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INNOVATION & EMPLOYMENT**
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NEW ZEALAND
FOREIGN AFFAIRS & TRADE

Discussion paper

EU-NZ Free Trade Agreement Negotiations: Protection of Geographical Indications in New Zealand

December 2019

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The Ministry of Business, Innovation and Employment (MBIE) and the Ministry of Foreign Affairs and Trade (MFAT) seek written submissions on the issues raised in this document by 27 March 2020. Your submission may respond to any or all of these issues. Where possible, please include evidence to support your views, for example references to independent research, facts and figures, or relevant examples.

Please include your contact details in the cover e-mail accompanying your submission.

You can make your submission by sending your submission as a Microsoft Word document to:

EU-FTA@mfat.govt.nz

Please also direct any questions that you have in relation to the submissions process to the same email address:

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The information provided in submissions will be used to inform advice to Ministers on the negotiating mandate for concluding the EU-NZ Free Trade Agreement.

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Disclaimer

This invitation to provide a submission on the matters discussed in this document must be understood in the broader context of the EU-NZ free trade agreement negotiations.

In scoping discussions between New Zealand and the EU prior to commencement of negotiations, the parties agreed that negotiations should aim at providing a broader framework for the recognition and protection of GIs beyond wine and spirits. But both parties recognised that any agreement on providing such framework would be subject to a satisfactory outcome in the overall agreement for New Zealand.

Nothing in this document indicates that New Zealand has agreed or will agree to any GI proposals made by the EU, or that there will be any changes to New Zealand's current domestic regulatory regime for GI protection.

Nothing in this document implies that any further discussion document will be released or further submissions will be sought in relation to any amended or negotiated GI proposal that may arise in the future, or in relation to any other aspect of the free trade agreement negotiation.

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List of Acronyms

CJEU	Court of Justice of the European Union
EU	European Union
EU-NZ FTA	Proposed Free Trade Agreement between the European Union and New Zealand
FTA	Free Trade Agreement
GI	Geographical indication
GI Act	Geographical Indications (Wine and Spirits) Registration Act 2006
IP	Intellectual Property
JWB	Joint working body
MBIE	Ministry of Business, Innovation and Employment
MFAT	Ministry of Foreign Affairs and Trade
TRIPS Agreement	WTO Agreement on Trade-Related Aspects of Intellectual Property Rights

1 Introduction

FTA context

1. New Zealand is negotiating a free trade agreement (**FTA**) with the European Union (**EU**), one of the world's largest trading entities. We are aiming for a modern, high-quality and comprehensive agreement.
2. The EU proposed a draft [*intellectual property chapter*](#) at the outset of the FTA negotiation. The draft chapter included proposals on a wide a range of intellectual property (**IP**) rights including copyright and related rights, trade marks, designs, patents, trade secrets and geographical indications (**GI**). This paper covers elements of the EU's GIs proposals¹.
3. As part of the negotiation, the EU has proposed that:
 - a. New Zealand protect approximately 2,200 existing EU GIs² for exclusive use by qualifying EU producers;
 - b. the EU will protect qualifying existing New Zealand GIs nominated by New Zealand; and
 - c. the parties agree a mechanism for adding new names to those lists of GIs in the future.
4. The EU has also proposed that New Zealand adopt a regulatory protection framework for GIs that is similar to the existing EU framework, but that is significantly different to New Zealand's existing framework. Our respective frameworks and differences are discussed below.
5. Where possible, we will look to agree terms that are consistent with the existing frameworks of both parties and will not require any changes to New Zealand's existing law. However, given the differences between the EU proposed regulatory framework and New Zealand's existing framework, we need to consider the policy implications and net impact on New Zealand of the EU's proposals.
6. The EU considers the protection of GIs as culturally and economically important. The EU has a core strategic focus of using FTA negotiations to secure protection for its GIs in other countries under regulatory frameworks that align with protection provided within the EU.³
7. The EU has made it clear that an outcome on the protection of GIs is necessary for a successful conclusion on the FTA. Equally, New Zealand will not agree to protect any EU GIs or change the existing framework for protection of GIs unless it is part of a satisfactory overall FTA outcome for New Zealand.
8. As noted in the above disclaimer⁴, nothing in this discussion paper suggests New Zealand has agreed, or will agree, to make any changes to its existing GI regulatory framework or policies.

¹ The initial EU draft text on GIs is set out in the Appendix

² MFAT called for [*submissions*](#) on the proposed EU GI names and for proposals for New Zealand GI names between 19 December 2018 and 19 March 2019

³ The EU's FTAs are available on the European Commission website: <https://ec.europa.eu/trade/policy/countries-and-regions/negotiations-and-agreements/>

Purpose of this paper

9. This discussion paper seeks your views on the implications and anticipated cost and benefits of the EU's GI protection framework proposal.
10. Your submission will be used to help inform New Zealand's negotiation position on the GI provisions in the EU-NZ FTA. It will help inform the eventual negotiation outcome and, to the extent that outcome may require any changes to New Zealand's existing GI framework, also inform the implementation of those changes. And, as noted above, any outcome on GIs is subject to a satisfactory outcome in the overall agreement for New Zealand.
11. An outcome on GIs may impact on New Zealand's Geographical Indications (Wine and Spirits) Registration Act 2006 (the **GI Act**), which provides a registration regime for wine and spirits GIs. Therefore, much of this paper compares and contrasts the EU's proposed protection framework with New Zealand's GI Act.
12. However, the release of this discussion paper is not an indication that the Government is reviewing the GI Act.

What are geographical indications?

13. A GI is an indication, usually a name, which identifies a product as originating in a territory, or a region or locality in a territory or area where a given quality, reputation or other characteristic of the product is essentially attributable to its geographical origin.⁵
14. GIs link the particular characteristics of the product to the geographical area in a way that distinguishes that product from similar products originating in other areas. This link must arise from the natural and human elements unique to the area and the production of the product. Unique elements could include soil conditions, climate characteristics, production traditions or the product's reputation associated with the area.
15. The names of a number of New Zealand's wine growing regions have been registered as GIs under the GI Act. Names such as "Central Otago" and "Marlborough" identify wines that originate from those regions and, as a result, have particular characteristics that distinguish them from wines from other regions. Similarly, names such as "Scotch Whisky" and "Cognac" have been registered as GIs for spirits and, therefore, are protected in New Zealand. This protection prevents people labelling and selling for example whisky as "Scotch Whisky" if it is not from Scotland and does not meet other specific requirements associated with producing and aging whisky.⁶
16. A GI is typically the name of a geographical area. However, it is not a requirement that a GI must include a geographical name.

⁴ See page 4

⁵ Article 22.1 of the WTO TRIPS Agreement.

⁶ New Zealand's current registered GIs can be viewed at: <https://www.iponz.govt.nz/about-ip/geographical-indications/register/>

17. Generally common names that are used by producers and traders to identify a particular product or a characteristic of the product cannot be GIs. This is because common names cannot distinguish a product produced in one area from those produced in other areas.
18. GI protection defines where and (sometimes) how a product must be produced before a particular GI can be attached or attributed to that product. GI protection does not, however, give any person an exclusive right to authorise who may produce or sell the products covered by the GI. Any person that produces or trades in products that meet those defined requirements can use the applicable GI in trade in relation to those products.

New Zealand's current framework

TRIPS Agreement

19. New Zealand's current GI regulatory framework is consistent with the World Trade Organization's *Agreement on Trade-Related Aspects of Intellectual Property Rights* (the **TRIPS Agreement**), which provides internationally agreed minimum standards for GI protection.
20. Article 22 of the TRIPS Agreement sets out these minimum standards for GIs for wines, spirits and foodstuffs. This includes providing interested parties with the legal means to be able to prevent use of a GI that:
 - a. suggests a good originates in a geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the good; and
 - b. constitutes an act of "unfair competition".⁷

This means a Central Otago wine producer should be able to stop someone using the words "Central Otago" on wine produced from grapes grown in another region, where that use misleads people about where the wine is from and is otherwise unfair.

21. Article 23 provides an additional and higher standard of protection for wine and spirit GIs (but not for foodstuff GIs). Interested parties are to be provided with the legal means to be able to prevent the use of GIs identifying wines or spirits not originating from the place indicated by the GI, even where:
 - a. the true origin of the good is indicated;
 - b. the GI is used in translation; or
 - c. that use is accompanied by expressions such as "kind", "type", "style", "imitation" or the like.

⁷ Article 10bis of the *Paris Convention for the Protection of Industrial Property* (1967) defines "Unfair competition" as any act of competition contrary to honest practices in industrial or commercial matters constitutes an act of unfair competition. The following acts in particular are prohibited:

- (i) all acts of such a nature as to create confusion by any means whatever with the establishment, the goods, or the industrial or commercial activities, of a competitor;
- (ii) false allegations in the course of trade of such a nature as to discredit the establishment, the goods, or the industrial or commercial activities, of a competitor;
- (iii) indications or allegations the use of which in the course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose, or the quantity, of the goods.

22. This means, for example, a sparkling wine produced in Australia and offered for sale in New Zealand cannot be labelled as either “Australian champagne” or “champagne style wine”.
23. Additionally in respect of the Article 23 obligation, the TRIPS Agreement provides that Member States may instead provide for enforcement by administrative action, which we discuss at paragraph 83 below.⁸

New Zealand’s framework for protecting GIs

24. New Zealand currently provides for GI protection in four ways:
 - a. for wine and spirits (and not foodstuffs) the GI Act, provides a regime for the registration of wine and spirit GIs (e.g. “Marlborough”, “Scotch Whisky” and “Central Otago” have been registered as GIs); and
 - b. for all wine, spirits and foodstuffs:
 - the common law tort of passing off, which protects the underlying goodwill that traders have established with customers, enabling a party to prevent competitors using names, trade marks and product packaging that consumers associate with that party (successfully used by the French wine producers to protect the name “Champagne”);
 - the *Fair Trading Act 1986* (the **Fair Trading Act**), which prohibits a party engaging in conduct in trade that is likely to mislead or deceive consumers, including making false or misleading representations about the quality or origin of goods (successfully used by the French wine producers to protect the name “Champagne”); and
 - the *Trade Marks Act 2002* (the **Trade Marks Act**), where a GI can be registered as either a collective or certification trade mark (eg “Parmigiano Reggiano” has been registered as a certification trade mark).
25. Relevant aspects of New Zealand’s GI Act are described as part of the discussion of aspects of the EU’s proposal below.

Treaty of Waitangi

26. In considering the EU’s GI framework proposals under the FTA we need to understand them within the New Zealand context. In particular whether aspects of the EU’s proposed GI framework could have particular impacts on New Zealand and whether the New Zealand context means there are other policy issues beyond the scope of the EU proposal that need to be considered.
27. In particular, the Crown wishes to understand the view of Māori as Treaty of Waitangi partners both in relation to the potential benefits of an expanded GI framework as well as any costs or risks associated with such an expansion.
28. Article 2 of the Treaty of Waitangi refers to the Crown guaranteeing Māori (including iwi, hapū and whānau) “the full, exclusive and undisturbed possession of their lands and estates, forests, fisheries and other properties which they collectively or individually possess” (English version)

⁸ Footnote 4 of the TRIPS Agreement.

and “te tino rangatiratanga o o ratou wenua o ratou kainga me o ratou taonga katoa” (Māori version)

29. The Waitangi Tribunal’s report entitled *Ko Aotearoa Tēnei: A Report into Claims Concerning New Zealand Law and Policy Affecting Māori Culture and Identity* (the **Wai 262 report**)⁹ examined, among other things, how the intellectual property system protects mātauranga Māori, taonga works and the kaitiaki relationship with mātauranga Māori and taonga works.
30. The Wai 262 claim raised a number of complex issues about the nature of intellectual property, the nature of the kaitiaki relationship with taonga works, taonga-derived works and mātauranga Māori, and how the interface between the two systems could operate.
31. The Wai262 report recommended a set of mechanisms for protecting the kaitiaki interest in taonga works and mātauranga Māori. The Government is considering these recommendations as part of its whole of Government response to the Wai 262 report.¹⁰ The report did not make any specific recommendations in relation to GIs. The Tribunal noted the potential use of GIs to protect names from te reo Māori associated with certain products from particular places. However, the Tribunal also noted GIs (at best) only provide an indirect mechanism to protect any kaitiaki relationship associated with those place names and products and that it is this kaitiaki relationship “that deserves protection, not the GI isolated from that relationship”.¹¹
32. We invite you to provide feedback on any benefits, costs and risks from a Treaty of Waitangi and te ao Māori perspective in relation to each of the questions set out in this paper.

1

In addition to any responses made in relation to any other question in this paper, what issues arise under the Treaty of Waitangi in relation the EU’s proposals on GIs?

2 EU Proposal

33. Set out below are comments and questions about key aspects of the EU’s proposed framework for GI protection, including brief comparisons to New Zealand’s existing framework where applicable.

Foodstuffs

34. The EU proposal would likely require New Zealand to adopt a registration regime for protecting foodstuff GIs to ensure that domestic foodstuff GIs (in addition to just wines and spirits) are given the standard of protection being sought by the EU. That regime could either be a standalone registration regime for foodstuff GIs (separate from the registration regime for wine and spirits GIs) or an expansion of the GI Act to encompass registration of foodstuff

⁹ Ko Aotearoa Tēnei is available at: <https://waitangitribunal.govt.nz/publications-and-resources/waitangi-tribunal-reports/>

¹⁰ See: <https://www.tpk.govt.nz/en/a-matou-kaupapa/wai-262-te-pae-tawhiti>

¹¹ Wai 262 Report, volume 1, page 92

GIs. As New Zealand does not have a registration regime for foodstuff GIs, this would be a significant departure from our current domestic approach.

2

What do you think the impacts on New Zealand producers and consumers (including any costs and benefits) might be if we implement a registration regime for foodstuff GIs? For example:

- are there examples of names or other indications associated with foodstuffs that are not adequately protected by New Zealand's existing law and would benefit from a GI registration regime?
- what are the differences between wine and spirits GI and foodstuff GIs that could justify wine and spirit GIs having a registration regime and foodstuff GIs not having one?
- what costs would a foodstuff GI registration regime impose on foodstuff producers and consumers?

Please note that Question 11 below asks about the standard of protection that should apply to foodstuff GI registrations.

Eligibility for GI protection

35. The EU's GI framework proposal includes general requirements that New Zealand operate a register of GIs and an administrative process to verify that a GI identifies a good as coming from a geographic area where a given quality, reputation or other characteristic is essentially attributable to its geographic origin.¹² These requirements largely align with the current administrative processes followed by the Intellectual Property Office of New Zealand (**IPONZ**) in relation to the examination of applications for the registration of wine and spirit GIs under the GI Act. As noted in paragraph 34 above, the GI Act does not apply to foodstuff GIs so there is no current examination or registration of foodstuff GIs under that Act.

Common names for animal breeds and plant varieties

36. Under the GI Act¹³, the common name of a grape variety existing in New Zealand on 1 January 1995¹⁴ may not be registered as a wine GI. This is an absolute bar against such names being registered (and therefore protected) as GIs. The GI Act does not address the use of the common names for other plant varieties or animal breeds, given the scope of the Act is limited to wine and spirits.
37. The EU has proposed that New Zealand should not be required to protect a name as a GI if that name conflicts with the name of a plant variety or animal breed and, as a result, is likely to mislead consumers as to the true origin of the product.¹⁵ The EU proposal therefore provides discretion for such names to be protected as GIs where consumers are not likely to be misled

¹² EU-NZ FTA IP Chapter, Annex [XX]-A, Section B, paragraphs 1, 2 and 8

¹³ Section 11 of the GI Act

¹⁴ The 1 January 1995 date comes from Article 24.6 of the TRIPS Agreement, and is the date the WTO Agreements entered into force for New Zealand

¹⁵ EU-NZ FTA IP Chapter, Article X.38.2 and Annex [XX]-A, Section B, paragraph 7

as to the true origin of the product. This contrasts with the absolute bar under the GI Act against registering such names as GIs.

3

What are the anticipated impacts (including costs and benefits) of only refusing to protect plant variety or animal breed names as GIs where consumers are likely to be misled as to the true origin of the product? Other than any risk of consumers being misled about the origin of a product, are there others concerns about the use plant variety and animal breed names as GIs? What are they?

Homonymous GIs

38. Homonymous GIs arise where two GIs are spelt or sound the same, but relate to products with different geographical origins.
39. The GI Act permits registration of homonymous GIs. However, to address the risk of consumers being misled about the true origin of the relevant products, the Registrar may impose conditions on the use of one or both of the GIs after taking into account what is equitable for the applicable producers and the need to ensure consumers are not misled.
40. The EU has proposed that homonymous names that mislead consumers into believing that a product comes from another territory shall not be protected even if the name is accurate as far as the actual territory, region or place of origin in question is concerned. The EU proposal acknowledges the possibility that homonymous GIs may be differentiated from each other through the imposition of practical conditions. However, if the homonymous name is misleading, it cannot be protected.
41. In addition, the EU has proposed that (at least in relation to names that are homonymous with protected EU GIs) any conditions should be 'mutually decided' by the EU and New Zealand. Currently, conditions are determined by the New Zealand Registrar.¹⁶

4

What are the anticipated impacts (including costs and benefits) of preventing homonymous GIs from being protected? Should conditions for homonymous GIs be 'mutually decided or determined by the New Zealand Registrar? Why?

Registration and Renewal Fees

42. The EU has proposed that no fees should be payable for any GIs protected under the EU-NZ FTA.¹⁷ This would apply both to EU GIs given protection in New Zealand and New Zealand GI's given protection in the EU. This would mean that any costs associated with being given such protection would not be able to be recovered from the beneficiaries of that protection by way of requiring them to pay any fee. This is in contrast to the cost recovery model under which the fees that beneficiaries of registrations under the GI Act are required to pay meet IPONZ's costs for administering the register of GIs
43. Currently, IPONZ applies an application fee of \$5,000 for the examination and the first five years of registration of a GI. Renewal fees of \$2,000 for the first 10-year renewal term and \$500 for each subsequent 10-year renewal term are also payable.

¹⁶ EU-NZ FTA IP Chapter, Article X.38.3 and Annex [XX]-A, Section B, paragraph 7k¹⁷ EU-NZ FTA IP Chapter, Article X.37.8.

¹⁷ EU-NZ FTA IP Chapter, Article X.37.8.

44. IPONZ administers New Zealand's IP registration regimes on a full cost recovery basis, sourcing all operational funding from third party fees. Third party fees are used on the basis that the primary beneficiaries of IPONZ's services are those who are granted IP rights.¹⁸
45. The fee revenue covers the costs of the functions and services provided by IPONZ in relation to GIs, including costs of examination, registration, hearing any disputes, maintaining a publically accessible register, IP awareness activities, and meeting IP obligations under various international treaties and agreements.
46. For each IP register, the fees are based on the 'cost to serve the whole register', rather than the 'cost to serve each unit'. This approach ensures any fees contribute to the underlying policy objectives of each IP regime.
47. This meant GI registration fees were set to fully recover IPONZ's costs for administering the GI register from the beneficiaries of the relatively small number of GIs (less than 50) that were expected to be registered over the long term. That is why these fees are higher than, for example, the fees payable under the Trade Marks Act.¹⁹
48. The requirement for renewal fees, in part, provides a cost effective way to identify and remove GI registrations that have fallen into disuse. In general, a party will pay to renew a GI registration where the GI is still in use and valued by that party. By comparison, a GI registration that is no longer used or valued will not be renewed and, therefore, will automatically be removed from the register without anyone needing to pay the cost of applying to have such registrations removed.

5

If New Zealand was to agree to protect EU GIs under the FTA, how should the costs of maintaining IPONZ's functions and services related to protecting those GIs be recovered and from whom?

Relationship to trade marks

49. A "first in time, first in right" policy underpins the interaction of the GI Act and Trade Marks Act 2002. In general, a name that is identical or confusingly similar to a prior existing trade mark right cannot be registered as a GI. The same applies in reverse; an earlier GI right will normally take precedence over a later application to register a trade mark for the same name.
50. However, this is not an absolute rule. Section 18 of the GI Act permits a name to be registered despite the existence of a prior existing trade mark right if:
 - a. the owner of the prior existing trade mark right consents to its registration as a GI, or
 - b. the Registrar of GIs considers the GI may co-exist with the trade mark taking into consideration the following factors:
 - (i) the use of the GI in good faith;
 - (ii) evidence the name is in fact recognised as a GI; and

¹⁸ *Guidelines for Setting Charges in the Public Sector* published by The Treasury.

¹⁹ The application fee is \$150 per class and the registration renewal fee is \$350 per class (*Note IPONZ fees are changing in February 2020*).²⁰ EU-NZ FTA IP Chapter, Article X.36.1.

- (iii) the legitimate interests of the owner of the trade mark and of third parties.

Prior existing GI rights

51. In general terms, the EU has proposed that a person should not be able to register a trade mark that is similar to a protected GI.²⁰ In other words; the protected GI should take precedence over the trade mark application.
52. The EU has proposed separate approaches for determining when a protected GI should take precedence:
- a. In relation any names from the EU's initial list of approximately 2,200 nominated GIs that New Zealand may end up agreeing to protect under the FTA²¹, the EU has proposed those GIs will take precedence from the date on which the FTA enters into force.²²
 - b. In relation to any additional EU GIs proposed for protection after the FTA enters into force, the EU has proposed those GIs will take precedence from the date the EU submitted the request for those additional GIs to be protected in New Zealand. This would require giving the Commissioner of Trade Marks the legal means to refuse an application to register a trade mark and to declare a registration to be invalid on the basis of a similar GI that was submitted by the EU before the application date of that trade mark (even though that GI may not have been protected at that time).
53. The EU has proposed that the same rules apply in relation to New Zealand GIs submitted for protection in the EU under the FTA.

Prior existing trade mark rights

54. The EU has also proposed that a prior existing trade mark right will only prevent registration and protection of a later GI where the trade mark's "reputation and renown and length of time it has been used" means the proposed GI name is liable to mislead consumers as to the true identity of the relevant product.²³ In all other cases, the prior trade mark right would not prevent protection of the GI. The EU proposes that in such circumstances both the trade mark and GI should be allowed to co-exist.²⁴

6	If an application for registration of a trade mark conflicts with an EU GI protected under the FTA, what should be the relevant date for determining whether such a trade mark should be refused registration or invalidated because of the existence of a protected GI and why?
7	Under what circumstances should a prior existing trade mark registration be able to prevent the subsequent protection and registration of a GI?
8	Under what circumstances should a prior existing unregistered trade mark right (established by use) prevent protection being given to a GI?

²⁰ EU-NZ FTA IP Chapter, Article X.36.1.

²¹ subject to a satisfactory outcome in the overall Agreement for New Zealand

²² EU-NZ FTA IP Chapter, Article X.36.3

²³ EU-NZ FTA IP Chapter, Article X.36.7 and Annex [XX]-A, Section B, paragraph 8

²⁴ EU-NZ FTA IP Chapter, Article X.36.5

Right to use a GI – product specifications

55. The EU has proposed that New Zealand legislation should allow the use of GIs by:
- a. any operator marketing products conforming to the product specification²⁵; and
 - b. any producer that:
 - (i) is established in the relevant geographical area for that GI;
 - (ii) submits to the systems of controls to produce products labelled with the GI; and
 - (iii) complies with the product specification.²⁶
56. The GI Act does not distinguish between operators and producers in relation to the right to use a GI. Instead, it focuses on the use of the GI in trade in relation to products that are from the relevant geographical area and that otherwise meet the requirements set out in sections 21 to 24 of the GI Act.
57. A feature of the EU proposal is that use of a GI depends on the products complying with the relevant **product specification**. Each EU GI has a product specification that defines minimum characteristics for a product (such as where it is from and how it is produced) before that GI can be used in relation to that product in trade. The product specification is normally set by the relevant appellation or similar body that holds and oversees that use of the applicable GI.
58. The EU has proposed that New Zealand law should require that a product specification for a GI must be “laid down [and] can only be amended by due administrative process”²⁷. However, the EU has not proposed any specific elements of such a product specification.
59. Although the GI Act does not refer to ‘product specifications’, it does include a number of elements for GIs that are the same as, or similar to, elements included within a product specification under the EU regime. These are summarised and contrasted in the table below:

EU’s product specification	GI Act’s approximation of a product specification
The name to be protected.	The indication, which may be a name, to be protected.
A description of the product, including the raw material, if appropriate, as well as the principal physical, chemical, microbiological or organoleptic characteristic of the product.	A statement as to whether the GI relates to a wine or spirit.
Definition of the geographical area that the product must originate in. ²⁸	Geographical coordinates that define the boundaries of the territory, region or locality to which the GI relates.
<ul style="list-style-type: none"> Description of the method of obtaining the product. For wine this includes, but is not limited to, at 	<ul style="list-style-type: none"> For wine, at least 85% of the wine is obtained from grapes harvested in the relevant region to which the GI relates (and the remainder must come from

²⁵ EU-NZ FTA IP Chapter, Article X.35.1 and Annex [XX]-A, and Section B, paragraph 6

²⁶ EU-NZ FTA IP Chapter, Annex [XX]-A, and Section B, paragraph 9

²⁷ EU-NZ FTA IP Chapter, Annex [XX]-A, Section B, paragraph 3

²⁸ There is also scope for the wine to be produced in an adjacent geographical area where the product specification so provides for this to occur.

<p>least 85% of the grapes used to produce the wine must come from the relevant region to which the GI relates.</p> <ul style="list-style-type: none"> Generally wine may only be produced within the relevant geographical area. However, the product specification may permit the wine to be produced in an adjacent area. 	<p>New Zealand), but there is no limitation on where the wine can be produced.</p> <ul style="list-style-type: none"> For spirits, the spirits originate in the relevant region to which the GI relates.
<p>Details establishing the link between a given quality, reputation or other characteristic of the product and the defined geographical area that the product must originate within.</p>	<ul style="list-style-type: none"> An explanation of the given quality, reputation or other characteristics of the wine or spirit that is essentially attributable to the area. Evidence regarding the given quality, reputation or other characteristics.
<p>Any specific labelling rules for the product in question.</p>	<p>Description of any conditions on the use of the GI on a product label.</p>
<p>Details of the authorities or bodies responsible for verifying compliance with the product specification.</p>	<p>N/A</p>
<p>Solely for wine GIs:</p> <ul style="list-style-type: none"> the categories of grapevine products maximum yields per hectare grape variety or varieties from which the wine or wines are produced where applicable, the specific oenological practices used to make the wine or wines, as well as relevant restrictions on making them 	<p>N/A</p>

60. The EU has also proposed that a producer's right to use a GI should be subject to it submitting to "the system of controls to produce" that product.²⁹ This requirement is in addition to the requirement for the producer to comply with the product specification, and no equivalent requirement applies to operators marketing products. The EU has also proposed that New Zealand legislation provide for "control provisions applying to production".³⁰

9	What would be the anticipated costs and benefits for producers meeting each of the elements of the EU's specific product specifications in order to use a GI?
10	What, if any, systems of production control (beyond what is currently required in New Zealand) should a producer be required to submit to before a GI can be used in relation to the products of that producer and why? Who should set them, and how and why?

Standard of GI Protection

61. The EU has proposed New Zealand should provide protections for wine, spirit and foodstuff GIs that are largely the same as the protections provided in the EU.³¹ This would require that all GIs are protected against:
- any direct or indirect commercial use of the GI:

²⁹ EU-NZ FTA IP Chapter, Annex [XX]-A, Section B, paragraph 9

³⁰ EU-NZ FTA IP Chapter, Annex [XX]-A, Section B, paragraph 4

³¹ EU-NZ FTA IP Chapter, Article X.34.1

- (i) for comparable products not compliant with the **product specification** of the protected name, or
 - (ii) when such use **exploits the reputation** of a GI, including when that product is used as an ingredient;
 - b. any **misuse, imitation or evocation** of the GI , even if the true origin of the product is indicated or if the GI is translated, transcribed, transliterated or accompanied by an expression such as ‘style’, ‘type’, ‘method’, ‘as produced in’, ‘imitation’, ‘flavour’, ‘like’ or similar, including when those products are used as an ingredient;
 - c. any other **false or misleading indication** as to the origin, nature or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the product concerned, and the packing of the product in a container liable to convey a false impression as to its origin, including when those products are used as an ingredient; and
 - d. any other practice **liable to mislead** the consumer as to the true origin of the product.
62. This proposal goes beyond the existing standard of protection provided under the GI Act and which is required under Articles 22 and 23 of the TRIPS Agreement (discussed in paragraphs – 19 to 23 above).
63. The GI Act, in line with TRIPS requirements, only allows use of registered GIs in trade:
- a. where the products originate in the geographical area for that GI;³²
 - b. where that use is otherwise in accordance with the GI’s registration; and
 - c. in relation to foreign GIs, that use is in accordance with the conditions of protection in the relevant country of origin.
64. In line with Article 23 of the TRIPS Agreement, the GI Act imposes the higher standard for protection of wine and spirits GI by clarifying that restrictions on the use of GIs apply whether or not:
- a. the true place of origin is indicated;
 - b. the GI is used in translation; or
 - c. the use of the GI is accompanied by any of the words “kind”, “type”, “style”, “imitation” or any similar word or expression.
65. The EU proposes that wine, spirits and foodstuff GIs are all protected to the same high and TRIPS plus standard. However, as discussed above, the TRIPS Agreement and New Zealand’s framework for the protection of GIs make a clear distinction between the standard that applies to foodstuff GI and the (higher) standard to be applied to wine and spirits GIs.
66. We discuss below some of the key differences between the EU’s proposal and New Zealand’s existing protection framework.

³² For New Zealand wine, this requirement is that at least 85% of the wine is obtained from grapes harvested in that area and the remainder harvested in New Zealand.

11

If New Zealand agreed to provide for the registration of foodstuff GIs, what standard of protection should apply to those GIs and why? For example, should the standard of protection be:

- the minimum standard prescribed under Article 22 of the TRIPS Agreement;
- equivalent to the current standard of protection for wine and spirits GIs under the *Geographical Indications (Wine and Spirits) Registration Act 2006*;
- the standard proposed by the EU; or
- a different standard and, if so, what is that standard?

What are the anticipated costs and benefits of each of the above options?

Product Specifications - X.34.1(a)(i)

67. Mirroring the EU's proposals on the right to use GIs in relation to products that conform to the relevant product specification (discussed in paragraphs 55 to 60 above), the EU has proposed that GI protection should prevent use of a GI on comparable products that are not compliant with the product specification.

Exploiting a GI's reputation – X.34.1(a)(ii)

68. The EU has proposed protection be provided against commercial use of a GI that “exploits the reputation” of the GI, including any use of that GI to identify an ingredient in another product. We understand the EU's view is that this provision does not prevent the use of GIs in relation to products that meet the relevant product specifications.
69. Unlike Article X.34.1(a)(i), Article X.34.1(a)(ii) does not refer to “comparable products” so it appears the proposed protection may apply to the use of a GI in relation to any product, regardless of whether it is comparable to the products covered by that GI. For example, it may prevent the use of a wine GI on a food product, if the use on that food product exploits the reputation of the wine GI.
70. The GI Act does not expressly prohibit the commercial use of a registered GI in a way that seeks to exploit the reputation of the GI, including any use of the GI to identify an ingredient.
71. However, New Zealand law does provide tools capable of protecting the reputation or goodwill of a GI and that protects against misleading or deceptive representations about the standard or quality of a product. In addition, a well-known trade mark registered under the Trade Marks Act in relation to certain goods or services may be infringed by the unauthorised use of the same or similar mark in relation to dissimilar goods or services where the use of the mark “takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the mark”.³³

12

What are the costs and benefits of GIs being protected against commercial use that exploits the reputation of the GI?

³³ Trade Marks Act 2002, section 89

13	Should the use of a GI to identify an ingredient be considered to “exploit the reputation” of that GI? Why or why not? What are the anticipated costs and benefits of such an approach?
14	If GIs are protected against use that exploits the reputation of that GI, under what circumstances should that protection prevent use of the GI on products that are not comparable to the products covered by that GI?

Misuse, imitation and evocation – X.34.1.(b)

72. The EU has proposed GIs should be protected against any “misuse, imitation or evocation”.
73. This proposal is aimed at preventing use of words or other indications that misuse, imitate or evoke a GI, including where those words or indications are not the same as the protected GI.
74. In relation to evocation, there have only been a small number of cases before the Court of Justice of the European Union (**CJEU**) that illustrate the EU’s approach to evocation. These include decisions that:
 - a. use of the term “Glen Buchenbach” for whisky made in Germany was an evocation of the “Scotch Whisky” GI, given the close association of the word “Glen” with the descriptions, labelling and promotion of Scottish whisky and therefore the “Scotch Whisky” GI³⁴
 - b. use of the term “parmesan” for hard cheese was an evocation of the Italian GI ‘Parmigiano Reggiano’³⁵
 - c. use of the figurative elements of a knight similar to the usual depictions of “Don Quixote de La Mancha” on a bony horse against a landscape consisting of windmills and sheep was an evocation of the GI name “Queso Manchego”, a Spanish GI for cheese made from the milk of the manchega sheep breed and produced in the La Mancha region of Spain³⁶. This decision impacted producers from the La Mancha region with a long history of using depictions of Don Quixote on cheeses not covered by the GI product specification.
75. CJEU decisions are not binding in New Zealand. However, they illustrate that in the EU, evocation requires that there to be a ‘conceptual proximity’ between the disputed term or image and the GI that triggers an image in the mind of consumers of the product protected by the applicable GI.
76. The proposal does not limit the “misuse, imitation or evocation” of a GI only to uses made in relation to products that are comparable to products covered by that GI. In addition, the EU’s proposal does not limit the prohibition on “misuse, imitation or evocation” to merely commercial uses of GIs. Therefore, a non-commercial use could be found to ‘misuse, imitate or evoke’ a GI.

³⁴ CJEU Case C-44/17

³⁵ CJEU Case C-132/05

³⁶ CJEU Case C-614/17

77. Outside of the protection given to GIs under the GI Act, the current protection of GI names in New Zealand can prevent use of names that may not be exactly the same as the protected name. For example, a certification trade mark can be infringed by the use of a similar mark if that use is likely to deceive or confuse. Similarly, unauthorised use of similar names may constitute false, misleading or deceptive conduct for the purpose of the Fair Trading Act or amount to the tort of passing off. Depending on the facts, these protections could potentially prevent use of a name that, at least in colloquial terms, could be described as an imitation or evocation of a protected name. However, the concepts of “imitation” and “evocation” used by the EU in relation to GIs are not part of, and extend beyond, New Zealand’s current law.

Extended protection - “even if”

78. The EU has also proposed that protection against misuse, imitation or evocation should apply “even if”:
- a. the true origin of the product is clearly identified;
 - b. a translation, transcription or transliteration of the GI is used rather than the original protected form of the GI;
 - c. the use of the GI is accompanied by words such as “style”, “type”, “method”, “as produced in”, “imitation”, “flavour”, “like” or similar; or
 - d. the GI is used to identify an ingredient.
79. These proposed protections go beyond the protection that applies to wine and spirits GIs under Article 23 of the TRIPS Agreement and section 25 of the GI Act given they apply:
- a. to transcriptions and transliterations, rather than just translations;³⁷
 - b. where use of the GI is accompanied by the terms “method”, “as produced in”, “flavour” and “like” (in addition to the terms “kind”, “style”, “type” “imitation” and similar) ; and
 - c. to the use of a GI to identify an ingredient.
80. Using the EU GI “Irish Cream” as an example, the EU proposal suggests protection should prevent use of a translation (for example, into te reo Māori) or transcription of “Irish Cream” or of the words “an Irish Cream style” on any comparable whiskey liqueur. In addition, fudge made using an Irish Cream flavouring and labelled as ‘Irish cream fudge’ could be found to be a prohibited misuse of the GI. This could be the case even though the “Irish Cream” GI is registered in relation to spirits (not confectionary) and the words “Irish Cream” are used to identify the flavour of the fudge.

³⁷ Transliteration means transferring a word from the alphabet of one language into another, for example, “Feta” is a transliteration of the Greek word “Φέτα”. Transcription means transferring the sounds of a word into a written language (phonetic spelling of sounds into written language), for example, “feta” into “pheta”

16	Are there any circumstances in which GI protection should apply in relation to non-commercial use of a GI? What are the anticipated costs and benefits of protection applying in that way?
17	Are there any circumstances in which GI protection should apply in relation to goods that are not comparable to the goods covered by that GI? What are the anticipated costs and benefits of protection applying in that way?
18	<p>What are the anticipated costs and benefits of extending the protection described in TRIPS in relation to wine and spirits to also apply if the GI is:</p> <ul style="list-style-type: none"> • transcribed or transliterated; • accompanied by the term “method”, “as produced in”, “flavour” or “like”; or • used to identify an ingredient?
19	What are the anticipated costs and benefits of the TRIPS plus protections for wine and spirits GIs and/or the TRIPS plus protections proposed by the EU also applying to foodstuff GIs?

False or misleading indications – X.34.1(c) and (d)

81. The EU proposal includes a broad protection of a GI against “other false or misleading indication as to the origin, nature or essential qualities of the product” on packaging or related advertising or other documents. In addition, the proposal specifically protects against the “packing of the product in a container liable to convey a false impression as to its origin”. These protections also apply to products used as ingredients.
82. Finally, the EU proposes that GIs be protected against “any other practice liable to mislead the consumer as to the true origin of the product”.

20	What other uses of a GI, if any, should be protected and what are the anticipated costs and benefits of providing that protection?
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Enforcement of GI protections

83. Currently, the ability to enforce GI protection depends on the legal basis for that protection. For example, the following parties are able to take action to enforce protections of names or other indications provided under New Zealand's current framework:
- the Trade Marks Act - the holder of the applicable trade mark right (or, in some cases, their licensee);
 - the law of passing-off - the party able to establish it holds the relevant goodwill and reputation in the applicable GI;
 - the Fair Trading Act - any interested party concerned about any misleading or deceptive use of a GI, which could include any producer, distributor, retailer, consumer or the Commerce Commission;³⁸ and
 - the GI Act - any interested party able to take action under the Fair Trading Act (given a breach of restrictions on the use of a registered GI is deemed to be a breach of the prohibition on misleading and deceptive conduct in trade under section 9 of the Fair Trading Act).
84. To date, nobody appears to have taken legal action to enforce a registered GI. However, this may be because the GI Act has only been in force for two years and wine and spirits producers may still be familiarising themselves with the GI Act and the restrictions on the use of registered GIs.
85. The EU has proposed that New Zealand should provide administrative enforcement action by public authorities³⁹ and for judicial steps to prevent the unlawful use of GIs. Therefore, rather than EU producers taking civil action in the New Zealand courts to enforce their GI rights, we would likely need to expand the role and function of an existing authority, like the Commerce Commission, or establish a new authority specifically for enforcing the protections given to GIs agency. The EU has also proposed that administrative enforcement action should be taken at the request by any interested party.⁴⁰ This would include acting on requests from EU producers, whether or not they export their products with GIs to New Zealand.
86. Providing administrative enforcement action for GIs would be a departure from current enforcement policies for intellectual property rights (IPRs). In general, right holders are responsible for enforcing their IPRs as the principal beneficiaries of those rights. Right holders are provided with civil judicial procedures to enable them to enforce their IPRs.

21

Can you provide any evidence (anecdotal or otherwise) of registered GIs being misused in New Zealand and, if so, of any action taken to address that misuse?

38 Whether the Commerce Commission would take [enforcement action](#) depends on a range of factors including:

- the extent of detriment
- the seriousness of the conduct and
- the public interest.

³⁹ EU-NZ FTA IP Chapter, Annex [XX]-A, Section B, paragraph 5

⁴⁰ EU-NZ FTA IP Chapter, Article X.37

22	What, if anything, is particular, or peculiar, to the protection of GIs that means providing civil judicial procedures would be insufficient or otherwise inadequate for protecting them?
23	If the Government was to provide enforcement of GIs by administrative action, how should the Government's costs for such action be recovered, and from whom? Should the Government have any discretion in deciding when, and against whom, it should take action? If so, why and in what circumstance?

Border protection measures for GIs

87. The EU has proposed that New Zealand's existing border protection measures be extended to also cover shipments of goods suspected of infringing GIs.⁴¹
88. Currently under the *Copyright Act 1994* and the *Trade Marks Act 2002* a right holder can file a border protection notice with the New Zealand Customs Service (**Customs**). Where Customs suspects a shipment crossing the border (whether being imported, in-transit, or exported) may infringe either copyright or a registered trade mark, the shipment may be detained for a short period of time, which allows the right holder to initiate civil action for infringement. Customs currently enforces around 340 trade mark and copyright notices from right holders. The EU has proposed that Customs provide similar measures in relation to GIs.

24	Can you provide examples of GI infringing goods being imported, exported or in-transit through New Zealand border, the volume of those goods and what right holders have done in response?
25	What are the anticipated costs and benefits of extending the existing trade mark and copyright border protection measures to also apply to GIs?

Cancellation of GIs

89. The EU has proposed limited grounds for cancelling or removing a GI. The only express ground is that EU GIs protected under the EU-NZ FTA can only be cancelled by the EU.⁴² However, under the proposal New Zealand would not be obliged to protect an EU GI that is not, or ceased to be, protected in the EU.⁴³
90. Section 45 of the GI Act provides for a GI being removed from the register under a range of circumstances, including where:⁴⁴
- in the case of foreign GIs, it is not, or has ceased to be protected in its country of origin
 - it has fallen into disuse in its country of origin;
 - it has become a common name for the product concerned; or
 - its registration has expired.

⁴¹ EU-NZ FTA IP Chapter, Article X.61.1

⁴² EU-NZ FTA IP Chapter, article X.38.7

⁴³ EU-NZ FTA IP Chapter, article X.34.3

⁴⁴ This does not apply to the three enduring GIs under Part 1 of the register (being New Zealand, North Island and South Island)

91. The EU has also proposed that any GIs protected under the EU-NZ FTA “shall not become generic in the territories of the Parties”⁴⁵. If agreed, this would prevent a GI protected under the FTA being challenged on the basis it has become generic or a common name for the relevant product in New Zealand, which is currently possible in respect of any GI registered under the GI Act.
92. The limited ground for cancellation in the EU proposal would mean that a protected EU GI that has never been used, or stops being used (but remains protected in the EU) will continue to be protected in New Zealand unless:
 - a. that protection is cancelled at the request of the EU or
 - b. it is no longer protected in the EU (in which case New Zealand will no longer be required to provide protection).

26

What are the anticipated costs and benefits of New Zealand protecting EU GIs under the FTA where the relevant goods are not being exported to or traded in New Zealand?

27

In what circumstances should the protection given to EU GIs under the FTA be cancelled and why?

Protecting additional names after the FTA is ratified

93. An interested person from the EU or any other country can currently apply to register a wine or spirits GI in New Zealand provided they pay the relevant application fee (\$5,000), establish that their GI is protected in the country or territory of origin, and otherwise meet the requirements of the GI Act.
94. Similarly New Zealand producers, to the extent that their GIs are officially recognised in New Zealand, are able to apply through the EU’s GI registration regime for protection within the EU.
95. The EU has proposed an alternative procedure under the FTA for each party to secure GI protection within the territory of the other party on an ongoing basis following conclusion of FTA negotiations. This alternative procedure would allow EU applicants to avoid some of the normal requirements of New Zealand’s usual domestic procedure for protecting GIs, including the payment of any application fee. Equally, the alternative procedure would be open for New Zealand applicants seeking GI protection in the EU.
96. The alternative procedure proposed by the EU would be overseen by a joint working body (**JWB**), comprised of officials from the EU and New Zealand.⁴⁶ The EU’s proposed process involves the following steps:
 - a. additional names to be protected would be referred to the JWB for consideration;
 - b. the additional names would to be examined against the agreed criteria for protecting a GI;

⁴⁵ EU-NZ FTA IP Chapter, article X.34.2

⁴⁶ EU-NZ FTA IP Chapter, Annex [XX] – B.

- c. additional names to be advertised for opposition purposes;
- d. opponents have three months to provide a substantiated objection⁴⁷ to the JWB;
- e. the JWB to determine whether protection should be granted, including any conditions that might apply to the protection of individual names; and
- f. New Zealand and the EU to protect the names in accordance with the JWB's determination.

28

What would be the benefits and costs arising from the FTA providing an alternative procedure for GIs to be given protection in New Zealand and the EU?

If the FTA was to provide a such a process:

29

- a. What steps should the process follow and why?
- b. Who should make determinations on whether new names should be protected as GIs in New Zealand and the EU?
- c. How should the process intersect with existing domestic processes and normal domestic requirements for such processes?

Additional implications for Māori

97. As set out in paragraphs 26 to 32 above, we want to understand for the purposes of negotiating a GIs framework with the EU whether there might be additional implications specifically for Māori that need to be taken into account.

30

In addition to any potential cost, benefits, risks or other perspectives raised in response to earlier questions, what other costs, benefits and risks for Māori could arise from changing New Zealand's GI framework as proposed by the EU?

⁴⁷ A substantiated objection is one that specifies both the grounds for objecting to the protection and provides evidence to substantiate the objection.

3 Recap of questions

1	In addition to any responses made in relation to any other question in this paper, what issues arise under the Treaty of Waitangi in relation the EU's proposals on GI's?
2	<p>What do you think the impacts on New Zealand producers and consumers (including any costs and benefits) might be if we implement a registration regime for foodstuff GIs? For example:</p> <ul style="list-style-type: none"> are there examples of names or other indications associated with foodstuffs that are not adequately protected by New Zealand's existing law and would benefit from a GI registration regime? what are the differences between wine and spirits GI and foodstuff GIs that could justify wine and spirit GIs having a registration regime and foodstuff GIs not having one? what costs would a foodstuff GI registration regime impose on foodstuff producers and consumers? <p>Please note that Question 11 below asks about the standard of protection that should apply to foodstuff GI registrations.</p>
3	What are the anticipated impacts (including costs and benefits) of only refusing to protect a plant variety or animal breed names as GIs where consumers are likely to be misled as to the true origin of the product? Other than any risk of consumers being misled about the origin of a product, are there others concerns about the use plant variety and animal breed names as GIs? What are they?
4	What are the anticipated impacts (including costs and benefits) of preventing homonymous GIs from being protected? Should conditions for homonymous GIs be 'mutually decided or determined by the New Zealand Registrar? Why?
5	If New Zealand was to agree to protect EU GIs under the FTA, how should the costs of maintaining IPONZ's functions and services related to protecting those GIs be recovered and from whom?
6	If an application for registration of a trade mark conflicts with an EU GI protected under the FTA, what should be the relevant date for determining whether such a trade mark should be refused registration or invalidated because of the existence of a protected GI and why?
7	Under what circumstances should a prior existing trade mark registration be able to prevent the subsequent protection and registration of a GI?
8	Under what circumstances should a prior existing unregistered trade mark right (established by use) prevent protection being given to a GI?
9	What would be the anticipated costs and benefits for producers meeting each of the elements of the EU specific product specifications in order a use a GI?

10	What, if any, systems of production control (beyond what is currently required in New Zealand) should a producer be required to submit to before a GI can be used on the products of that producer and why? Who should set them, and how and why?
11	<p>If New Zealand agreed to provide for the registration of foodstuff GIs, what standard of protection should apply to those GIs and why? For example, should the standard of protection be:</p> <ul style="list-style-type: none"> the minimum standard prescribed under Article 22 of the TRIPS Agreement; equivalent to the current standard of protection for wine and spirits GIs under the <i>Geographical Indications (Wine and Spirits) Registration Act 2006</i>; the standard proposed by the EU; or a different standard and, if so, what is that standard? <p>What are the anticipated costs and benefits of each of the above options?</p>
12	What are the costs and benefits of GIs being protected against commercial use that exploits the reputation of the GI?
13	Should the use of a GI to identify an ingredient be considered to “exploit the reputation” of that GI? Why or why not? What are the anticipated costs and benefits of such an approach?
14	If GIs are protected against use that exploits the reputation of that GI, under what circumstances should that protection prevent use of the GI on products that are not comparable to the products covered by that GI?
15	What are the anticipated costs and benefits of protecting GIs against “misuse, imitation or evocation”?
16	Are there any circumstances in which GI protection should apply in relation to non-commercial use of a GI? What are the anticipated costs and benefits of protection applying in that way?
17	Are there any circumstances in which GI protection should apply in relation to goods that are not comparable to the goods covered by that GI? What are the anticipated costs and benefits of protection applying in that way?
18	<p>What are the anticipated costs and benefits of extending the protection described in TRIPS in relation to wine and spirits to also apply if the GI is:</p> <ul style="list-style-type: none"> transcribed or transliterated; accompanied by the term “method”, “as produced in”, “flavour” or “like”; or used to identify an ingredient?
19	What are the anticipated costs and benefits of the TRIPS plus protections for wine and spirits GIs and/or the TRIPS plus protections proposed by the EU also applying to foodstuff GIs?

20	What other uses of a GI, if any, should be protected and what are the anticipated costs and benefits of providing that protection?
21	Can you provide any evidence (anecdotal or otherwise) of registered GIs being misused in New Zealand and, if so, of any action taken to address that misuse?
22	What, if anything, is particular, or peculiar, to the protection of GIs that means providing civil judicial procedures would be insufficient or otherwise inadequate for protecting them?
23	If the Government was to provide enforcement of GIs by administrative action, how should the Government's costs for such action be recovered, and from whom? Should the Government have any discretion in deciding when, and against whom, it should take action? If so, why and in what circumstance?
24	Can you provide examples of GI infringing goods being imported, exported or in-transit through New Zealand border, the volume of those goods and what right holders have done in response?
25	What are the anticipated costs and benefits of extending the existing trade mark and copyright border protection measures to also apply to GIs?
26	What are the anticipated costs and benefits of New Zealand protecting EU GIs under the FTA where the relevant goods are not being exported to or traded in New Zealand?
27	In what circumstances should the protection given to EU GIs under the FTA be cancelled and why?
28	What would be the benefits and costs arising from the FTA providing an alternative procedure for GIs to be given protection in New Zealand and the EU?
29	<p>If the FTA was to provide a such a process:</p> <ul style="list-style-type: none"> d. What steps should the process follow and why? e. Who should make determinations on whether new names should be protected as GIs in New Zealand and the EU? f. How should the process intersect with existing domestic processes and normal domestic requirements for such processes?
30	In addition to any potential cost, benefits, risks or other perspectives raised in response to earlier questions, what other costs, benefits and risks for Māori could arise from changing New Zealand's GI framework as proposed by the EU?

Appendix: EU Draft GI Text⁴⁸

SUB-SECTION 4

Geographical Indications

Article X.31

Scope

This Sub-Section applies to the recognition and protection of geographical indications originating in the territories of the Parties.

Geographical indications of a Party which are to be protected by the other Party shall only be subject to this Sub-Section if covered by the scope of the legislation referred to in Article X.32 (Procedures).

Article X.32

Procedures

1. Having examined the legislation of [New Zealand] listed in Section A of Annex [XX]-A, the European Union concludes that this legislation meets the elements laid down in Section B of Annex [XX]-A *[those elements that are deemed compatible]*.
2. Having examined the European Union legislation listed in Section A of Annex [XX]-A, [New Zealand] concludes that this legislation meets the elements laid down in Section B of Annex [XX]-A.
3. Following the completion of an opposition procedure in accordance with the criteria set out in Annex [XX]-B and an examination of the geographical indications of the European Union listed in Annex [XX]-C, which have been registered by the European Union under the legislation referred to in paragraph 2, New Zealand shall protect those geographical indications according to the level of protection laid down in this Sub-Section.

⁴⁸ This Appendix sets out the original geographical indications text proposed by the EU. Note that the headings of Section B of Annex [XX]-A and of Annex [XX]-B incorrectly refer to “Article 31 [Procedures]” rather than “Article 32 [Procedures]”.

4. Following the completion of an opposition procedure in accordance with the criteria set out in Annex [XX]-B and an examination of the geographical indications of New Zealand listed in Annex [XX]-C, which have been registered by New Zealand under the legislation referred to in paragraph 1, the European Union shall protect those geographical indications according to the level of protection laid down in this Sub-Section.

Article X.33

Amendment of the list of Geographical Indications

The Parties agree on the possibility to amend the list of geographical indications to be protected in Annex [XX]-C in accordance with the procedure set out in Article X.65 (Institutional Provisions). New geographical indications shall be added following the completion of the opposition procedure and their examination as referred to in paragraphs 3 or 4 of Article X.32 (Procedures).

Article X.34

Protection of Geographical Indications

1. The geographical indications listed in Annex [XX]-C, including ones added in application of article X.33, shall be protected against:

(a) any direct or indirect commercial use of a protected name:

- i) for comparable products not compliant with the product specification of the protected name, or
- ii) in so far as such use exploits the reputation of a geographical indication, including when that product are used as an ingredient;

(b) any misuse, imitation or evocation, even if the true origin of the product is indicated or if the protected name is translated, transcribed, transliterated or accompanied by an expression such as “style”, “type”, “method”, “as produced in”, “imitation”, “flavour”, “like” or similar, including when those products are used as an ingredient;

(c) any other false or misleading indication as to the origin, nature or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the product concerned, and the packing of the product in a container liable to convey a false impression as to its origin, including when those products are used as an ingredient;

(d) any other practice liable to mislead the consumer as to the true origin of the product.

2. Geographical indications listed in Annex [XX]-C, including ones added in application of article X.33, shall not become generic in the territories of the Parties.

3. Nothing in this Agreement shall oblige a Party to protect a geographical indication of the other Party which is not, or ceases to be protected in the territory of origin. Each Party shall notify the other Party if a geographical indication ceases to be protected in the territory of that Party of origin. Such notification shall take place in accordance with procedures laid down in Article X.65 (Institutional Provisions).
4. Nothing in this Agreement shall prejudice the right of any person to use, in the course of trade, that person's name or the name of that person's predecessor in business, except where such name is used in such a manner to mislead the public.

Article X.35

Right of use of Geographical Indications

1. A name protected under this Agreement may be used by any operator marketing a product which conforms to the corresponding specification.
2. Once a geographical indication is protected under this Agreement, the use of such protected name shall not be subject to any registration of users or further charges.

Article X.36

Relationship to trademarks

1. The Parties shall, where a geographical indication is protected under this Sub-Section, refuse to register a trademark the use of which would contravene paragraph 1 of Article X.34 (Protection of Geographical Indications), provided an application to register the trademark is submitted after the date of submission of the application for protection of the geographical indication in the territory of the Party concerned.
2. Trademarks registered in breach of the first subparagraph shall be invalidated.
3. For geographical indications referred to in Article X.32 (Procedures), the date of submission of the application for protection referred to in paragraph 1 shall be the date of entry into force of this Agreement.
4. For geographical indications referred to in Article X.33 (Amendment of the List of Geographical Indications), the date of submission of the application for protection referred to in paragraph 1 shall be the date of the transmission of a request to the other Party to protect a geographical indication.
5. In accordance with Article X.22 (Exceptions to the rights conferred by a trademark), the Parties shall protect geographical indications also where a prior trademark exists. A prior trademark shall mean a trademark the use of which contravenes paragraph 1 of Article X.34 (Protection of Geographical Indications) which has been applied for, registered or established by use, if that possibility is provided for by the legislation concerned, in good faith in the territory of one Party before the date on which the application for protection of the

geographical indication is submitted by the other Party under this Agreement.

6. Such trademark may continue to be used and renewed for that product notwithstanding the protection of the geographical indication, provided that no grounds for the trademark's invalidity or revocation exist in the legislation on trademarks of the Parties. In such cases, the use of the protected geographical indication shall be permitted as well as the use of the relevant trademarks.

7. A Party shall not be required to protect a name as a geographical indication under this Sub-Section if, in light of a trademark's reputation and renown and the length of time it has been used, that name is liable to mislead the consumer as to the true identity of the product.

Article X.37

Enforcement of protection

The Parties shall enforce the protection provided for in Articles X.34 (Protection of Geographical Indications) to X.36 (Relationship to Trademarks) by appropriate administrative and judicial steps to prevent or stop the unlawful use of protected geographical indications. They shall also enforce such protection at the request of an interested party.

Article X.38

General rules

1. This Agreement shall apply without prejudice to the rights and obligations of the Parties under the WTO Agreement.

2. A Party shall not be required to protect a name as a geographical indication under this Sub-Section if that name conflicts with the name of a plant variety or an animal breed and as a result is likely to mislead the consumer as to the true origin of the product.

3. A homonymous name which misleads consumers into believing that a product comes from another territory shall not be protected even if the name is accurate as far as the actual territory, region or place of origin of the product in question is concerned. Without prejudice to Article 23 of the TRIPS Agreement, the Parties shall mutually decide the practical conditions of use under which wholly or partially homonymous geographical indications will be differentiated from each other, taking into account the need to ensure equitable treatment of the producers concerned and that consumers are not misled.

4. When a Party, in the context of bilateral negotiations with a third party, proposes to protect a geographical indication of that third party which is wholly or partially homonymous with a geographical indication of the other Party protected under this Sub-Section, it shall inform the other Party thereof and give it an opportunity to comment before the third party's geographical indication becomes protected.

5. Any matter arising from product specifications of protected geographical indications shall be dealt with in the [joint working body defined by the Agreement] referred to in Article X.65 (Institutional Provisions).

6. A product specification referred to in this Sub-Section shall be that approved, including any amendments also approved, by the authorities of the Party in the territory from which the product originates.

7. The protection of geographical indications protected under this Agreement may only be cancelled by the Party in which the product originates.

8. The Parties agree that there shall be no fees related to the protection of geographical indications under this Agreement.

[Without prejudice to the placement of the relevant provisions relating to Article X.65 (Institutional Provisions), responsibilities as regards geographical indications of the joint working body defined by the Agreement are as follows:

X. The [joint working body defined by the Agreement] shall also see to the proper functioning of this Agreement and may consider any matter related to its implementation and operation. In particular, it shall be responsible for:

- (a) amending Section A of Annex [XX]-A as regards the references to the law applicable in the Parties;
- (b) amending Section B of Annex [XX]-A as regards the elements for registration and control of geographical indications;
- (c) amending Annex [XX]-B as regards the criteria to be included in the objection procedure; and
- (d) modifying Annex [XX]-C as regards geographical indications.

ANNEX [XX]-A

SECTION A

LEGISLATION OF THE PARTIES

Legislation of

(a) XX

(b) XX

Legislation of the EU:

- (a) Regulation (EU) No 1151/2012⁴⁹ of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs and its implementing Acts;
- (b) Regulation (EU) No 1308/2013⁵⁰ of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation), in particular Articles 92 to 111 on designations of origin and geographical indications, and its implementing Acts;
- (c) Regulation (EC) No 110/2008⁵¹ of the European Parliament and of the Council of 15 January 2008 on the definition, description, presentation, labelling and protection of geographical indications of spirit drinks, and its implementing Acts;
- (d) Regulation (EU) No 251/2014⁵² of the European Parliament and of the Council of 26 February 2014 on the definition, description, presentation, labelling and the protection of geographical indications of aromatised wine products, and its implementing Acts

SECTION B

ELEMENTS FOR REGISTRATION AND CONTROL OF GEOGRAPHICAL INDICATIONS AS REFERRED TO IN PARAGRAPHS 1 AND 2 OF ARTICLE X.31 (PROCEDURES)

1. A register listing geographical indications protected in the territory;
2. An administrative process verifying that geographical indications identify a good as originating in a territory, region or locality of one of the Parties, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin;
3. A requirement that a registered name shall correspond to a specific product or products for which a product specification is laid down, which can only be amended by due administrative process;
4. Control provisions applying to production;
5. Enforcement of the protection of registered names by appropriate administrative action by the public authorities;
6. Legal provisions laying down that a registered name may be used by any operator

⁴⁹ OJ L 343, 14.12.2012, p. 1.

⁵⁰ OJ L 347, 20.12.2013, p.671.

⁵¹ OJ L 39, 13.2.2008, p. 16.

⁵² OJ L 84, 20.3.2014, p. 14.

marketing products conforming to the corresponding specification;

7. Provisions concerning the registration, which may include refusal of registration, of terms homonymous or partly homonymous with registered terms, terms customary in common language as the common name for goods, terms comprising or including the names of plant varieties and animal breeds. Such provisions shall take into account the legitimate interests of all parties concerned;

8. Rules concerning relation between geographical indications and trademarks providing for a limited exception to the rights conferred under trademark law to the effect that the existence of a prior trademark shall not be a reason to prevent the registration and use of a name as a registered geographical indication except where by reason of the trademark's renown and the length of time it has been used, consumers would be misled by the registration and use of the geographical indication on products not covered by the trademark;

9. A right for any producer established in the area who submits to the system of controls to produce the product labelled with the protected name provided he complies with the product specifications;

10. An opposition procedure that allows the legitimate interests of prior users of names, whether those names are protected as a form of intellectual property or not, to be taken into account.

ANNEX [XX]-B

CRITERIA TO BE INCLUDED IN THE OPPOSITION PROCEDURE AS REFERRED TO IN PARAGRAPHS 3 AND 4 OF ARTICLE X.31 (PROCEDURES)

1. List of name(s) with the corresponding transcription into Latin or [script of the third country concerned] characters;

2. The product type;

3. An invitation:

(a) in the case of the European Union, to any natural or legal persons except those established or resident in New Zealand,

(b) in the case of New Zealand, to any natural or legal persons except those established or resident in a Member State of the European Union,

(c) having a legitimate interest, to submit objections to such protection by lodging a duly substantiated statement;

4. Statements of opposition must reach the European Commission or [New Zealand] within 3 months from the date of the publication of the information notice;

5. Statements of opposition shall be admissible only if they are received within the time limit

set out above and if they show that the protection of the name proposed would:]

- (a) conflict with the name of a plant variety, including a wine grape variety or an animal breed and as a result is likely to mislead the consumer as to the true origin of the product;
 - (b) be a homonymous name which misleads the consumer into believing that products come from another territory;
 - (c) in the light of a trademark's reputation and renown and the length of time it has been used, be liable to mislead the consumer as to the true identity of the product;
 - (d) jeopardise the existence of an entirely or partly identical name or of a trademark or the existence of products which have been legally on the market for at least five years preceding the date of the publication of this notice;
 - (e) or if they can give details which indicate that the name, for which protection and registration is considered, is generic.
6. The criteria referred to above shall be evaluated in relation to the territory of (the European Union, which in the case of intellectual property rights refers only to the territory or territories where the said rights are protected) / (of New Zealand) as appropriate.