International Norm-Making in the Field of Intellectual Property: A Shift Towards Maximum Rules?

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The situation

- For a long time, international law-making in IP only seemed to know one direction – forward to more protection
- One reason for that lies in the fact that international Conventions are based (inter alia) on the principle of minimum protection, thereby establishing a ‘floor‘, with only the sky being the limit
- While the ‘minimum rights‘ approach created few problems under the Berne and Paris systems, the upward movement of protection thresholds has developed a potentially dangerous spin in the post-TRIPS/TRIPS-plus era

The solution?

- As a reaction, the notion of ‘ceilings‘ or ‘maxima‘(= internationally mandatory limitations of IP protection) attracts increasing attention as a regulatory ‘antidote‘ to the present developments
- The primary aim of ceilings would be twofold:
  - (1) ensuring that countries cannot go beyond that level of protection in their domestic legislation (‘internal safeguard‘)
  - (2) ‘immunizing‘ countries against pressure from trading partners to indroduce higher protection standards than what the ceilings would allow (‘external safeguard‘)

Ceilings in present IP Conventions

- Although the ceilings concept is basically alien to traditional IP lawmaking on the international level, a few examples are found in existing Conventions.
- See in particular the Berne Convention:
  - Art. 2.8 excludes news of the day from protection
  - Art. 10.1 makes it mandatory to allow for citations
- TRIPS and WCT exclude ideas, procedures, methods of operation and mathematical concepts as well as mere data from protection (Art. 9.2 and 10.2 TRIPS; Art. 2 and 5 WCT)
- Art. 5 ter Paris Convention contains a limitation clause allowing presence and repair of patented devices on vessels and aircraft in transit

Further ceilings in TRIPS?

- Apart from provisions with obvious ceiling character like those mentioned before, other rules, in particular in the enforcement part of TRIPS, according to their wording might also constitute ceilings.
- The issue became topical with regard to seizure of goods in transit by EU authorities on the basis of the Border Measures Regulation (1383/2003).
- The seizure went beyond (and against?) Art. 52 TRIPS, which requires the right holder to bring *prima facie* evidence of infringement
- India and Brasil have considered to initiate Panel proceedings for violation of TRIPS.

External Ceilings

- Apart from ceilings expressly aiming at IP rights, the scope and exercise of such rights may also be subjected to *external* limits.
- In the domestic context, such external limits are typically found in competition law as well as constitutional principles, in particular fundamental rights.
- On the international level, international structures of competition law capable of forming an external counterweight to expansion of IP protection are lacking
- Regarding fundamental rights, the existing codices on Human Rights might arguably consitute an external ceiling, in particular when it comes to the right to health – see also the Doha Declaration
- However, the impact of Human Rights will hardly ever be strong enough to prevail vis-a-vis specific, hard and fast IP protection provisions

Ceilings presently under discussion

- The issue of limitations and exceptions, including mandatory limitations, forms part of WIPO‘s development agenda and of the WIPO Standing Committee on the Law of Copyright and Related Rights (SCCR)
- In particular, ceilings form part of the WBU proposal for a treaty on ‘Improved Access for Blind, Visually Impaired and other Reading Disabled Persons’
- Likewise, the NGO proposal for a treaty on Access to Knowledge (A2K) relies on the concept of ceilings
- In the field of patents, the much-discussed obligation to indicate the origin of genetic material could become a ceiling if it would lead to mandatory rejection or invalidation of patents derived from such material.
- More patent-relevant ceilings might emerge from current discussions on patents & climate change

Ceiling treaties - Strategic aims and motives (overview)

- Corresponding to the distinction between internal and external safeguards, the strategic aims of discussions around ceilings can be divided in (at least) two categories
- Forum shifting: if certain policy aims cannot be achieved on the domestic level (e.g. for lack of bargaining power), transposing the issue to the international level may serve to aggregate and enhance leveraging effects
- Defensive action: By explicitly formulating rules with a ceiling character, it is intended to clarify/establish that other, possibly countervailing rules are either not violated, or have to yield (=opt-out strategy?)

Forum shifting – potential and drawbacks, I

- The strategy of form shifting can be successful if the issue has strong ‘moral‘ appeal (like the WBU proposal)
- However, even if that results in the conclusion of an international treaty
  - it is doubtful whether countries will adhere;
  - even if they adhere, it may be questionable to what extent the obligations resulting from such treaties would be enforced against non- or mal-implementation
    - domestically (by way of “direct application“) or
    - upon initiative of other countries.

Forum shifting – potential and drawbacks, II

- To create international obligations by way of forum shifting would further lose much of the desired effect if the relevant rule could simply be abrogated by way of private ordering.
- It seems to be unclear at present whether countries are automatically obliged to refuse enforcement of contracts/protection against circumvention of TPMs if ceilings are disrespected thereby (J. Ginsburg, 2009).
- With clarity lacking on that point, it is recommendable to include explicit wording into the treaty itself (see WBU proposal).

Defensive action – potential and drawbacks I

- Countries adhering to ceiling treaties would be hindered from acceding to agreements imposing protection beyond that limit – hence, they would be "immune" against bilateral pressure.
- On the other hand
  - depending on (political) urgency, countries might rather be ready to violate the ceilings rule than renounce to FTAs
  - the problem with FTAs frequently does not concern the substance of obligations imposed, but rather the manner in which they are negotiated, and the fact that they may be ill-fitting to a country's socio-economic situation

Defensive action – potential and drawbacks, II

- Ceiling treaties may provide a way to concretize the existing framework of IP provisions (in particular the three-step test), thereby creating a “safe haven“ for user-friendly legislation.
- However, as long as TRIPS itself is not changed or amended, the present yardstick would remain to be governing.
- It follows even more that ceiling treaties cannot be utilized for “opting out“ of specific obligations incurred under the existing treaty system (TRIPS, Berne and/or Paris Conventions).

Conclusions?

- In view of all that – should one stop talking and thinking about international IP ceilings?
- Certainly not…
- Even if actual prospects may be modest, it is of high importance to realise that IP expansion is not, and should not be, without limits!

Thank you!

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