COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 04.09.1996
COM(96)411 final

Proposal for a

COUNCIL DECISION

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

(presented by the Commission)

Explanatory memorandum

Community and international legal context

Council Directive 87/54/EEC of 16 December 1986 on the legal protection of topographies of semiconductor products[1] lays down the basic principles which the Member States must observe for the protection of intellectual property in these topographies. 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 on the territory of a Member State. The Directive has been incorporated into the national law of all the Member States.

Under the terms of the Agreement on the European Economic Area, the Directive has also applied since 1 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 number of Council Decisions, also taken over in the Agreement on the European Economic Area as binding acts, have 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. In some cases permanent and in others interim protection has been accorded on a reciprocal basis to natural and legal persons.

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 that effect.

The contracting party concerned is to endeavour, where the right to protection for topographies of semiconductor products is extended to a non-contracting party, to ensure that the non-contracting party concerned will grant the right to protection to the other contracting parties to the Agreement under equivalent conditions to those granted to the contracting party concerned.

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

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

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 15 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 (to which it is annexed), entered into force on 1 January 1995. Council Decision 94/824/EC of 22 December 1994[3] provides for the legal protection of topographies of semiconductor products to be extended to nationals of Members of the World Trade Organization. The Isle of Man is not at present a Member of the World Trade Organization.

Relations between the Community and the Isle of Man

Since 7 November 1987 the Community has, on the basis of a series of interim decisions,[4] granted legal protection consistent with the principles contained in Directive 87/54/EEC to persons from territories which have a special link with the United Kingdom, including the Isle of Man. In accordance with Council Decision 94/828/EC, that protection was extended until 31 December 1995.

The protection provided by all of these Decisions is granted to natural persons who are nationals of one of the territories concerned or who have their habitual residence there. On the other hand, companies or other legal persons in these territories which have a real and effective industrial or commercial establishment there are eligible for protection only if the Commission establishes that companies or other legal persons of a Member State which have the right to protection under Directive 87/54/EEC benefit from protection there.

The above-mentioned Decisions, which are of limited duration, were based on the assumption that the territories which had not yet adopted specific legislation would do so and would make such legislation applicable as soon as possible to persons from the Member States of the Community benefiting from the right to protection under Directive 87/54/EEC.

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3 OJ No L 349, 31.12.1994, p. 201.

4 Council Decision 87/532/EEC of 26 October 1987 on the extension of legal protection of topographies of semiconductor products in respect of persons from certain countries and territories (OJ No L 313, 4.11.1987, p. 22); Second Council Decision 90/511/EEC of 9 October 1990 on the extension of the legal protection of topographies of semiconductor products to persons from certain countries and territories (OJ No L 285, 17.10.1990, p. 31); Council Decision 93/16/EEC of 21 December 1992 on the extension of the legal protection of topographies of semiconductor products to persons from the United States of America and certain territories (OJ No L 11, 19.1.1993, p. 20); Council Decision 93/520/EEC of 27 September 1993 amending Decision 93/16/EEC on the extension of the legal protection of topographies of semiconductor products to persons from the United States of America and certain territories (OJ No L 246, 2.10.1993, p. 31); Council Decision 94/828/EC of 19 December 1994 on the extension of the legal protection of topographies of semiconductor products to persons from certain territories (OJ No L 351, 31.12.1994, p. 12).

The Isle of Man has responded by adopting the Design Right (Semiconductor Topographies) Order 1993, under which topographies of semiconductor products are protected in the territory of the Isle of Man. The Order entered into force on 1 January 1994 and applies the principles laid down in Directive 87/54/EEC. Natural persons, companies and other legal persons from the Community are now expressly entitled to protection in the territory of the Isle of Man.

The Isle of Man intends in due course to accede to the World Trade Organization and to implement the Agreement on trade-related aspects of intellectual property rights. It should be stressed that, once the Agreement on trade-related aspects of intellectual property rights enters into force, it will no longer be possible to apply the current system of protection in the Community, which is based on a reciprocity requirement, to other Members of the Agreement.

The time it will take for the Isle of Man to accede to the World Trade Organization and to the Agreement on trade-related aspects of intellectual property rights is as yet unknown, and the Government of the Isle of Man has requested the Community to maintain the protection it has granted until such accession, to avoid any gap in protection.

Proposal

Given that the current legislation is to remain in force in the Isle of Man, thereby affording persons from the Community protection for topographies, it is proposed that the Council extend protection under Directive 87/54/EEC to natural and legal persons from the Isle of Man, retroactively from 1 January 1996, until the Isle of Man accedes to the World Trade Organization and implements the Agreement on trade-related aspects of intellectual property rights.

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 extending to persons from the Isle of Man the protective machinery already applied to them through the adoption of a number 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.

Moreover, in accordance with Article 4(2) of Protocol 28 to the Agreement, the Community will endeavour to ensure that the Isle of Man will grant the right to protection to the other Contracting Parties to the Agreement under equivalent conditions to those granted to it.

Proposal for a Council Decision

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

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Directive 87/54/EEC of 16 December 1986 on the legal protection of topographies of semiconductor products,[5] 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 the Community has, since 7 November 1987, extended such protection to persons from the Isle of Man by successive Council Decisions taken on an interim basis, the latest of which is Decision 94/828/EC of 19 December 1994;[6]

Whereas that Decision applied until 31 December 1995;

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

6 Council Decision 87/532/EEC of 26 October 1987 on the extension of legal protection of topographies of semiconductor products in respect of persons from certain countries and territories (OJ No L 313, 4.11.1987, p. 22); Second Council Decision 90/511/EEC of 9 October 1990 on the extension of the legal protection of topographies of semiconductor products to persons from certain countries and territories (OJ No L 285, 17.10.1990, p. 31); Council Decision 93/16/EEC of 21 December 1992 on the extension of the legal protection of topographies of semiconductor products to persons from the United States of America and certain territories (OJ No L 11, 19.1.1993, p. 20), as amended by Council Decision 93/520/EEC of 27 September 1993 (OJ No L 246, 2.10.1993, p. 31); Council Decision 94/828/EC of 19 December 1994 on the extension of the legal protection of topographies of semiconductor products to persons from certain territories (OJ No L 351, 31.12.1994, p. 12).

Whereas the Isle of Man has appropriate legislation on the protection of topographies of semiconductor products,[7] which entered into force on 1 January 1994; whereas that legislation applies Directive 87/54/EEC and gives effect to the Council's previous Decisions on the topic; whereas the Isle of Man extends application of the legislation to nationals of Member States of the European Community;

Whereas the Agreement on trade-related aspects of intellectual property rights, concluded on 15 April 1994, requires Members of the World Trade Organization 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 (to which it is annexed), entered into force on 1 January 1995;

Whereas it is foreseeable that the Isle of Man will accede to the World Trade Organization and implement the Agreement on trade-related aspects of intellectual property rights;

Whereas the provisions guaranteeing protection of topographies in the Isle of Man for persons from the Community are still in force there;

Whereas protection should continue to be extended under Directive 87/54/EEC to the Isle of Man, with effect from 1 January 1996, until the Isle of Man accedes to the World Trade Organization and implements the Agreement on trade-related aspects of intellectual property rights,

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[7] Design Right (Semiconductor Topographies) Order of 14 December 1993 and Design Right (Semiconductor Topographies) Regulations of 18 January 1994.

HAS ADOPTED THIS DECISION:

Article 1

Member States shall extend the right to legal protection under Directive 87/54/EEC as follows:

(a) natural persons who are nationals of the Isle of Man or who have their habitual residence in the territory of the Isle of Man shall be treated in the same way as nationals of a Member State;

(b) companies or other legal persons from the Isle of Man which have a real and effective industrial or commercial establishment there 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 1 January 1996.

The Member States shall extend the right to protection under this Decision to the persons referred to in Article 1 until the Isle of Man accedes to the World Trade Organization and implements the Agreement on trade-related aspects of intellectual property rights.

Any exclusive rights acquired under Decisions 87/532/EEC, 90/511/EEC, as amended by Decision 93/520/EEC, 94/828/EC or under this Decision shall continue to produce their effects for the period laid down under Directive 85/54/EEC.

Article 3

This Decision is addressed to the Member States.

Done at Brussels, ...

For the Council
The President

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