details.jsp?doc\\_id=135253](http://www.wipo.int/meetings/en/doc_details.jsp?doc_id=135253). Retrieved on September 18, 2010.

<sup>62</sup> Wattanapruttipaisan, Thitapha: Trademarks and Geographical Indications: Policy Issues and Options

in Trade Negotiations and Implementation. <http://www.adb.org/Documents/Periodicals/ADR/pdf/ADR-Vol26-1-Wattanapruttipaisan.pdf>. Retrieved on September 16, 2010.

<sup>63</sup> WIPO News and Events. Results of the Survey on the Lisbon System.

[http://www.wipo.int/meetings/en/doc\\_details.jsp?doc\\_id=135253](http://www.wipo.int/meetings/en/doc_details.jsp?doc_id=135253). Retrieved on September 18, 2010.

dynamics of the ongoing global search for a generally more acceptable system of GI protection. Second, due to the relatively small number of its contracting parties and geographical spread, as well as the recently expressed need for harmonization and improvement, the Lisbon system appears to be a rather limited mechanism for international protection of Indonesia's GIs. Third, with its expanding membership and wider geographical spread, the Madrid System appears to be offering a more attractive option. However, Indonesia's ability to use it as a means for effective international protection of its GIs would greatly depend on its ability and preparedness to ensure the compliance of its GIs with the highly complex international trademark registration system and classification sub-systems, with registration being the first of many other requirements.

#### **IV. Conclusion**

Based on the above discussion, the following conclusions can be made. First, Indonesia as member of the 1883 Paris Convention and the 1995 WTO TRIPS Agreement is an eligible, yet up to the present time a non-contracting party to either the Lisbon System, or the Madrid System. Second, the existing international GI protection mechanisms, including the Lisbon System and the Madrid System, either lack coverage in terms of membership or geographical spread, or they pose a challenge in the form of a complex implementation mechanism. In neither of these cases do they offer a universally applicable implementation and enforcement mechanism. Consequently, their ability to provide greater international protection for GI products would largely depend on Indonesia's ability to take legal action for the enforcement of its GI rights. Third, discussion on effective international protection of Indonesian GIs under any of the currently existing international GI protection mechanisms is, and will remain substantively irrelevant until the point at which Indonesian GIs are registered and thus protected in Indonesia as the first step in meeting the requirement for IG protection under the international IP regime.

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