COMMISSION OF THE EUROPEAN COMMUNITIES

COM(94) 382 final
Brussels, 15.09.1994

Proposal for a

COUNCIL DECISION

on the extension of the legal protection of topographies of semiconductor products to persons from Canada

(presented by the Commission)

EXPLANATORY MEMORANDUM

Community and international legal context

Council Directive 87/54/EEC on the legal protection of topographies of semiconductor products[1] lays down the basic principles which must be respected in all Member States of the Community for the protection of intellectual property in the topographies of integrated circuit designs . It provides that protection is to be available to natural persons who are nationals of or have their habitual residence in a Member State and to companies or other legal persons which have a real and effective industrial or commercial establishment in the territory of a Member State. The Directive has been implemented into the national legislation of all the Member States.

Under the terms of the Agreement on the European Economic Area, the Directive has also applied, since 1st January 1994, in the EFTA countries which are contracting parties to that Agreement, as a binding act forming part of those countries' domestic legislation.[2]

A series of Council decisions, also taken over as binding acts in the Agreement on the European Economic Area, has extended the legal protection of topographies of semiconductor products introduced by Directive 87/54/EEC to persons from certain countries and territories outside the Community. This protection has been granted on the basis of reciprocity to natural and legal persons,[3] in some cases on a permanent and in others on a temporary basis.

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1 Directive of 16th December 1986 (OJ No L 24, 27.1.1987, p. 36).

2 Article 65(2) and point 1 of Annex XVII to the Agreement on the European Economic Area.

3 Currently in force:

- Council Decision 90/510/EEC of 9th October 1990 (OJ No L 285, 17.10.1990, p. 29), as amended by Decision 93/17/EEC of 21st December 1992 (OJ No L 11, 19.1.1993, p. 22), which introduces a system of permanent and unconditional protection in respect of certain countries and territories that have granted like protection to the Community Member States;

- Council Decision 93/16/EEC of 21st December 1992 (OJ No L 11, 19.1.1993, p. 20), as amended by Decision 93/520/EEC of 27th September 1993 (OJ No L 246, 2.10.1993, p. 31), which grants interim protection to persons from the United States of America (until 31.12.1993) and from certain territories (until 31.12.1994), and Council Decision 94/373/EC of 27th June 1994 (OJ No L 170, 5.7.1994, p. 34), which extends until 1st July 1995 the protection in respect of the United States of America (this latest Decision has not yet been taken over in the Agreement on the European Economic Area).

As provided for in Article 4(1) and (2) of Protocol 28 to the Agreement on the European Economic Area, the contracting parties to the Agreement have the right to take decisions on the extension of the legal protection of topographies of semiconductor products to persons from any third country or territory, which is not a contracting party to the Agreement, where such persons do not benefit from the right to protection under the Agreement. They may also conclude agreements to this effect.

Where the right to protection for topographies of semiconductor products is extended to a non–contracting party, the contracting party concerned shall endeavour to ensure that the non–contracting party concerned will grant the right to protection to the other contracting parties to the Agreement on equivalent conditions to those granted to the contracting party concerned.

In addition, the Agreement on trade–related aspects of intellectual property rights, which forms part of the results of the Uruguay Round of multilateral trade negotiations embodied in the Marrakesh Final Act of 15th April 1994, requires Member States to grant protection to topographies of integrated circuits in accordance with the provisions of that Agreement and those of the Treaty on Intellectual Property in Respect of Integrated Circuits to which it refers. The Agreement, together with that establishing the World Trade Organization, will enter into force on 1st January 1995 or as soon as possible after that date;[4] the developed countries which are Members of the Agreement establishing the World Trade Organization will have one year following the entry into force of that Agreement in which to implement the provisions of the Agreement on trade-related aspects of intellectual property rights.[5]

Relations between the Community and Canada

The Canadian regulations governing integrated circuit topographies are contained in the following texts:

- an Act to provide for the protection of integrated circuit topographies and to amend certain Acts in consequence thereof, which was passed on 27th June 1990, entered into force on 1st May 1993 and was amended by the Act of 6th May 1993 to amend the Copyright Act, the Industrial Designs Act, the Integrated Circuit Topographies Act, the Patents Act, the Trade-Marks Act and other Acts in consequence thereof (amendment of Article 4(1)(c) of the Act, which specifies the persons to whom protection is to be granted);

- the Integrated Circuit Topographies Regulations, which was passed on 27th April 1993 and entered into force on 1st May 1993.

On 27th May 1993 Canada also issued an Order listing the countries to which it grants reciprocal protection under the Act, namely Australia, the United States of America and Japan.

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4 Article XIV of the Agreement establishing the World Trade Organization and point 3 of the Final Act embodying the results of the Uruguay Round of multilateral trade negotiations.

5 Article 65 of the Agreement on trade–related aspects of intellectual property rights.

A detailed examination of the above-mentioned Canadian regulations has shown that they afford suitable protection to topography designers who are Canadian nationals or are natural or legal persons that have a real and effective establishment there for the purpose of designing topographies or manufacturing integrated circuits.

In a letter dated 16th September 1993, the Canadian authorities stated that they were keen to take the steps necessary to grant in Canada, in accordance with the terms of the above-mentioned regulations, the right to permanent protection of topographies of semiconductor products to persons from the Community Member States, subject to reciprocity. Such protection would be enjoyed by designers who, either at the time of design or of submission of the application for registration of the topography concerned, were Community nationals or natural or legal persons having a real and effective establishment in the Community for the purpose of designing topographies or manufacturing integrated circuits.[6]

At several meetings with the Commission, the Canadian authorities have confirmed that they wish to extend the protection of topographies on the terms described above and have indicated the date on which such protection would take effect.

Proposal

The Canadian authorities have announced that they plan to extend from 1st November 1994 the arrangements for the legal protection of topographies introduced by Canadian regulations to Community nationals and to natural or legal persons that have a real and effective establishment there for the purpose of designing topographies or manufacturing integrated circuits.

Given that those regulations grant suitable protection to designers of topographies, their extension to the above-mentioned persons should be reciprocated by the Community in respect of persons from Canada.

Under the terms of the Agreement on trade-related aspects of intellectual property rights, it will not be possible to continue to extend such protection on the current basis of reciprocity, as is currently the case.

Accordingly, it is proposed that the Council should extend, from 1st November 1994 until the implementation of the Agreement on trade related aspects of intellectual property rights, the right to protection under Directive 87/54/EEC to persons from Canada.

Since the Canadian authorities plan to grant the protection provided for by their regulations not only to designers who are natural persons (Community nationals and natural persons who have a real and effective establishment there for the purpose of designing topographies or manufacturing integrated circuits) but also to legal persons (which likewise have such an establishment in the Community), it is proposed that the

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6 Article 4(1)(c) of the Law of 27th June 1990, as amended by the Law of 6th May 1993.

Council should extend the right to protection under Directive 87/54/EEC both to natural persons and to companies and other legal persons from Canada.

Measures to be taken in connection with the Agreement on the European Economic Area

The Decision which the Council is recommended to adopt relates, as stated above, to a matter covered by the Agreement on the European Economic Area and is aimed at applying to persons from Canada the protection machinery applied to certain other countries through the adoption of a series of Council decisions already taken over as binding acts in point 3 of Annex XVII to that Agreement. Accordingly, the Decision should cover the EFTA countries which are party to the Agreement on the European Economic Area.

In accordance with Article 4(2) of Protocol 28 to the Agreement, the Community will also endeavour to ensure that the Canadian authorities grant the right to protection to the other contracting parties to the Agreement on equivalent conditions to those granted to it.

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on the extension of the legal protection of topographies of semiconductor products to persons from Canada

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Directive 87/54/EEC of 16th December 1986 on the legal protection of topographies of semiconductor products,[1] and in particular Article 3(7) thereof,

Having regard to the proposal from the Commission,

Whereas the right to legal protection of topographies of semiconductor products in the Community applies to persons qualifying for protection under Article 3(1) to (5) of Directive 87/54/EEC;

Whereas this right can be extended by Council Decision to persons who do not benefit from protection under the said provisions;

Whereas the extension of the protection in question should, as far as possible, be decided by the Community as a whole;

Whereas in some cases on a permanent and in others on an interim basis, protection has previously been granted on a reciprocal basis to persons from certain countries and territories outside the Community;[2]

Whereas Canada has regulations according suitable protection to designers of topographies and has announced that it plans to extend their application, from 1st November 1994, to Community nationals and to natural and legal persons that have a real and effective establishment there for the purpose of designing topographies or manufacturing integrated circuits;

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1 OJ No L 24, 27.1.1987, p. 36.

2 Currently in force:

- Council Decision 90/510/EEC of 9th October 1990, as amended by Decision 93/17/EEC of 21st December 1992, which introduces a system of permanent and unconditional protection in respect of certain countries and territories which have granted like protection to the Community Member States;

- Council Decision 93/16/EEC of 21st December 1992, as amended by Decision 93/520/EEC of 27th September 1993, which grants interim protection to persons from the United States of America (until 31.12.1993) and from certain territories (until 31.12.1994), and Council Decision 94/373/EC of 27th June 1994, which extends until 1st July 1995 the protection in respect of the United States of America.

Whereas the Agreement on trade related aspects of intellectual property rights, which forms part of the results of the Uruguay Round of multilateral trade negotiations embodied in the Marrakesh Final Act of 15th April 1994, requires Members to grant protection to integrated–circuit topographies in compliance with its own provisions and with those of the Treaty on Intellectual Property in Respect of Integrated Circuits to which it refers;

Whereas the Agreement, together with that establishing the World Trade Organization, will enter into force on 1st January 1995 or as soon as possible after that date and whereas the developed countries which are Members of the Agreement establishing the World Trade Organization will have one year following the entry into force of that Agreement in which to implement the Agreement on trade related aspects of intellectual property rights;

Whereas, in view of the undertakings given by the Canadian authorities, the right to protection under Directive 87/54/EEC should be extended, from 1st November 1994 until the implementation of the above-mentioned Agreement on trade related aspects of intellectual property rights, to natural persons, companies and other legal persons from Canada,

HAS ADOPTED THIS DECISION:

Article 1

Member States shall extend the legal protection provided for pursuant to Directive 87/54/EEC as follows:

(a) natural persons who are nationals of Canada or who have their habitual residence in the territory of Canada shall be treated as if they were nationals of a Member State;

(b) companies and other legal persons of Canada which have a real and effective industrial or commercial establishment in that country shall be treated as if they had a real and effective industrial or commercial establishment in the territory of a Member State.

Article 2

This Decision shall apply from 1st November 1994.

Member States shall extend protection under this Decision to the persons from Canada referred to in Article 1 until the implementation of the Agreement on trade-related aspects of intellectual property rights, embodied in the Marrakesh Final Act of 15th April 1994.

Article 3

This Decision is addressed to the Member States.

Done at Brussels,

For the Council
The President

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