

## Measuring the Scope of Obligations under International Treaties

*(To What Extent) Are IP Conventions Binding on Paris  
or TRIPS-Plus Legislation?*

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### ABSTRACT

*States must respect the obligations set forth in international conventions whenever legislative measures fall within the ambit of the relevant instruments. It follows that no such duty exists where legislation is not covered by international norms. The question thus arises how to draw the line between those scenarios. Furthermore, it can be asked whether the borderline is a hard and fast one, or whether it is pervious to a residue of basic obligations persisting beyond strictly defined limits. For intellectual property rights, the issue is of relevance in two situations: first, if rights adjacent to intellectual property rights are conceptualised as rights sui generis; and second, if legislation falling within the ambit of international conventions goes beyond the minimum standards prescribed therein. This paper investigates whether and to what extent Paris and TRIPS-Plus legislation, in the form of sui generis rights and over-obligatory standards, actually enjoy dispense from otherwise mandatory commitments.*

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Parts of this text go back to the SPC Study (see note 1) and an unpublished article written in cooperation with Roberto Romandini. The relevant parts are flagged in the footnotes. Roberto Romandini must be credited for the information provided in those sections. Mistakes and errors are entirely mine.

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#### A. INTRODUCTION

The issue addressed in this chapter first emerged in the framework of the SPC Study that was conducted and coordinated by Roberto Romandini at the Max Planck Institute for Innovation and Competition in Munich (MPI).<sup>1</sup> 'SPC' stands for Supplementary Protection Certificate, a legal title in the European Union (EU) by which exclusive rights for the marketing of pharmaceuticals or agrochemical products are granted, for a limited period, after the lapse of patents pertaining to the underlying invention.<sup>2</sup> Among other issues,<sup>3</sup> the study concerned the legal option of introducing a so-called manufacturing waiver, that is, the possibility to produce

<sup>1</sup> Study on the legal aspects of supplementary protection certificates in the EU (SPC Study), available at <https://ec.europa.eu/docsroom/documents/29524/attachments/1/translations/en/renditions/native>. Roberto Romandini is the principal author of the study; my contributions were limited to chapters dealing with international law and general issues of EU law.

<sup>2</sup> The Acts currently in force are Regulation (EC) No 469/2009 of the European Parliament and of the Council of 6 May 2009 Concerning the Supplementary Protection Certificate for Medicinal Products, as amended (see note 4) and Regulation (EC) No 1610/96 of the European Parliament and of the Council of 23 July 1996 Concerning the Creation of a Supplementary Protection Certificate for Plant Protection Products, OJ L 198, 8.8.1996, pp. 30–35.

<sup>3</sup> The SPC Study covers a wide range of issues, from an analysis of the constitutive elements of the right and the evaluation of relevant CJEU jurisprudence to empirical studies and issues *de lege lata*, such as creating a unitary SPC title and introducing new limitations.

medical products for export or stockpiling while they were still protected by an SPC.<sup>4</sup> In that framework, it had to be assessed *inter alia* whether such a rule complies with international law, in particular TRIPS.

Concerning stockpiling, a negative answer had been given to that question by a WTO Panel;<sup>5</sup> however, the underlying dispute had been about patents alone. So, what about SPCs? Does the answer have to be the same? Or are they, by contrast, not even among those industrial or intellectual property (IP) rights that fall within the ambits of the Paris Convention (PC)<sup>6</sup> and TRIPS?<sup>7</sup> Would that mean that such rights are beyond any – even the most basic – obligation under the two treaty systems, such as granting national treatment? On the other hand, if it is assumed that SPCs are IP rights covered by the Paris Convention and TRIPS, does that automatically mean that all obligations under those agreements apply to the full extent? In other words, what exactly are the legal consequences of the fact that SPCs are TRIPS-Plus elements which do not form part of the mandatory minimum standard established under international IP conventions?

Having come so far in our deliberations, we realised that while SPCs present a complex and timely scenario for a case study on the implications of TRIPS-Plus legislation in the light of international law, that scenario is certainly not the only one. For instance, what about other *sui generis* rights, such as the right of database makers and press publishers?<sup>8</sup> What about (potential) national legislation which makes registration an obligatory prerequisite for asserting copyright protection beyond fifty years after the death of the author, or for claiming unitary copyright on a regional (EU) level – in addition to national law?<sup>9</sup> What about extending patent protection to diagnostic and/or therapeutic methods while denying access to civil remedies for infringement?<sup>10</sup> Does the right to reproduce design-protected parts

<sup>4</sup> The proposal made in the SPC Study to introduce such limitations has been implemented in the meantime, see Regulation (EU) No 2019/933 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EC) No 469/2009 Concerning the Supplementary Protection Certificate for Medicinal Products [2019] OJ L 153/1.

<sup>5</sup> WTO DS 144, Canada – Patent Protection for Pharmaceutical Products, report adopted on 7 April 2000.

<sup>6</sup> Paris Convention on the Protection of Industrial Property of 20 March 1883, as last revised in Stockholm on 14 July 1967.

<sup>7</sup> Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), Annex 1C of the Marrakesh Agreement Establishing the World Trade Organization, signed in Marrakesh, Morocco, on 15 April 1994.

<sup>8</sup> The inspiration for including the press publishers' right (together with that of database makers) and attributing more attention to the issue than what was done in the SPC Study results from Jane Ginsburg's contribution at the first workshop conducted in the framework of the project in Berlin, June 2019.

<sup>9</sup> The concept is ventilated *inter alia* by OLIVER FISCHER, *PERSPEKTIVEN FÜR EIN EUROPÄISCHES URHEBERRECHT*, Baden-Baden, Nomos (2014) with regard to a unitary EU copyright code. For copyright formalities in general see STEF VAN GOMPEL, *FORMALITIES IN COPYRIGHT LAW*, Wolters Kluwer (2011).

<sup>10</sup> See Section C.I.

of complex products for repair purposes have to meet the criteria of the three-step test in Art. 26(2) TRIPS, even though Art. 25 does not make the design protection of parts mandatory?<sup>11</sup>

Those issues, specific and diverse as they may appear, concern the same theoretical theme, namely, whether and to what extent international conventions produce legal effects beyond their core scope.<sup>12</sup> The situations giving rise to such questions can be roughly distinguished as follows. First, the issue may arise with regard to subject matter which is closely similar, yet not identical, to that covered by international IP conventions. Second, the problem may show up when national IP laws grant more generous protection than what is mandatory, but on the other hand impose certain qualifications that are generally objectionable under the relevant conventions.

The paper considers some of the issues identified above, being conscious that only a fragmentary and tentative approach can be offered here. The presentation proceeds as follows. First, the question is posed as to how and why subjective entitlements are qualified as industrial or IP rights, and what consequences ensue when they fail that mark (section B). As examples, I consider SPCs on the one hand (subsection I) and the rights of database makers and press publishers on the other (subsection II). Second, I address the impact of mandatory requirements of international law on regulations of national (or regional) IP law falling within the ambit of international conventions but granting more generous protection than the bare minimum (section C). More specifically, this section includes a discussion of whether and to what extent TRIPS-Plus legislation enjoys leeway under the principle that the broader option – not to protect at all – includes the narrower one, that is, granting more limited rights than what is otherwise mandatory under TRIPS ('the greater includes the lesser'). The chapter ends with a brief summary and conclusions (section D).

## B. QUALIFICATION OF SUBJECT MATTER AS INTELLECTUAL PROPERTY RIGHTS

### I. *Supplementary Protection Certificates*

Supplementary protection certificates<sup>13</sup> were created as a *sui generis* right on the basis of EU regulations enacted in 1992 (for medicinal products)<sup>14</sup> and 1996 (for

<sup>11</sup> See Section C.I.

<sup>12</sup> The issue is, to some extent, related to non-violation complaints, which for the time being are mooted for IP disputes.

<sup>13</sup> Section B.I. of this chapter draws on a manuscript authored jointly by Roberto Romandini and Annette Kur.

<sup>14</sup> First enacted as Council Regulation (EEC) No 1768/92 of 18 June 1992 Concerning the Creation of a Supplementary Protection Certificate for Medicinal Products [1992] OJ L 182/1.

agrochemical products) respectively. The legislative aim was to make sure that holders of patents pertaining to medical or agrochemical substances or procedures were able to make up for the time lost by the need to obtain market authorisation for products covered by the patent. The legislation was set off by similar schemes previously enacted in the USA<sup>15</sup> and in Japan.<sup>16</sup> In those countries, however, legislation took the form of an extension, or restoration, of the patent term with regard to the products concerned. The right granted was thus integrated into national patent legislation instead of constituting a *sui generis* right. In the EU, that route was barred at the relevant time, as the European Patent Convention (EPC)<sup>17</sup> in its original version restricted the option of patent prolongation to certain emergency situations (Art. 63 EPC 1973). By establishing a *sui generis* system, the EU legislature tried to escape the necessity to initiate and promote a revision of the EPC,<sup>18</sup> which – it was feared, not without reason – would be too cumbersome to accomplish in due time.<sup>19</sup>

In the context considered here, this scenario raises the question of whether the solution chosen produces any effects on the international level, or whether SPCs, as *sui generis* rights, are exempt from obligations under the Paris Convention and TRIPS. While it seems clear that a regulation within patent law such as in the USA and Japan (and others) would naturally fall within the ambit of industrial or IP law, the issue is no matter of course for SPCs. A negative answer could derive from the fact that SPCs are neither listed in the definition of industrial property as set forth in Art. 1(2) PC nor appear in Part II sections 1 to 5 TRIPS as referred to in Art. 1(2) of the TRIPS Agreement. However, an interpretation of those articles in good faith, as commanded by Art. 31 of the Vienna Convention on the Law of Treaties (VCLT), must take account not only of the ordinary meaning of the terms as such but must also consider the context as well as the object and purpose of the treaty concerned.

For the Paris Convention, this means in particular that account must be taken of Art. 1(4) PC, which specifies that '[p]atents shall include the various kinds of industrial patents recognized by the laws of the countries of the Union, such as patents of importation, patents of improvement, patents and certificates of addition, etc.' Furthermore, Art. 1(3) PC stipulates that '[i]ndustrial property shall be understood

<sup>15</sup> 35 U.S. Code § 156 – Extension of patent term.

<sup>16</sup> Patent Act (Act No 121 of 13 April 1959, as amended up to 2006); an English translation is available at [http://www.wipo.int/wipolex/en/text.jsp?file\\_id=188310](http://www.wipo.int/wipolex/en/text.jsp?file_id=188310).

<sup>17</sup> European Patent Convention of 5 October 1973. The current version (EPC 2000) has been in force since 13 December 2007.

<sup>18</sup> See Hans Peter Kunz-Hallstein, *The compatibility of a community 'Certificate for the Restoration of Protection' with the European Patent Convention*, EUROPEAN INTELLECTUAL PROPERTY REVIEW (1990) 209. However, others held that establishing a *sui generis* system was a procedural ruse which could not prevent a finding of incompatibility with Art. 63 EPC 1978; see Detlef Schennen, *Die Verlängerung der Patentlaufzeit für Arzneimittel im Gemeinsamen Markt*, BUNDESANZEIGER (1993) 33–35.

<sup>19</sup> Art. 63 EPC 1978 was subsequently amended by the Act Revising Art. 63 EPC of 17 December 1991, which entered into force on 4 July 1997, see OJ EPO 1992, p. 1 ff.

in the broadest sense...'. Under the broad interpretation thus warranted, the term 'patent' must be understood as encompassing any kind of right by which national legislation rewards technical achievements.<sup>20</sup> Importantly, pursuant to Art. 1(4) PC, the term is not reserved for new inventions but applies equally to the mere importation of such achievements ('patents of importation').<sup>21</sup> The focus thereby lies on the fact that the holder of the right has brought new and useful subject matter to the (national) market for which the right is granted.

The same is true for SPCs: there too, the right pertains not to the invention as such; the protection granted is rather meant to reward and incentivise the effort and investments needed to develop a pharmaceutical or agrochemical invention into a marketable product. Furthermore, EU legislation on SPCs was clearly intended to enable a kind of patent term extension resembling foreign legislation in most of its crucial features, though consciously avoiding, for the reasons set forth above, any reference to the term 'patent'. But nomenclature cannot be decisive; what counts are the contents and objectives of the legislation. This point invites the conclusion that SPCs are 'patents' in the broad definition of Art. 1(4) PC and thereby form part of industrial property as defined in Art. 1(2) PC.

Indeed, the European legislature never disputed the contention that SPC legislation was fully encompassed by international IP law, including the obligation to grant national treatment.<sup>22</sup> Thus, different from other fields of EU legislation,<sup>23</sup> it was never intended to make the grant of such rights subject to reciprocity. On the contrary, because the EU wanted to achieve a level playing field with international market actors who had already introduced similar protection clearly falling into the scope of the Paris Convention, the same approach was readily accepted for SPCs.

Accepting that SPCs are patents in the meaning of Art. 1(2) PC also settles the matter for TRIPS, at least insofar as amenability to dispute settlement proceedings as well as application of the general provisions in Part I of the agreement are concerned. This follows from the Appellate Body's findings with regard to trade names in the US – Sec. 211 Omnibus Expropriation Act (Havana Club).<sup>24</sup> Pursuant to the report, rights protected under the Paris Convention are included within the ambit of TRIPS by virtue of Art. 2(1) TRIPS, irrespective of whether they are explicitly listed in Part II.<sup>25</sup>

<sup>20</sup> G. H. C. Bodenhausen, *Guide to the Paris Convention for the Protection of Industrial Property*, BIRPI (1968); Art. 1(2) PC, p. 21 contends that if national legislation chose to grant patents for plant varieties, the Convention would apply to them.

<sup>21</sup> Bodenhausen (note 20), Art.1 (4) PC, p. 26. Nowadays that kind of right is only of historical interest.

<sup>22</sup> See Explanatory Memorandum to the Proposal for a European Parliament and Council Regulation (EC), 9 December 1994, Concerning the Creation of a Supplementary Protection Certificate for Plant Protection Products (COM(94) 579 final), Recitals 55–56.

<sup>23</sup> See Section B.II. in this chapter.

<sup>24</sup> United States – Section 211 Omnibus Appropriations Act of 1998, AB-2001–7, Report of the Appellate Body, WT/DS176/AB/R, 2 January 2002.

<sup>25</sup> Appellate Body, *id.*, para 341. It is a different question whether SPCs are also 'patents' in the specific meaning of Section 5 (Art. 27 et seq.) TRIPS. For a discussion of that point see SPC

## II. Non-original Databases and Press Publishers' Rights

### 1. Background

The question as to whether new types of *sui generis* rights form part of the system established by the international IP conventions was a matter of debate, inter alia, in connection with the introduction of the Database Directive (DBD) in the EU in 1996.<sup>26</sup> Art. 7 DBD establishes a right protecting database makers against non-authorised users extracting or re-utilising substantial (or, in the case of repeated and systematic use, also insubstantial) parts of a database which has been the result of substantial qualitative and/or quantitative investment in either the obtaining, verification or presentation of the contents. Furthermore, pursuant to Art. 8 DBD, lawful users of the database may not perform acts that clash with normal exploitation of the database or unreasonably prejudice the legitimate interests of the database maker. As emphasised in the preamble, the right is not meant to create a new right in the works, data or materials themselves,<sup>27</sup> and it shall in no way extend copyright to mere facts and data.<sup>28</sup>

Having thus distinguished the new right from copyright in terms of its objectives and scope, the EU legislature felt entitled to forgo the principle of national treatment by restricting application of the right to database makers or right-holders who are nationals of a Member State or who have their habitual residence in the territory of the Community (now the EU; Art. 11(1) DBD). For all others, the grant of protection was made subject to reciprocity<sup>29</sup> or to conditions established in bilateral agreements with the EU.<sup>30</sup>

To some extent this move may have been a reaction to previous legislation in the USA protecting the circuit design of semiconductor chips.<sup>31</sup> Protection for non-US nationals or companies was made dependent on the respective countries undertaking 'good faith and reasonable efforts' to provide similar protection. Restricting

Study (note 1), p. 308 et seq. (leading to the conclusion that although SPCs rely on different prerequisites than those listed in Art. 27 TRIPS, they prolong the exclusionary effect that would not have existed but for the basic patent, so that they are not fully exempted from observing the exigencies of – in particular – Art. 30 TRIPS. On the other hand, this also means that their specifics must be duly observed when the test is applied).

<sup>26</sup> Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the Legal Protection of Databases, OJ L 77, 27.3.1996, p. 20–28, amended by Directive 2019/790 on Copyright and Related Rights in the Digital Single Market.

<sup>27</sup> Recital 46.

<sup>28</sup> Recital 45.

<sup>29</sup> Recital 56.

<sup>30</sup> Art. 11(3) Database Directive. Protection of investment into databases therefore regularly forms part of bilateral trade agreements concluded between the EU and its trading partners.

<sup>31</sup> Semiconductor Chip Protection Act of 1984; 17 U.S. Code, sections 901–914.

protection to nationals in that case had triggered similar legislation *inter alia*<sup>32</sup> in the EU,<sup>33</sup> and even resulted in the adoption of a specific international treaty.<sup>34</sup> However, any hopes possibly nourished by the EU that a similar effect would arise with regard to protection of database makers were in vain; the USA and several other countries have, to date, refrained from such legislation.<sup>35</sup> However, and in spite of doubts articulated in the meantime about the aptitude of the legislative model to trigger investment in new and useful databases,<sup>36</sup> the EU model remains in operation and has been adopted in a number of other jurisdictions.<sup>37</sup> Whether and to what extent the reciprocity clause helped in that process can only be guessed.

The press publishers' right in Art. 15 of the Digital Single Market (DSM) Directive<sup>38</sup> presents another more recent example of legislation reserving legal entitlements to nationals<sup>39</sup> only. Different from the database makers' right with its particular prerequisites and scope, the press publishers' right to prevent online uses is tailored after copyright protection against reproduction and making available to the public under Art. 2 and 3 of the Infosoc Directive<sup>40</sup> (with the exception of hyperlinking, and not relating to single words or 'very brief extracts'), and it is subject to the same limitations and qualifications as set forth in Art. 5 to 8 of that directive. Nevertheless, the right is conceived as an instrument which rewards press publishers' financial and organisational contributions to maintain a free and pluralist press and ensure quality journalism and the information of the public rather than the intellectual creation of individual authors.<sup>41</sup> Accordingly, the right is claimed to form a

<sup>32</sup> Similar legislation was passed in Japan and Australia as well as several EU Member States; see Albrecht Krieger & Thomas Dreier, *Die Washingtoner Diplomatische Konferenz zum Abschluss eines Vertrages über den Schutz des geistigen Eigentums im Hinblick auf integrierte Schaltkreise – Bericht der deutschen Delegation*, GRUR INT. (1989) 729.

<sup>33</sup> Council Directive 54/87 on the Legal Protection of Topographies of Semiconductor Products [1987] OJ L 24/36.

<sup>34</sup> Treaty on Intellectual Property in Respect of Integrated Circuits, adopted at Washington D.C. on 26 May 1989.

<sup>35</sup> The US legislature's decision was strongly influenced by the seminal article by Jerome H. Reichman & Pamela Samuelson, *Intellectual Property Rights in Data*, 50 VAND. L.REV. (1997) 51–166. Canada and Australia similarly decided against the introduction of a European-type *sui generis* protection for database makers, see Daniel Gervais, *The Protection of Databases*, 82 KENT L.REV. (2007) 1109–1168.

<sup>36</sup> DG Internal Market and Services Working Paper of 12 December 2005, First evaluation of Directive 96/9/EC on the Protection of Databases, p. 5; see also Commission Staff Working Document of 25 April 2018, Executive Summary of the Evaluation of Directive 96/9/EC on the Protection of Databases, SWD 146 final, p. 1.

<sup>37</sup> Including for instance Japan, Russia, Brazil and Mexico.

<sup>38</sup> Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on Copyright and Related Rights in the Digital Single Market and Amending Directives 96/9/EC and 2001/29/EC, OJ L 130, 17 May 2019, p. 92.

<sup>39</sup> To be understood as 'publishers that are established in a Member State and have their registered office, central administration or principal place of business within the Union' DSM Directive, Recital 55.

<sup>40</sup> DSM Directive, Recital 57.

<sup>41</sup> DSM Directive, Recital 55.

legal title *sui generis*, which is separate and independent from copyright pertaining to the works contained in the publication.<sup>42</sup> The EU legislature therefore felt free to grant the right solely to publishers of press publications established in an EU Member State (Art. 15(1) DSM Directive).

## 2. Are the Database Makers' and Press Publishers' Rights a Form of IP?

A. WHAT ABOUT COPYRIGHT? In both cases, databases as well as press publications, the contention that the right granted to an investor does not trigger the obligation to apply national treatment under the international IP conventions is open to challenge.<sup>43</sup> Starting with the press publishers' rights, the distinction made vis-à-vis copyright might sound hollow in view of the fact that the scope of the right follows exactly the relevant stipulations in the Infosoc Directive.<sup>44</sup> On the other hand, the legislative intent to create an *aliud* meant to protect financial and organisational input instead of incentivising creative activities seems to be genuine; there are no indications to the contrary.<sup>45</sup> Nevertheless, the question remains whether it is possible and legitimate to complement an existing IP right by another legal title that emulates the contours of the former, yet differs in its subject matter to an extent that takes it beyond the exigencies of international law to which the 'twin right' is subject.<sup>46</sup>

For the answer, one must again, in good faith, revert to the interpretation of the Berne Convention.<sup>47</sup> On the one hand, the press publishers' rights, just as copyright of journalists, are set off when (part of) texts are reproduced or made available to the public, and there is no doubt that texts are 'literary works' for which copyright protection is mandatory under Art. 2(1) Berne Convention. On the other hand, the

<sup>42</sup> DSM Directive, Recital 59.

<sup>43</sup> Such challenges are often based on the affinity of the database maker's right with unfair competition or industrial property, as advocated inter alia by Jerome Reichman, see note 56.

<sup>44</sup> For a thorough examination of whether the press publishers' right can be characterised as copyright or a right *sui generis*, and of the friction with international standards that might possibly result – such as the quotation right – see contribution by Jane Ginsburg, in this volume.

<sup>45</sup> For the different situation in case of SPCs see Section B.I.: it was obvious that the EU legislature wanted to implement a patent term restoration scheme but was hindered from doing so openly.

<sup>46</sup> The question posed here is somewhat more specific than what was discussed previously by Henning Grosse Ruse-Khan & Annette Kur, Enough Is Enough – The Notion of Binding Ceilings in International Intellectual Property Protection, Max Planck Institute for Intellectual Property, Competition & Tax Law (2008), Research Paper Series No 09-01, published in a shorter version in ANNETTE KUR & MARIANNE LEVIN (EDS.), INTELLECTUAL PROPERTY RIGHTS IN A FAIR WORLD TRADE SYSTEM, E. Elgar (2011) 359–407. Quotations in this text refer to the longer version, which is available at [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1326429](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1326429).

<sup>47</sup> In accordance with Art. 31(1)VCLT, mentioned above, Section B.I. regarding SPCs.

new right does not detract in any manner from the availability of copyright pertaining to the text; it only constructs an additional right with a different ‘DNA’ in spite of its mirror-image appearance. The Berne Convention is satisfied with the copyright granted; neither the wording of Art. 2(1), nor its context, purpose or objectives appear to prevent the establishment of the second ‘same outlook, yet different substance’ type of right.<sup>48</sup>

For the database makers’ right, the distinction vis-à-vis copyright is likewise clear. Apart from legal systems accepting a ‘sweat of the brow’ doctrine,<sup>49</sup> copyright protection only vests in the structure or arrangement of the contents compiled in the database (see Art. 10(2) TRIPS).<sup>50</sup> Mere efforts and investments remain outside of that realm, and, if a demand for such protection exists, it can only be covered by a *sui generis* right.<sup>51</sup> It is true that the database makers’ right still remains related to copyright, and the same can be said about the press publishers’ right addressed above. However, in the context considered here, that qualification does not help much, as there is no all-encompassing international convention, similar to the Berne Convention that concerns related rights in general.<sup>52</sup> The existing conventions are specifically targeted to individual groups of right-holders – performing artists,<sup>53</sup> phonogram producers<sup>54</sup> and broadcasting companies<sup>55</sup> – and do not apply beyond their specific scope.

<sup>48</sup> The question of whether this allows for disregarding mandatory provisions, such as the exclusion of mere ‘news of the day’, or disregarding the mandatory quotation right, is addressed by Jane Ginsburg, this volume.

<sup>49</sup> As applied in (some circuits in) the USA prior to *Feist Publications, Inc. v. Rural Telephone Service Co., Inc.* 499 U.S. 340 (1991).

<sup>50</sup> For the question of whether the press publisher’s right is compatible with international norms that exclude mere facts or news of the day from protection, see contribution by Jane Ginsburg, this volume.

<sup>51</sup> Whether or not there is such demand has been and continues to be contentious. However, at least the DBD has resulted in creating a level playing field among EU Member States. This point is also highlighted in the Commission evaluation report (note 36), which is otherwise rather critical of the directive and its achievements.

<sup>52</sup> In particular regarding the database makers’ right, concluding such a convention had been envisaged by WIPO. A Basic Proposal for the Substantive Provisions of a Treaty on Protection of Databases was presented at the 1996 Diplomatic Conference leading to the adoption of the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT), but failed to gain sufficient support.

<sup>53</sup> Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, adopted 26 October 1961, in force since 18 May 1964; WPPT, adopted 20 December 1996, in force since 20 May 2002; Beijing Treaty on Audiovisual Performances, adopted 24 June 2012, in force since 28 April 2020.

<sup>54</sup> Rome Convention and the WPPT; Geneva Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of Their Phonograms, adopted 29 October 1971, in force since 18 April 1973.

<sup>55</sup> Rome Convention; Brussels Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite, adopted 21 May 1974, in force since 25 August 1979.

B. A (NEW) KIND OF INDUSTRIAL PROPERTY? If the *sui generis* rights established by the database and DSM directives cannot be squeezed into the frames of the Berne Convention or other copyright-related instruments, one could explore instead whether there is a place for them in the somewhat broader realm of the Paris Convention for the protection of industrial property.<sup>56</sup> Considering that the right of database makers and press publishers is not about protecting the creative spark of an author's mind, but rather encourages and rewards entrepreneurial spirit, organisational skills and financial investment, it is certainly no misnomer to allocate this form of protection to the 'industrial' side of the IP spectrum.<sup>57</sup> It also helps that the Paris Convention takes an open, rather sweeping approach to the subject matter included. Notably, the definition in Art. 1(2) also includes geographical indications<sup>58</sup> and 'the repression of unfair competition'. The latter term might be broad enough to encompass at least the database makers' right,<sup>59</sup> which, prior to harmonisation, had been a matter for unfair competition law in a number of EU Member States.<sup>60</sup> Indeed, the EU legislature motivated the grant of the right in part by the need to prevent parasitic competition.<sup>61</sup> Whether similar considerations could apply to the press publishers' rights is less clear. While some kind of free-riding certainly did play a role, the chief motivation seems to have been the wish to preserve the economic basis for activities highly valued in a democratic society, rather than fighting some kind of parasitic behaviour.

For a more informed assessment of what is meant by 'repression of unfair competition', account must be taken of the relevant provision in the Paris Convention, Art. 10bis PC. Pursuant to Art. 10bis(2) PC the obligation of Member

<sup>56</sup> This has been argued with regard to the database maker's right by Jerome Reichman, Statement Concerning H.R. 2652 Before the Subcommittee on the Judiciary, House of Representatives, 105th Cong. 15–16 (1997), referred to in Graeme B. Dinwoodie, *The Development and Incorporation of International Norms in the Formation of Copyright Law*, 62 OHIO STATE LAW JOURNAL (2001) 734–782, 745.

<sup>57</sup> One aspect distinguishing those rights from 'classic' industrial property rights such as patents and trademarks is the fact that they do not arise from an Act of State in the form of registration. However, depending on the jurisdiction, the same may apply to trademarks, trade names, industrial designs and geographical indications, which definitely fall within the ambit of the Paris Convention.

<sup>58</sup> More precisely: 'Indications of source and appellations of origin'.

<sup>59</sup> See, e.g., Daniel Gervais, note 35 at 125, arguing that granting protection on a reciprocity basis is hard to justify given the fact that the directive aims to harmonize an aspect of unfair competition.

<sup>60</sup> Jens L. Gaster, *The New EU Directive Concerning the Legal Protection of Databases*, 4 Fordham Int'l L.J. (1997) 1129, 1141, points out that among the (then) fifteen EC Member States, only three would have granted protection for data compilation under 'sweat of the brow' doctrines in copyright, and even they would have had to raise the bar to protection due to the copyright part of the database directive. See also F. W. Grosheide, *Database Protection – The European Way*, 8 WASH. U. J. L. & POLY 39 (2002) 47–48; Reichman & Samuelson (note 35), at 81.

<sup>61</sup> See Recital 42. However, that is not the only goal, as other detrimental acts shall also be prevented; see further below in this section.

States to provide effective protection against unfair competition concerns any ‘act of competition contrary to honest practices in industrial or commercial matters’. The meaning of that principle is further exemplified in Art. 10bis(3) PC, which refers to acts of commercial communication such as creating confusion or making discrediting or misleading statements, but does not mention parasitic behaviour in the sense of using input procured by others to one’s own commercial advantage.<sup>62</sup> That omission is easily explained by the difficulties of defining the tort so that it does not become excessive; after all, using others’ input for one’s own purposes can, and often will be, a normal feature of sound competition.

On the other hand, there is nothing in Art. 10bis PC signalling that such acts, if they are considered as unfair for certain reasons, are not meant to be captured by the provision.<sup>63</sup> Accordingly, it seems to be understood that if national law qualifies certain behaviour as parasitic under its unfair competition law, national treatment will apply. The same follows from the argument that due to the specific character of the provision, it is not necessary anyhow to rely on national treatment. If conduct qualifies as an act of unfair competition under national law, the provision itself makes it mandatory for the national legal system to prevent such acts within its own jurisdiction, irrespective of the nationality of the person who is adversely affected by the impugned behaviour.<sup>64</sup>

That clarity, however, does not put an end to the question considered here. The two *sui generis* rights are distinct from unfair competition in their legal structure and in their contents. Both rights grant an exclusive position in relation to an object, whereas unfair competition rules are conduct-related.<sup>65</sup> Furthermore, while preventing parasitic competition may account for part of the motivation underpinning the two rights, this is not their only – or even the most prominent – objective. As emphasised in Recital 42 of the DBD, ‘the right to prohibit extraction and/or re-utilisation of all or a substantial part of the contents relates not only to the manufacture of a parasitical competing product but also to any user who, through his acts, causes significant detriment, evaluated qualitatively or quantitatively, to the

<sup>62</sup> This does not mean that it is excluded; see Yves Saint-Gal, *Concurrence déloyale et concurrence parasitaire*, R.I.P.I.A. (1956), 19, quoted by Bodenhausen (note 20) Art. 10bis, (d) p. 144 and the following text.

<sup>63</sup> Saint-Gal, note 62.

<sup>64</sup> The argument is developed in more detail in Tobias Endrich-Laimböck’s dissertation *Technisch-Funktionelle Marken im Internationalen Immaterialgüterrecht* (forthcoming 2022). See also WT/DS435/R, WT/DS441/R WT/DS458/R, WT/DS 467/R Australia – Certain Measures Concerning Trademarks, Geographical Indications and Other Plain Packaging Requirements Applicable to Tobacco Products and Packaging Panel Report delivered 28 June 2018 (*Australia – Plain Packaging*), para 7.2672: The assessment of what falls within Art. 10bis (and must therefore be mandatorily prohibited) ‘should be made in light of what constitutes “honest practices” in the relevant market.’

<sup>65</sup> F. W. Grosheide (note 60) at 48, with reference inter alia to see Jens L. Gaster, *The EU Council of Minister’s Common Position Concerning the Legal Protection of Databases: A First Comment*, 6(7) Ent. L. Rev. (1995) 258.

investment'. The acts of users addressed in the second part of the sentence, though harming the economic position of the database maker, hardly qualify as 'acts of competition' in a narrow sense; users take advantage, but they do not compete.<sup>66</sup> The same is true for the press publishers' right: news aggregators and press publishers are not competitors, or at least are not direct competitors; they act on different markets. Furthermore, while news aggregators may cause economic problems to publishers, they render a genuine service instead of simply engaging in usurpation of third-party efforts.<sup>67</sup> The EU legislature therefore did not even allege that the legislation was about fighting parasitism, but relied nearly entirely on the need to preserve the economic basis for quality journalism.<sup>68</sup>

Unfair competition protection in the meaning of Art. 10bis PC can therefore hardly provide the ultimate key for including the two *sui generis* rights into the Paris Convention. Nevertheless, Art. 1 PC deserves a second look. As noted above (B.1.), the article provides additional clues regarding its breadth, for instance in Art. 1(4) PC with regard to patents. On a more general note, Art. 1(3) PC stipulates that '[i]ndustrial property shall be understood in the broadest sense'. Considering that industrial property under the convention is even found to subsist in the rather loose body of rules governing unfair competition, it could make even more sense to apply the term where rules governing conduct with regard to intangible assets have solidified into a system of rights and obligations. Under this analysis, the case for qualifying *sui generis* rights such as the two species considered here as 'industrial property' in the meaning of Art. 1 PC appears to be tenable in principle.

However, there are a number of counterarguments. First, the primary concern underlying of Art. 1(3) PC was to ensure that Member States do not exempt certain economic sectors from the effects of the convention;<sup>69</sup> the idea of eventually encompassing newly emerging rights was not on the horizon. To confirm this point,

<sup>66</sup> See *Australia – Plain Packaging* (note 64) para 7.2664, where 'competition' in the meaning of Art. 10bis PC (in accordance with the Oxford Dictionary) is defined as 'rivalry in the market, striving for custom between those who have the same commodities to dispose of'. That is obviously not the case here; the users do not offer any services.

<sup>67</sup> To the author's knowledge, few – if any – national courts in the EU undertook attempts to prohibit digital news aggregation under the aspect of unfair competition. On the basis of the position that Art. 10bis PC (only) applies to conduct regarded as being contrary to honest practices in a given market (see reference to the WTO Panel decision, note 64), this corroborates the finding that in the EU, the notion of unfair competition as set forth in Art. 10bis PC does not cover the activities of news aggregators that gave rise to establishing the press publishers' right.

<sup>68</sup> See in particular Recital 54 of the DSM Directive.

<sup>69</sup> Bodenhausen (note 20), Art. 1(3), p. 25 explains that the purpose of the provision is to avoid excluding from the protection of industrial property activities or products which would otherwise run the risk of not being assimilated to those of industry property. See also the second half-sentence in Art. 1(3) PC: 'and shall apply not only to industry and commerce proper, but likewise to agricultural and extractive industries and to all manufactured or natural products, for example, wines, grain, tobacco leaf, fruit, cattle, minerals, mineral waters, beer, flowers, and flour.'

nothing in the wording of Art. 1(2) PC indicates that the list spelled out therein is meant to be only of an exemplary, non-exhaustive character. Second, if the interpretation suggested above were correct, it would also apply to other kinds of rights, including those related to copyright. Indeed, the rights of phonogram producers and broadcasters<sup>70</sup> are no less ‘industrial’ in their substance than those of database makers and press publishers. The fact that in spite of this, related rights were never regarded as subject matter to which the Paris Convention might apply indicates that pursuant to a general understanding, the term ‘industrial property’ is restricted to subject matter expressly listed in Art. 1(2) PC. To corroborate the position one can further observe that plant breeders’ rights as well as those of designers of topographies of semiconductor chips – which both would fit under the broad definition of ‘industrial property’ suggested above – were not considered to fall within the realm covered by the Paris Convention. Instead, both rights – just as the rights of phonogram producers and broadcasters<sup>71</sup> – became the subject of separate treaty systems,<sup>72</sup> restricting national treatment to other Members of the same agreement.

Thus, even though the wording of the Paris Convention does not completely exclude a broad interpretation of the subject matter covered, subsequent practice in the meaning of Art. 31(3)(b) VCLT clearly points in a different direction, with the result being confirmed by the negotiation history (Art. 32 VCLT).

### 3. Carte Blanche for Discrimination Based on Nationality?

The most obvious effect of intangible subject matter not qualifying as ‘industrial’ or, in a broader sense, ‘intellectual’ property is that such rights are not subject to the principle of national treatment set forth in Art. 2(1) PC and Art. 3 TRIPS. Persons and entities may therefore suffer different treatment than that enjoyed by the beneficiaries of the respective legislation, depending on their nationality or place of business. While such legislation – as in the examples of EU law concerning database makers and press publishers – is obviously legitimate in the sense that it complies with current international obligations, this does not mean that the wisdom and appropriateness of that result could not be challenged. Would granting equal treatment to foreign-based entities not be more conducive to general principles of equity and fairness than strictly clinging to the letter of international IP conventions?

In the field of human rights it is an established principle anyhow that discrimination violates the basic rules of customary law. Thus, Art. 7 of the Universal Declaration of Human Rights states that ‘All are equal before the law and are

<sup>70</sup> For performing artists, the matter is somewhat different as they remain closer to the core area of copyright.

<sup>71</sup> See notes 53 to 55.

<sup>72</sup> For integrated circuits of semiconductor chips see the Washington Treaty (note 34); for plant breeders’ right see International Convention for the Protection of Breeders of Plants (UPOV), adopted on 2 December 1961, in force since 10 August 1968, last revised on 19 March 1991.

entitled without any discrimination to equal protection of the law. . .'. Furthermore, Art. 2(2) of the International Covenant on Economic, Social and Cultural Rights (ICESCR) stipulates that '[t]he States Parties to the present Covenant undertake to guarantee that the rights enunciated in the present Covenant will be exercised without discrimination of any kind as to race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status'. While this wording does not exclude differential treatment, especially that which is aimed at counteracting indirect discrimination,<sup>73</sup> it is generally accepted that legislation clashing with one of the prohibited grounds listed in Art. 2(2) ICESCR violates fundamental human rights norms.<sup>74</sup>

The situation is obviously different insofar as economic entities are concerned. National treatment, and discrimination based on national origin as its necessary counterpart, are a fully accepted element of international commercial law. Indeed, discrimination of foreign business actors is the rule rather than the exemption. National treatment needs to be treaty-based in order to become effective;<sup>75</sup> this implies an option for negotiating parties to craft exceptions as they see fit. Much effort is therefore spent on the issue in international trade and investment treaties, where equal access to markets and/or resources presents a central bargaining point.<sup>76</sup>

Likewise, the international IP conventions reserve national treatment to a clearly defined circle of beneficiaries connected by nationality, residence or activities to one of the Member States. Moreover, in certain instances, international IP law itself allows setting aside national rules vis-à-vis 'foreign' subject matter. Well-known examples for that are Art. 2(7) and Art. 7(8) of the Berne Convention. If works of applied art are only eligible for design protection in their country of origin, or if the term of protection in the country of origin is shorter than in the country where protection is sought (though still meeting the minimum standard set forth in the convention), Berne Member States are only obliged to grant the same term, or the same kind of protection, as applies in the origin country.<sup>77</sup> In that light, it appears only consequent to completely withhold from non-nationals and non-residents any rights not falling within the conventions.

<sup>73</sup> That is, discrimination resulting from a situation when entitlements are equal at face value, but the effect is disproportionately negative for one group.

<sup>74</sup> General Comment No. 20 (Art. 2(2) ICESCR), Committee on Economic, Social and Cultural Rights; UN Economic and Social Council.

<sup>75</sup> The same is true for the principle of Most Favoured Nation (MFN) treatment, which applies non-discrimination on the state level.

<sup>76</sup> For a thorough account of national treatment (NT) and MFN in the framework of international investment law see SIMON KLOPSCHINSKI, CHRISTOPHER S. GIBSON & HENNING GROSSE RUSE-KHAN, *THE PROTECTION OF INTELLECTUAL PROPERTY RIGHTS UNDER INTERNATIONAL INVESTMENT LAW*, Oxford University Press (2021) chapter 5 (p. 200 et seq.).

<sup>77</sup> On Art. 7(8) Berne Convention see also Section C.III. in this chapter.

However, it may be time after all to reconsider the attitude reflected therein, as its foundations may have become outdated and obsolete in the area covered.<sup>78</sup> Restricting national treatment to Members was an important or even indispensable element of international IP conventions at the time when commonly accepted minimum standards did not exist and foreigners were frequently precluded from obtaining protection. It was crucial to reserve equal treatment to beneficiaries of the treaties so as to provide an incentive for others to join the new instruments. Now that TRIPS has turned IP protection into a standard feature of legislation practically world-wide, the old coercion mechanism is no longer needed for achieving its basic goal. Its perpetuation as a lever to enhance membership in special agreements or make others adopt *sui generis* legislation paralleling one's own<sup>79</sup> seems somewhat pointless in comparison to the original motivation. Using the lever is also redundant in view of the fact that nowadays trade negotiations have become the primary tool for promoting treaty membership and mandating specific IP legislation – probably doing a more thorough and effective job than withholding national treatment ever could.<sup>80</sup>

A counterargument could derive from the consideration that if and insofar as protection is based on investment, states may have a justified interest in rewarding only those whose financial input benefits the national economy. That is certainly true insofar as the bargain between foreign direct investment and free access to markets or subsidies is concerned. Regarding *sui generis* rights adjacent to IP, however, the argument is not that straightforward. In the examples of databases and press publications considered here, it is rather so that activities springing from the relevant investments are regularly available to a global, digitised market, benefiting not only a regional clientele. Furthermore, it hardly does justice to IP and adjacent rights to equate the legal position conferred – the exclusive right with its specific conditions and qualifications – to plain economic transactions. This is not

<sup>78</sup> In line with the topic of this chapter, these remarks only concern the area of intellectual property and adjacent *sui generis* rights, not rules affecting businesses in general. Furthermore, it is important to note that this text is only concerned with discrimination based on nationality or place of establishment; other forms of differential treatment – such as differentiation based on the size of economic operators, the industries concerned, or the specific character of goods or services offered – are not addressed.

<sup>79</sup> In this context it is interesting to note that Rochelle C. Dreyfuss & Graeme B. Dinwoodie, *A NEOFEDERALIST VISION OF TRIPS*, Oxford University Press (2012) 84, commend a broad application of the national treatment principle, in particular with regard to knowledge products, because of its non-obtrusive character in comparison to coercing the application of specific substantive standards.

<sup>80</sup> Which does not mean that this can be welcomed without reservation. Critical voices are many, and rightly so. See for instance Henning Grosse Ruse-Khan et al., *Principles for Intellectual Property Provisions in Bilateral and Regional Agreements* (2013); see also Josef Drexler, Henning Grosse Ruse-Khan & Souheir Nadde-Phlix (eds.), *EU Bilateral Trade Agreements and Intellectual Property: For Better or Worse?*, Springer Verlag (2013).

simply about granting financial benefits of some kind. The crafting of IP rights as well as of *sui generis* rights adjacent to them regularly concerns a complex cluster of interests involving beneficiaries, users and the public at large, in consideration of which it has been decided by the national or regional legislature that granting the right would be in the best interest of public welfare. Those considerations do not become meaningless simply because someone has a different nationality or domicile.

This does not mean that any differentiation, including different treatment based on nationality or place of establishment, is pernicious per se. There can be valid reasons for such treatment. The argument proffered here only posits that the discriminatory effect resulting from denying national treatment for *sui generis* rights not falling within the canon explicitly listed in the international IP conventions should be taken seriously. This is more than a mere technical detail following, as a matter of course, from the form of regulation chosen. It consciously withholds a form of protection that is otherwise considered to be beneficial and appropriate vis-à-vis everyone.

In other words, current international IP law *should not be understood as giving carte blanche for discrimination of foreigners or foreign-based companies with regard to sui generis rights*. Although it does not apply on a mandatory basis, the broad spectrum of subject matter protected under the Paris Convention, from exclusive rights to mere regulation of market conduct, provides a basically appropriate measurement of what should ideally be covered by the non-discrimination principle of national treatment. Exceptions are acceptable and may be needed in certain situations, but only to the extent that they are based on sound and fair policy objectives – other than the simple wish to ‘keep the others out’.<sup>81</sup>

### C. LIMITS FOR TRIPS-PLUS CONTENT IN IP RIGHTS: DOES THE GREATER INCLUDE THE LESSER?<sup>82</sup>

#### I. Background

Whereas in Part B the focus was on *sui generis* rights which do not fall within the ambit of international IP conventions (or in relation to which doubts, although ultimately unfounded, might be raised – as in the case of SPCs), we now turn to

<sup>81</sup> An important point which cannot be discussed here is that if national treatment is applied broadly so as to encompass, by default, new IP-like *sui generis* rights that are not covered by TRIPS *strictu sensu*, this would (at least partly) deprive NT clauses in FTAs and BITs of their effect. For an in-depth consideration of such clauses see Simon Klopschinski, Christopher S. Gibson & Henning Grosse Ruse-Khan (note 76). Although this means that implementation of the suggestion made in section 3 would meet with considerable political resistance, it does not render it wrong.

<sup>82</sup> Sections C.I. and C.II. draw on a manuscript written cooperatively by Roberto Romandini and the author.

'genuine' IP rights that are unequivocally covered by the Paris or Berne Conventions as well as by TRIPS. In view of such rights, the question arises to what extent the obligations set forth in the conventions are valid even where national legislation extends beyond the mandatory requirements prescribed therein. For instance, submitting that SPCs are to be treated as patents in the meaning of Art. 27 TRIPS,<sup>83</sup> the fact that they extend the lifetime of a patent well beyond the minimum term of twenty years might liberate the legislature from the obligation to fully observe the exigencies of the three-step test in Art. 30 TRIPS.<sup>84</sup> The same argument could be of relevance when copyright extending beyond the minimum term is subjected to formalities, or when patents are granted for therapeutic methods with the owners not being entitled to claim civil remedies,<sup>85</sup> or in a variety of other TRIPS-Plus situations when the borderlines of what is permitted under the mandatory terms of the relevant rights are transgressed.

It is not possible in the framework of this chapter to embark on an in-depth investigation of all instances in which the issue could be of relevance. Instead, the following remarks only concern the general argument that derogations from the obligations usually applying under TRIPS Part II can be based on the principle that conduct is not illegitimate if it yields more than what is owed ('the greater includes the lesser').

The maxim is derived from Roman law<sup>86</sup> and to date still applies in a number of national jurisdictions.<sup>87</sup> However, the caveat must be made that there is no clear basis for assuming that this principle also forms a valid interpretative tool for identifying duties or fallacies under international law. In particular, the principle is not mentioned in the VCLT, nor does Roman law figure among the sources of law listed in Art. 38 of the statutes of the International Court of Justice. Nevertheless, the principle merits consideration due to its inherent logic. It makes sense to assume that sovereign parties negotiating and concluding an international agreement do not act with the intention to bind themselves beyond the specific minimum standards set forth therein, and that they renounce to flexibility – including the freedom to balance rights and obligations in a manner best suiting their own socio-economic prerogatives – in ultra-obligatory legislation. The hypothesis seems consequent

<sup>83</sup> For substantial doubts regarding that point, see note 25 with references to the SPC Study (note 1), 308 et seq.

<sup>84</sup> On the discussion regarding compatibility of a manufacturing waiver for SPCs with TRIPS see note 109.

<sup>85</sup> As in US law, see note 89 and accompanying text.

<sup>86</sup> In Latin: '*non debet cui plus licet, quod minus est non licere*', *Corpus Iuris Civilis*, Digest 50, 17, 21 [Ulpian]; see also John R. Thomas, *The Post-Industrial Patent System*, 10 *FORDHAM INTELL. PROP. MEDIA & ENT. L.J.* (1999), 3, 49. On the limitations of this argumentative topos see Michael Herz, *Justice Byron White and the Argument that the Greater Includes the Lesser*, *BYU L. REV.* (1994) 227, available at <https://digitalcommons.law.byu.edu/lawreview/vol1994/iss2/2> (accessed on 30 November 2021).

<sup>87</sup> For an example see Section C.III.

therefore that TRIPS-Plus legislation enjoys larger freedom to prescribe restrictions than where only the minimum threshold is met.

For the sake of clarity, it must be added that this is not to be confused with the principle '*in dubio mitius*'. The latter principle, which restricts international commitments to the least obliging understanding of relevant provisions, is incommensurate with the maxim of treaty interpretation in good faith as set forth in Art. 31(1) VCLT; it is therefore largely regarded as obsolete.<sup>88</sup> Here, we do not talk about interpretation of individual treaty provisions, but rather about the internal structure of the treaty and the dynamics of its elements in relation to each other. The question is whether over-fulfilling the obligations in one aspect means that other elements in the treaty become moot insofar as the add-on is concerned (alternative one), or whether the binding effect of such other elements remains intact insofar as subject matter is concerned which in its substance – irrespective of certain excess features – continues to be captured by the treaty (alternative two). Under the principle that the greater includes the lesser, alternative one would prevail.

There are indeed indications signalling basic acceptance of that precept. For instance, it was found acceptable – and declared to be compatible with Art. 27 TRIPS – in the USA that patents for therapeutic methods were granted, while civil remedies for infringement of such rights are denied under Sec. 287(c) of the Patent Act.<sup>89</sup> Furthermore, the fact that under EU design legislation the term of the Unregistered Community Design Right (UCDR) is limited to three years after publication never gave rise to discussions, in spite of the fact that Art. 26(4) TRIPS requires a minimum term of ten years. It is obviously taken for granted that, because the UCDR is an add-on to the registered community design with its 25-year maximum duration, curtailing the protection term does not present an issue under TRIPS.<sup>90</sup> On the other hand, such examples are still too few to be considered as subsequent practice in the meaning of Art. 31(3)(b) VCLT.

There are also indications to the contrary. For example, concerning formalities in copyright, Stef van Gompel argues that establishing registration as a prerequisite for profiting from an extended protection term would clash with Art. 5(2) Berne Convention<sup>91</sup> if it applies to works of foreign origin that are entitled to protection

<sup>88</sup> JOOST PAUWELYN, *CONFLICT OF NORMS IN PUBLIC INTERNATIONAL LAW: HOW WTO LAW RELATES TO OTHER RULES OF INTERNATIONAL LAW*, Cambridge (2003) 186; on the *mitius* principle in the WTO context see also HENNING GROSSE RUSE-KHAN, *THE PROTECTION OF INTELLECTUAL PROPERTY IN INTERNATIONAL LAW*, Oxford (2016) 8–5, para 4.37.

<sup>89</sup> J. R. Thomas, note 86, 48 et seq. (also emphasizing that this solution is owed to the specific situation in the medical discipline and will hardly find any followers in other fields of technology); ROBERTO ROMANDINI, *DIE PATENTIERBARKEIT MENSCHLICHER STAMMZELLEN*, Heymanns (2012) 424–425.

<sup>90</sup> Regarding what I believe to be the different situation regarding the novelty requirement for UCDRs, see C.III.

<sup>91</sup> Pursuant to Art. 5(2)1st sentence of the Berne Convention, the 'enjoyment and exercise' of copyright shall not be subject to formalities.

for the full term of the right. No objections would arise from the Berne Convention only if, on the basis of the so-called comparison of terms (Art. 7(8) Berne Convention), the duration of protection granted to foreign works can be limited to the (shorter) term granted in their country of origin.<sup>92</sup> With regard to industrial designs, Joseph Straus claims that introducing a repairs clause allowing independent manufacturers to reproduce design-protected spare parts for repair purposes clashes with the three-step test in Art. 26(2) TRIPS, without considering that under Art. 25 TRIPS parts of complex products could be excluded from protection for good.<sup>93</sup> The matter therefore seems to be contentious and must be examined further.

## II. *What – If Any – Impact of Art. 1(1) 2nd Half-sentence TRIPS?*

In his book on the TRIPS regime of patent rights, Nuno Pires de Carvalho denies legislative flexibility with regard to TRIPS-Plus rights.<sup>94</sup> His position is based on the argument that according to Art. 1(1) 2nd half-sentence, TRIPS Member States may implement more extensive protection than what is required by the agreement, but only under the condition that ‘such protection does not contravene the provisions of this Agreement’. This is claimed by Carvalho to mean that any decision to extend protection must be consistent with the provisions pertaining to the respective rights. For patents, this is said to mean for instance that prohibition of discrimination under Art. 27 TRIPS as well as the conditions and requirements laid down in Art. 28, 30 and 31 TRIPS prevail even during periods of time extension. In consequence of that approach, Carvalho concludes that the EU SPC regime violates Art. 27 TRIPS because it is limited to medicinal and plant protection products. From the same approach it would follow that introducing a stockpiling and export<sup>95</sup> waiver after lapse of the mandatory protection term is irreconcilable with Art. 30 TRIPS, as the same result (concerning stockpiling) was endorsed with regard to patents by a WTO Panel scrutinizing Canadian patent legislation.<sup>96</sup>

Carvalho’s argument runs parallel to the second of the two alternatives presented above (C.1.), namely that all individual treaty obligations remain binding, independently of whether the features of the right that are concerned by the qualifications

<sup>92</sup> Stef van Gompel (note 9), 176.

<sup>93</sup> Joseph Straus, *Design Protection for Spare Parts Gone in Europe? Proposed Changes to the EC Directive: The Commission’s Mandate and Its Doubtful Execution*, EIPR (2005) 27, 11, 391 – 404 at 397 at seq.

<sup>94</sup> NUNO PIRES DE CARVALHO, *THE TRIPS REGIME OF PATENT RIGHTS*, Kluwer Law Int. (3rd ed 2010), Article 1, Marginal Note 1.5.

<sup>95</sup> EU legislation has introduced both forms of waiver; see Regulation (EU) 2019/933 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EC) No 469/2009 Concerning the Supplementary Protection Certificate for Medicinal Products, OJ L 153, 11.6.2019, p. 1–10.

<sup>96</sup> See WTO DS 144, Canada – Patent Protection for Pharmaceutical Products, report adopted on 7 April 2000.

exceed the minimum standard. However, Art. 1(1) 2nd half-sentence TRIPS can hardly be quoted in support of that position. An interpretation in light of the first recital in the preamble, where the need ‘to ensure that measures and procedures to enforce IP rights do not themselves become barriers to legitimate trade’ is emphasised, rather suggests that it is the purpose of Art. 1(1) 2nd sentence TRIPS to fend off too far-reaching protection that could stifle competition, free trade and the exchange of ideas and information.<sup>97</sup> For instance, if patent protection were granted for subject matter that is not inventive, such ‘generosity’ might, in the meaning of Art. 1(1) 2nd sentence, contravene<sup>98</sup> Art. 27 of the TRIPS Agreement.

Apart from establishing a barrier against clearly dysfunctional developments of that kind, the TRIPS Agreement does not contain specific rules limiting legislatures’ freedom in case of extension of rights. The situation is different for instance from EU harmonisation directives which spell out certain options for those who want to ‘do more’ than implement the bare minimum. In the EU context, those options become binding insofar as national legislatures are precluded from choosing a middle path between the minimum rule and the option granted;<sup>99</sup> in that regard, the principle of ‘the greater includes the lesser’ is set aside. This approach is owed to the goal of harmonisation that underlies EU directives, which might be severely compromised if the leeway given for national solutions were too broad. In the framework of TRIPS, however, that scenario does not apply. Neither does TRIPS set forth specific TRIPS-Plus options, nor is the goal to reduce distortions in international trade<sup>100</sup> comparable to establishing the conditions for the functioning of a single internal market, as in the EU.

Carvalho’s reference to Art. 1(1) 2nd half-sentence TRIPS is therefore inconclusive. However, this does not necessarily settle the matter for good. The position holding that legislatures are completely free to derogate from international obligations if and to the extent that they have added certain non-mandatory features to the protection granted under national law is not free from doubt either. It is not inconceivable that a general public policy concern exists in safeguarding the transparency and consistency of legal systems, beyond mere transposition of minimum rules. Some form of self-binding effect of legislative decisions might arguably arise, meaning that if legislatures voluntarily adopt TRIPS-Plus protection, they must stick to the rules of the game at least to some extent.<sup>101</sup> That proposition is considered more closely in the following section.

<sup>97</sup> In that sense see Henning Grosse Ruse-Khan & Annette Kur (note 46), 393 et seq.

<sup>98</sup> It can be relevant how exactly the term ‘contravene’ is understood in that context; see Henning Grosse Ruse-Khan & Annette Kur (note 46), 395.

<sup>99</sup> CJEU C-408/01, 23 October 2003, *Adidas-Salomon and Adidas Benelux v. Fitnessworld*, ECLI:EU:C:2003:582, para 20.

<sup>100</sup> See Preamble to the TRIPS Agreement, first recital.

<sup>101</sup> This issue could also be addressed from the perspective of non-violation complaints (which for the time being do not apply regarding TRIPS); see note 12.

### III. *Inherent Qualifications of ‘The Greater Includes the Lesser’*

In an analysis based on US jurisprudence, Michael Herz calls the argument that the greater includes the lesser ‘tremendously attractive to lawyers and judges’, but points out that it is also ‘a trap’, ‘because it is only sometimes true’.<sup>102</sup> In particular, certain qualifications must be heeded which, if ignored, would produce skewed results.<sup>103</sup>

Three different types of potential flaws are distinguished. The first and second derive from the inner logic of the argument itself. First, the argument is obviously only valid if in fact the greater power exists.<sup>104</sup> Second, the argument does not work properly if one of the propositions is not in fact ‘the lesser’ of the other one.<sup>105</sup> The third and arguably most important qualification results from the legal framework within which the rule operates. In the context considered by Herz, this means that the argument is flawed where ‘exercise of the “lesser” power implicates constitutional considerations not present in the exercise of the “greater” power’.<sup>106</sup>

Although the applicability of the principle in the context of international law remains doubtful,<sup>107</sup> I suggest that the parameter set forth above can be used, *mutatis mutandis*, as an analytical tool for a further probe into the issue discussed here. In particular, the scheme could provide valuable insights insofar as the inner logic of the argument is concerned (the first and second condition identified above). Regarding the first point – whether the greater power exists – one might indeed wonder whether the concept of ‘greater power’ in the meaning of the argument can be equated with the ‘freedom not to act’ (beyond the prescribed minimum) which is at stake here. However, freedom from binding obligations is not so unlike greater power to act, as both enlarge the number of legal options available, including, in the cases considered here, the option to grant a limited right (instead of no right at all).

Concerning the second point – whether one proposition is indeed ‘lesser’ compared to the other one – the decisive question would be whether allocation of a right which is restricted in its contents or encumbered by formalities etcetera is, in all its aspects, comprised in the entitlement not to grant the right in the first place. Typically, that condition would not be met in the case of ‘package deals’, when the grant of TRIPS-Plus advantages is compensated by TRIPS-Minus restrictions,<sup>108</sup> even if the latter are small compared to the former. Thus, even a long-term

<sup>102</sup> Michael Herz (note 86), 227.

<sup>103</sup> *Id.*

<sup>104</sup> *Id.*, at 241.

<sup>105</sup> *Id.*, at 242.

<sup>106</sup> *Id.*, at 243.

<sup>107</sup> See Section C.I. in this chapter.

<sup>108</sup> This aspect played a role in the dispute between the European Communities (EC) and the USA concerning Sec. 110(5) US Copyright Act (WTO DS 160). See Graeme B. Dinwoodie & Rochelle C. Dreyfuss (note 79) 117, posing the question whether the reference in Art. 1(1) TRIPS to ‘method[s] of implementing the provisions of this Agreement within [Members’] own legal system and practice’ allows for recognizing the dynamic reflected in compromise

extension of copyright would not include the freedom to introduce a registration requirement throughout the full lifetime of the right – that is, also during the first fifty years for which Berne requires protection as a minimum. The corollary is that if registration only applies as a condition for enjoying the time extension, this would arguably be ‘lesser’ in comparison to not prolonging the term at all. On the other hand, the answer is not always straightforward. For instance, it can be asked whether granting a right which is curtailed in its substance by specific limitations is rather something different from not granting the right at all, meaning that the alternatives cannot be conceptualised in the simple categories of ‘more’ or ‘less’.<sup>109</sup> The same problem arises if an additional right is granted on a higher institutional level – such as a unitary EU copyright complementing the national copyright systems – but is made dependent on an act of registration which is prohibited by the Berne Convention.<sup>110</sup> Is that ‘lesser’ than not granting an EU right at all, or are we again talking about two different things that do not fit into a simple scaling scheme? And what about the UCDR with its short term, compared to not granting an unregistered design right at all?

The third element in the analysis is even more problematic, as it refers to ‘constitutional considerations’, which are difficult if not impossible to identify in the legal framework of international conventions.<sup>111</sup> Nevertheless it is suggested here that the notion can be used in the present context at least insofar as very basic defining elements of the system are concerned. This applies in particular to national treatment,<sup>112</sup> which corresponds to what in Herz’s scheme is labelled ‘equality concerns’.<sup>113</sup> There is no doubt that irrespective of legislatures’ freedom to act where

solutions such as that found in the 1976 Copyright Revision Act, which was at stake in the Panel decision.

<sup>109</sup> The issue is not decisive anyhow where valid arguments can be made that the impugned legal measure is compatible with the relevant TRIPS provisions. For compatibility of the export and manufacturing waiver with Art. 30 TRIPS see Xavier Seuba, *The Export and Stockpiling Waivers: New Exceptions for Supplementary Protection Certificates*, 14 *JIPLP* 876–886 (2019); for compatibility of the repairs clause allowing reproduction of spare parts for purposes of repair with Art. 26(2) TRIPS see EC Commission, *Proposal for a Directive of the European Parliament and of the Council Amending Directive 98/71/EC on the Legal Protection of Designs: Extended Impact Assessment*, Commission Staff Working Document of 14 September 2004, SEC (2004) 1097, section 7.2 at 47; Annette Kur, *Limiting IP protection for competition policy reasons – a case study based on the EU spare-parts-design discussion*, in Josef Drexler (ed.), *RESEARCH HANDBOOK ON INTELLECTUAL PROPERTY AND COMPETITION LAW*, Edward Elgar (2008) 313–345, at 336–344.

<sup>110</sup> Oliver Fischer (note 9).

<sup>111</sup> Further on that point see Section C.IV.

<sup>112</sup> For reasons of clarity it is important to note that this text does not address other forms of differentiation, which may be legitimate; see already note 78. Furthermore, it is important to note that different from the discussion under Section B.II.2., in this section I only deal with IP rights that fall within the IP conventions.

<sup>113</sup> Michael Herz (note 86), 243. The parallel thus drawn should not be misunderstood as meaning that this text addresses equality concerns in other aspects than national treatment; see note 112.

no minimum rights apply, the principle of national treatment must nevertheless be respected. For instance, assuming that in a TRIPS Member State the duration of patents were prolonged from twenty to twenty-five years, a clear and unequivocal obligation exists under the Paris Convention as well as TRIPS that this must apply to all patent holders, irrespective of nationality, seat or establishment. A deviation from that rule is only permitted where an express dispense applies under the relevant convention, such as – in the case of copyright – Art. 7(8) Berne Convention.<sup>114</sup>

As clear as this seems to be, compliance with the principle is not always guaranteed. This tendency is shown by the following example. Pursuant to Art. 11 in conjunction with Art. 110a(5) of the Community Design Regulation (CDR), protection for UCDRs is triggered by publication of the design ‘in the territory of the EU’, meaning that no such protection is granted if the design was first published (‘made available to the public’) outside the EU. The provision is flawed for many reasons,<sup>115</sup> but most critically, it is incompatible with international obligations. There is no doubt that UCDRs are industrial designs as defined in Art. 1(2) PC and in TRIPS<sup>116</sup> and are thus encompassed by the obligation to grant national treatment under Art. 2(1) PC and Art. 3(1) TRIPS. The fact that industrial designs are also available through registration does not change that clear result. It is true that Art. 11 CDR does not refer to nationality but only to the place of publication. However, in case of copyright, the CJEU pointed out *inter alia* in *Tods v Hérault*<sup>117</sup> that withholding legal privileges on the basis of the place of first publication is but another covert method of discriminating against foreign nationals.<sup>118</sup> Likewise, in *EU – GIs*,<sup>119</sup> the WTO Panel found that Art. 3(1) TRIPS is violated where the difference in treatment

<sup>114</sup> Art. 7(8) Berne Convention stipulates that the term of protection granted to a work shall not exceed the term fixed in its country of origin, unless the legislation in the country where protection is sought provides otherwise.

<sup>115</sup> As UCDR protection only applies against conscious copying that must be established by the claimant, denying protection against such acts for the sole reason that first publication took place outside the EU appears to encourage dishonest practices. Furthermore, in times when most designs are published on the internet, it is largely unfeasible anyhow to allocate such acts to a particular territory. It is true that the same problem exists in copyright where Art. 5 Berne Convention also refers to first publication in a Member State. However, with membership in the Berne Convention having become nearly universal due to TRIPS, the situation is hardly comparable to the UCDR.

<sup>116</sup> Different from what was said in Section B.II.2.a. about the press publishers’ right and copyright, the UCDR and the registered design right do not only coincide in their prerequisites – novelty and individual character – but also in their substance; in the words used above, they share the same DNA.

<sup>117</sup> CJEU C-28/4, 30 June 2005, *Tods v Hérault* [2005] ECR I-05781, ECLI:EU:C:2005:418, para 26.

<sup>118</sup> In the actual case, this meant that while the discrimination at stake was allowed under Art. 2(7) Berne Convention, it cannot apply among citizens of the EU due to the non-discrimination clause in Art. 12 TEC (Art. 18 TFEU).

<sup>119</sup> European Communities – Protection of Trademarks and Geographical Indications for Agricultural Products and Foodstuffs – Complaint by the United States – Report of the Panel, WT/DS174 (15 March 2005). The scenario is somewhat similar to that considered here.

affects the ‘effective equality of opportunities’ between the nationals of other WTO Members and the European Communities.<sup>120</sup> This point clearly bans legal rules that are formally (‘de jure’) non-discriminatory, but which lead – and are meant to lead – to actual disadvantages for non-residents.<sup>121</sup>

That consideration marks a difference between the ‘constitutional’ concerns raised by the discriminating effect of Art. 11 CDR on the one hand and by the limited duration of UCDRs (three years instead of a minimum of ten as prescribed in Art. 26(4) TRIPS) on the other. While the principle ‘the greater includes the lesser’ is clearly and fatally compromised where concerns of the first type<sup>122</sup> are triggered, it may be able to prevail in situations of the second type, unless its operation is precluded by other reasons (for instance, because granting a short-term unregistered design right in addition to the full-term registered right is not considered as ‘lesser’, but rather as an *aliud* vis-à-vis not granting such a right at all).<sup>123</sup>

The question remains whether, apart from national treatment, there are other ‘quasi-constitutional’ concerns irrevocably tainting TRIPS-Plus IP legislation in spite of the fact that it yields more than the bare minimum. For an informed response, one would first have to define what ‘unconstitutional’ means in the context of international IP law. Does the concept of ‘constitution’ – if it is accepted at all for the sake of argument – relate to rules having attained the status of customary law? If so, the restriction would be basically meaningless and redundant, as those rules will prevail in any case. Alternatively, in line with what was said about the equality and national treatment principle, one could conceptualise as ‘constitutional’ those elements within international conventions that establish the essential groundwork for their operation.<sup>124</sup> For instance, it could be argued that protection without registration is a constitutional element of the Berne Convention. In that light,

It concerned inter alia access to the registration system established in the EU (then the EC) for protection of geographical indications and designations of origin. Applicants for designations indicating non-EU origin had to comply with formalities in their home countries that were not provided in all of those countries, thereby effectively barring a sizeable number of non-EU related designations of origin from protection under the registration system. The fact that TRIPS in Art. 22–24 does not require an option for registration – meaning that the system established by the EU was of a TRIPS-Plus character – did not detract from the obligation under Art. 3(1) TRIPS and Art. 2 PC to grant full national treatment.

<sup>120</sup> *Id.*, paragraph 7.134.

<sup>121</sup> According to the WTO Panel in *Canada – Patents*, a de facto discrimination is found if an ‘ostensibly neutral measure transgresses a non-discrimination norm because its actual effect is to impose differentially disadvantageous consequences on certain parties, and because those differential effects are found to be wrong or unjustifiable’. *Canada – Patent Protection of Pharmaceutical Products – Complaint by the European Communities and their Member States – Report of the Panel, WT/DS114/R*, para. 7.101.

<sup>122</sup> That is, in the IP context: non-compliance with national treatment as prescribed in Art. 2 PC and Art. 3 TRIPS.

<sup>123</sup> This aspect conforms to the second condition identified in Herz’s scheme.

<sup>124</sup> See Section C.IV and notes 125 to 128 with accompanying text.

requiring registration as a prerequisite for enjoying longer protection than what is prescribed in Art. 7(1) would be incompatible with international law, even if it only applies during the additional protection period. Or what about granting TRIPS-Plus rights in the form of mere liability rules? Is exclusivity (notwithstanding the admissibility of limitations) necessarily a defining – and therefore constitutional – feature of IP rights? If so, the grant of patents for therapeutic methods without any access to civil remedies would be incompatible with Art. 28 TRIPS, irrespective of the fact that providing for such patents is not mandatory under Art. 27.

#### IV. *The Need for Further Research*

The quest for ‘constitutionalisation’ of certain elements of international IP conventions, or the global IP system in its entirety, is nothing new. To be highlighted is in particular the endeavour by Rochelle Dreyfuss and Graeme Dinwoodie in their book on a neo-federalist vision of TRIPS to identify an ‘acquis’ of basic principles forming the background norms animating the IP system.<sup>125</sup> For such efforts to gain further impact, it needs to be clarified whether there is a place in the hierarchy of international norms for a set of core principles which have not risen to the level of customary law, but which, by virtue of their ranking in the framework of international norms and based on a common or at least widespread understanding, cannot be discarded by national lawmakers or in international negotiations. While there does not seem to be a clear precedent on the international level for such constitutionalisation of basic tenets,<sup>126</sup> the concept might arguably work in densely regulated areas such as IP, where defining elements can be extracted from a plethora of existing norms and a trove of documented practice.

The larger implications of such a move – if it were successful – are, however, not quite clear. On the one hand, constitutionalisation of core IP principles might offer a resilient defence warding off imbalanced and intrusive measures pushed through in international negotiations by powerful actors.<sup>127</sup> On the other hand, as shown by the considerations above, elevating certain elements of IP conventions to the status of (quasi-) constitutional norms could impose substantial limits on legislatures’ freedom to frame TRIPS-Plus legislation.<sup>128</sup>

Regarding more specifically the principle that ‘the greater includes the lesser’, the caveat must be repeated here that transposing a scheme developed to operate within

<sup>125</sup> Dreyfuss & Dinwoodie (note 79), 176 et seq.; see also TUOMAS MYLLY, *INTELLECTUAL PROPERTY AND NEW CONSTITUTIONALISM*, Edward Elgar (2018); see also TUOMAS MYLLY, *INTELLECTUAL PROPERTY AND EUROPEAN ECONOMIC CONSTITUTIONAL LAW*, IPR University Center (2009).

<sup>126</sup> The concept has, however, been under discussion – in particular in the USA; see references by Dreyfuss & Dinwoodie (note 79), p. 202, note 147.

<sup>127</sup> See in particular Dreyfuss & Dinwoodie (note 79), 180.

<sup>128</sup> For instance concerning a registration requirement in copyright law after the lapse of the minimum protection period.

a clear-cut legal framework to the loosely structured area of international IP law is somewhat questionable. Nevertheless, the thought experiment explained above has shown two things. First, the issue needs further exploration and discussion. Second, whatever scheme is adopted at the end, this is definitely a matter for differentiation depending on the kind of right granted and the gravity of the violation of international law which is allegedly caused. Generally speaking, the principle of ‘the greater includes the lesser’ – where it applies – might lose its convincing force only where limitations or conditions appear to be incompatible with the basic tenets of the international IP system and the very essence of the relevant right as enshrined in TRIPS and the earlier conventions. As an example, one might think of legislation accepting smell marks for registration, which is not mandatory under Art. 15 TRIPS, but limiting the duration of the right to ten years without a possibility for renewal. That would be both illogical in view of what trademark protection is about and ignorant of the fundamental policy considerations underlying Art. 18 TRIPS.

However, such extreme examples are rare. Furthermore, the misgivings would not preclude legislation pursuing equal goals in a different form. Thus, no international rule would hinder *sui generis* legislation granting a time-limited exclusive right to creators of smells that are novel and distinct. Similarly, even assuming that it would be incompatible with the very DNA of copyright to stipulate that after lapse of the minimum term the right is transformed into a mere liability rule, international law would not prohibit that copyright protection terminates at the prescribed term and a *domaine public payant*<sup>129</sup> is established thereafter. In that situation, the more relevant question would be the one considered in Part 2 of this chapter, namely to what extent such rights must – or should – nevertheless respect the principle of national treatment.

#### D. CONCLUSIONS AND SUMMARY

This chapter has developed two strands of arguments concerning TRIPS-Plus rights. The *first* one concerns novel forms of rights to intangible assets that neither belong in the universe of copyright covered by the Berne Convention nor, under an interpretation in the light of Art. 31 VCLT, constitute industrial property rights in the meaning of the Paris Convention, although being close enough at least to the latter. The question is posed, with regard to those rights, whether they should and can remain exempted from application of the fundamental rule of national treatment. It is posited here that the reasons for limiting national treatment to the closed catalogue of rights and conventions expressly demanding its application are dwindling and that discrimination on the basis of nationality should be discouraged more

<sup>129</sup> For an early suggestion to establish a *domaine public payant* under EU law based on a comparative study see Adolf Dietz, COPYRIGHT LAW IN THE EUROPEAN COMMUNITY, Sijthoff & Noordhoff (1978), p. 172 et seq., 246.

generally, except where barring others from protection is justified by sound policy reasons.

The *second* strand of arguments deals with the question of under which circumstances TRIPS-Plus legislation in the field of IP is liberated from constraints that otherwise follow from the agreement and the conventions it incorporates. The contention that any derogation from the obligations enshrined in Part II would be in violation of Art. 1(1) 2nd half-sentence TRIPS is rejected, but it is also doubted that legislatures are entirely free to introduce conditions and restrictions with regard to TRIPS-Plus elements. It is further suggested that the principle 'the greater includes the lesser' with its inherent qualifications may provide some guidance. However, because the application of that principle poses its own conundrums, more research is needed to arrive at a clearer picture. Such investigations link to the question of constitutionalising certain elements of international IP law, including whether there is a place in the hierarchy of international norms for a core set of legal principles which have not risen to the level of customary law, but which nevertheless command compliance beyond that owed to 'simple' conventional norms.