
The Beneficiaries of TRIPs: Some Questions of Rights, Ressortissants and International Locus Standi

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Abstract

The rights and remedies of private parties under the three principal global treaties for the protection of intellectual property are restricted to persons having the status of ressortissants under the relevant treaty, and by the general law of diplomatic protection. Two largely neglected issues arise in relation to ressortissants, which the treaties do not expressly resolve. The first concerns whether the obligations which state A assumes towards the nationals of state B can be enforced by states other than B. The second is whether the obligations assumed by a state under one of these treaties extend to that state's own nationals. It is suggested that the Bananas III and Havana Club decisions have effectively resulted in unlimited locus standi for WTO members to complain of breaches of TRIPs, including the incorporated provisions of the Paris and Berne conventions. The answer to the second question is more tentative, but it is suggested that there may be greater opportunities for arguing that the provisions of TRIPs are binding on states in relation to their own nationals, including incorporated Paris and Berne Articles, than there were under either of those earlier treaties on their own.

1 The Global Regulation of Intellectual Property

A Some Problems Exemplified

European musicians complain that radio broadcasts of their music are being played in commercial establishments in the US without payment or permission.¹ The trade mark registration for Havana Club rum, in the US again, is successfully blocked by legislation benefiting the owners' rivals Bacardi.² The corporate proprietor of a patent

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¹ WTO Panel Report, *US – Section 110(5) of the US Copyright Act*, WT/DS160/R, adopted 27 July 2000, DSR 2000: VIII, 3769 ('Music in Bars').

² WTO Appellate Body Report, *US – Section 211 Omnibus Appropriations Act of 1998*, WT/DS176/AB/R, adopted 1 Feb. 2002, DSR 2002: II, 589 ('Havana Club').

which has been revoked at trial insists that it has an unqualified right to appeal that decision, despite a rule of court apparently to the contrary.³

These cases involve that disparate collection of rights known as ‘intellectual property’, the regulation of which in international law was traditionally the concern of two major international conventions: the Paris Convention for the Protection of Industrial Property⁴ and the Berne Convention for the Protection of Literary and Artistic Works.⁵ To these two conventions there must now be added the WTO Agreement on Trade-Related Intellectual Property Rights, or TRIPs,⁶ into which most of the substantive law provisions of the Paris and Berne conventions are incorporated by reference.⁷ Detailed analysis of these cases would require consideration of the substantive content of the relevant treaty provisions in relation to the facts of each, as well as their incorporation into domestic (or European) law. These issues are extremely disparate, and I do not address them further, unless in passing. Rather, I intend to deal with two underlying issues of general public international law which appear to have gone by default in these cases and similar ones, but which might, in future cases, be determinative of the argument.

B The Issues Stated

The first of these two issues concerns whether the obligations which state A assumes towards the nationals (or commercial companies) of state B can be enforced by states other than B. One may call this the *third-state problem* or the *Barcelona Traction problem*,⁸ after the leading case in the general law. Its resolution is a mixed one of treaty interpretation and of that part of customary international law which goes under the title of ‘diplomatic protection’. The second issue concerns entitlement to the benefit of internationally-agreed norms at the national level, and specifically whether the obligations assumed by a state under one of these treaties extend, in the absence of unambiguous language to that effect, to that state’s own nationals. One may call this the *own-state problem*. In this instance, the matter is entirely a matter of the interpretation of the relevant treaty, rather than the application of any supervening rule of international law.

The own-state problem is not to be confused with that of whether such nationals receive the same degree of protection as foreign nationals in fact, nor with whether

³ *Pozzoli SpA v. BDMO SA* [2007] EWCA Civ. 588.

⁴ Paris 1883, as revised at Stockholm 1967. See generally G.H.C. Bodenhausen, *Guide to the Application of the Paris Convention for the Protection of Industrial Property* (1969); S. Ladas, *Patents, Trademarks and Related Rights – National and International Protection* (1975).

⁵ Berne 1886, as revised at Paris 1971. See generally C. Masouyé, *Guide to the Berne Convention for the Protection of Literary and Artistic Works* (trans. W. Wallace, 1978); S. Ricketson and J.C. Ginsburg, *International Copyright and Neighbouring Rights: The Berne Convention and Beyond* (2nd edn, 2005).

⁶ Marrakesh 1994. See generally C.M. Correa, *Trade Related Aspects of Intellectual Property Rights: A Commentary on the TRIPS Agreement* (2007); P.-T. Stoll, J. Busche, and K. Arend (eds), *WTO – Trade-Related Aspects of Intellectual Property Rights* (2009); D. Gervais, *The TRIPS Agreement: Drafting History and Analysis* (4th edn, 2012).

⁷ TRIPs Art. 2(1) (Paris Convention) and Art. 9(1) (Berne Convention).

⁸ *Belgium v. Spain (Case concerning the Barcelona Traction, Light and Power Co. Ltd)* [1970] ICJ Rep. 3.

they should do so as a matter of policy or justice. Self-evidently few states, at least in this field of law, will consciously refrain from conferring on their own nationals rights equivalent to those which they are internationally bound to confer on nationals of other states, although the situation has arisen in the past,⁹ and may continue.¹⁰ But that is not the point. States not infrequently misunderstand or underestimate the extent of their international obligations, or over-estimate the degree of protection available under their domestic laws, and for these reasons or less creditable ones, they may fail to provide in their domestic law for the full range of rights to which they are internationally bound.¹¹ That foreigners have a legitimate grievance in such cases is self-evident, and diplomatic protection is the means by which that grievance may in principle be remedied on the international plane, though that occurs rarely enough in practice.

That a state's own nationals have similar rights in these circumstances is sometimes taken for granted, but the proposition is fraught with difficulties. In the internal law of a 'dualist' state such as the UK, it rarely matters whether a particular statutory right ultimately derives from an international obligation or not, except in so far as the relevant treaty is a legitimate aid to interpretation. However, it is not internationally wrongful for a state to deprive anyone (least of all one of its own nationals) of rights which it is not internationally obligated to provide. If we were to conclude, for instance, that TRIPs Article 32, at issue in the *Pozzoli* case,¹² does confer on foreign patent holders an unqualified right of appeal, but does not confer an equivalent right on nationals, then denial of a right of appeal to a UK patentee could never be the basis of a valid international claim, because no international obligation to extend the benefit of Article 32 to UK nationals ever existed.

These two issues are logically separate, but they are related in so far as a negative answer to the third-state problem would result in the conclusion that any obligations which state A supposedly owed to its own nationals would be wholly unenforceable on the international plane, because no state can enforce its international obligations against itself, and no other state would have *locus standi* to do so. From this conclusion it is but a short step to concluding that supposed rights which are inherently unenforceable in any circumstances, however remote, do not deserve the name of rights at all, but are mere expectations. Conversely, if obligations which state A supposedly owes to its own nationals are capable of being enforced by states B, C, and D, then one theoretical objection to treating these as giving rise to rights properly so-called disappears, or is at least diminished.

⁹ As formerly in the US with trade mark registration based on intent to use, prior to the Trademark Law Revision Act, 1988. It remains the case that actual use in the US is a precondition for registration of US-owned trade marks, whereas foreign registrants can rely on registration in the country of origin: Trademark Act, 1946, as amended, ss 1, 44.

¹⁰ A minor example persists in US law in relation to registration of copyrights: see s. 411(a) of the Copyright Act, 1976. cf. Berne Convention, Art. 5(2).

¹¹ The continuing failure, over many years, of some common law members of the Berne Convention to protect moral rights properly is a good example. See Ricketson and Ginsberg, *supra* note 5, at 1150. The moral rights provisions of the Berne Convention are not incorporated into TRIPs: Art. 9(1) proviso.

¹² *Supra* note 3.

Both the Paris and Berne conventions contain provision for the resolution of disputes over their interpretation or application by the International Court of Justice (ICJ), subject to a right of reservation,¹³ but no such proceedings have ever been brought. In the case of the TRIPs Agreement WTO dispute settlement procedures apply, and recourse to the ICJ is precluded.¹⁴

C *A Latent Ambiguity in TRIPs*

In the specific case of the TRIPs Agreement, the starting point is Article 1, whose paragraphs (1) and (3) respectively begin:¹⁵

Members shall give effect to the provisions of this Agreement. ...

And:¹⁶

Members shall accord the treatment provided for in this Agreement to the nationals of other Members. ...

To at least one leading commentator, it is self-evident beyond the need for further explanation that WTO members are obliged to confer on their own nationals the benefits of the substantive provisions of TRIPs, so far as relevant, and that Article 1(3) has the logically separate function of obliging them to confer on the nationals of other members the benefit of those same provisions.¹⁷

This provision [Article 1(3)] makes it clear that the treatment provided in TRIPs must be provided to nationals of other Members, *not only to a Member's own nationals*.

To other commentators, however, it is equally obvious that the member states of the WTO assumed no obligations towards their own nationals by virtue of membership of TRIPs:¹⁸

The [TRIPs] Agreement does not apply to purely domestic relations. While domestic laws may not differentiate the treatment given to nationals and foreigners, *the former cannot claim any right under the TRIPs Agreement, nor are Members obliged to implement the Agreement's provisions in their regard*. What rights are accorded is not a matter for the international treaty.

So which view is right? Neither of these authors invokes the *travaux préparatoires* to resolve this ambiguity,¹⁹ which is not surprising, since neither of them admits the existence of the ambiguity in the first place. In any event the drafting history is not of

¹³ Recourse to the ICJ under the Berne Convention was introduced at the Brussels (1948) revision conference as Art. 27 *bis*. The provision was substantially amended at Stockholm (1967) and Paris (1971) to result in the present Art. 33. See Ricketson and Ginsberg, *supra* note 5, at 1153–1154. The equivalent Paris Convention provision is Art. 28, which was new in 1967.

¹⁴ TRIPs Art. 64 provides for GATT Arts XXII and XXIII (and the associated WTO Dispute Settlement Understanding) to apply.

¹⁵ TRIPs Art. 1(1). Cf. Paris Convention, Art. 25(1) and Berne Convention, Art. 36.

¹⁶ TRIPs Art. 1(3). Cf. Paris Convention, Art. 2(1) and Berne Convention, Art. 5(1).

¹⁷ Gervais, *supra* note 6, at 178 (emphasis added).

¹⁸ Correa, *supra* note 6, at 60–61 (emphasis added), citing Katzenberger, 'TRIPs and Copyright Law', in F.-K. Beier and G. Schricker (eds), *From GATT to TRIPs: The Agreement on Trade-related Aspects of Intellectual Property Rights* (1996), at 59, 70. Likewise Stoll *et al.*, *supra* note 7, at 87, also citing Katzenberger, *ibid.*

¹⁹ VCLT (1969), Art. 32.

much help. The draft of 23 July 1990,²⁰ which Gervais takes as his base text, lacked what is now Article 1(1). What was then draft Article 1(2) began with a sentence which is identical to the present first sentence of Article 1(3), except that the word 'PARTIES' appeared in place of 'Members'. The later 'Brussels draft' introduced the precursor of Article 1(1) and retained the precursor of Article 1(3), in both cases with the PARTIES language, but otherwise with no relevant changes.²¹ Of earlier documents, the US draft of 11 May 1990²² expressly confined the benefit of incorporated Paris and Berne provisions to 'rights-holders of other contracting parties'.²³ The corresponding EC draft of 29 March 1990²⁴ avoided the 'other parties' language, except where it could hardly be avoided, as with national and MFN treatment, and the treatment of customs unions. These faint differences fuel the argument, but they are hardly sufficiently explicit to resolve it.

2 The Conventions in International Law

A *The Necessary Fiction of Diplomatic Protection*

Treaties operate on the international plane: they confer no rights and impose no obligations on natural persons. Intellectual property rights, on the other hand, are private rights.²⁵ Since the planes of private law and international law cannot so easily be separated in reality, the doctrine (or fiction) of diplomatic protection regulates the situations in which a state is entitled to vindicate the rights of private persons.

Article 1 of the draft Articles on Diplomatic Protection prepared by the International Law Commission (ILC) provides:²⁶

For the purposes of the present draft articles, diplomatic protection consists of the invocation by a State, through diplomatic action or other means of peaceful settlement, of the responsibility of another State for an injury caused by an internationally wrongful act of that State to a natural or legal person that is a national of the former State with a view to the implementation of such responsibility.

The ILC Commentary amplifies this. After reciting that Article 1 is not an attempt at a complete or comprehensive definition, but a description of what diplomatic protection entails, the Commentary continues:²⁷

²⁰ GATT Doc. MTN.GNG/NG11/W/76.

²¹ GATT Doc. MTN.TNC/W/35/Rev.1 (3 Dec. 1990), at 196, 198.

²² GATT Doc. MTN.GNG/NG11/W/70. Other references to 'other contracting parties' are at Pt 1, Art. 2 (national treatment), Pt I, Art. 3 (MFN), and at Pt 2, Arts 3 (copyright), 7 (retrospective protection for works not in the public domain in country of origin), 9 (sound recordings), and 29 (semiconductors).

²³ *Ibid.*, Pt 1, Art. 1. This reflects the consensus that Paris and Berne did not confer own-state rights.

²⁴ GATT Doc. MTN.GNG/NG11/W/68. Likewise the Swiss draft of 14 May 1990, MTN.GNG/NG11/W/73.

²⁵ TRIPs, Preamble.

²⁶ International Law Commission, *Draft Articles on Diplomatic Protection with Commentary* (2006); draft Art. 1; see also Vermeer-Kunzli, 'As If: The Legal Fiction in Diplomatic Protection', 18 *EJIL* (2007) 37.

²⁷ *Ibid.*, para. (2) of commentary.

Under international law, a State is responsible for injury to an alien caused by its wrongful act or omission. Diplomatic protection is the procedure employed by the State of nationality of the injured persons to secure protection of that person and to obtain reparation for the internationally wrongful act inflicted.

A state may generally exercise diplomatic protection only on behalf of its own nationals,²⁸ except in cases involving a breach of a peremptory norm of public international law, in which case any state may apparently act.²⁹

B Treaty Categories and Analogies

Barcelona Traction notwithstanding, there are two recognized categories of treaty under which states explicitly undertake direct obligations towards private persons, namely treaties relating to human rights and treaties protecting foreign investment.³⁰ There is a much larger category of treaties for which one must make a distinction between obligations of pure public international law, which can only be incurred *vis-à-vis* other state contracting parties; and benefits which are conferred, not on the other contracting states in their capacity as such, but on private parties, typically (but not necessarily) their nationals or citizens.

In the case of the Paris Convention, Bodenhausen summarized the obligations undertaken by the Member States into four categories:³¹ provisions of international public law regulating the rights and obligations of the Member States and establishing the organs of the Union; provisions which required or permitted the Member States to legislate in certain fields; provisions regarding the rights and obligations of private persons, but only to the extent of requiring domestic law to be applied to all such parties; and, finally, provisions relating to the substantive law of intellectual property and sounding in private law, which directly governed the situation in issue. The last were further sub-divided into provisions which admitted of direct application if national law so provided, and those which depended on implementing legislation.

A further categorization applicable only to multi-party treaties takes its inspiration from the ILC draft Articles on State Liability.³² Under this formulation, treaties such as the WTO Agreements may be categorized either as bundles of bilateral agreements, analogous to private law contracts, or as ones concluded in pursuit of an inseparable collective interest that transcends the individual interests of the contracting parties.

²⁸ The principal *ratio* of *Barcelona Traction*, *supra* note 8. See also ILC draft Art. 3 and commentary. It also follows from *Barcelona Traction* that companies may in general only be represented by their state of incorporation: *ibid.*, draft Arts 9–11 and commentary.

²⁹ *Barcelona Traction*, *supra* note 8, at paras 33–34.

³⁰ The ambivalent *ELSI* case of 1988 is now regarded as falling into this category: cf. *Case Concerning Elettronica Sicula SPA (USA v. Italy)* [1988] ICJ Rep. 158 with *Case Concerning Ahmadou Sadio Diallo (Republic of Guinea v. Democratic Republic of the Congo)*, preliminary objections: [2007] ICJ Rep. 2007 (II) 653; merits: [2010] ICJ Rep. (II) 692.

³¹ Bodenhausen, *supra* note 4, at 10–16.

³² International Law Commission, draft articles on Responsibility of States for Internationally Wrongful Acts, with commentaries (2001), especially Arts 19, 42. It is not suggested that the proposed category of ‘international crimes’ is relevant to intellectual property, except by analogy.

These more closely resemble norms of criminal, statutory, or constitutional law. In the former case, no state other than the notional counter-party has any *locus standi* to complain of any breach. In the latter case, any member state may seek redress, since every contracting state has a sufficient interest in preserving the integrity of the whole. *A priori*, one might think that the Paris and Berne conventions fell into the ‘collective interest’ category – not least because of their repudiation of substantive reciprocity – with TRIPs and the WTO Agreements in general rather more finely balanced.³³

3 The *Ressortissants* of the Three Conventions

A ‘National Treatment’ and ‘Unionist Treatment’

Though the Paris and Berne conventions deal with completely different subject matters,³⁴ they are comparable in many respects. Both originated within a few years of one another (in 1883 and 1886 respectively), each establishes a ‘Union’ of like-minded member states,³⁵ both were (and are) administered by a single international organization and secretariat,³⁶ and both follow a similar scheme. In particular, both conventions provide for a mix of ‘national treatment’ and ‘unionist treatment’ (or ‘substantive minimum protection’).³⁷

The principle of national treatment is stated in the following terms. In Paris:³⁸

Nationals of any country of the Union shall, as regards the protection of industrial property, enjoy in all the other countries of the Union the advantages that their respective laws now grant, or may hereafter grant, to nationals; all without prejudice to the rights specially provided for by this Convention. ...

Likewise in Berne:³⁹

Authors shall enjoy, in respect of works for which they are protected under this Convention, in countries of the Union other than the country of origin, the rights which their respective laws do now or may hereafter grant to their nationals, as well as the rights specially granted by this Convention.

National treatment really is (almost) as simple as that: it requires only that states should treat the nationals of other contracting states (and certain other persons

³³ Pauwelyn, ‘A Typology of Multilateral Treaty Obligations: Are WTO Obligations Bilateral or Collective in Nature?’, 14 *EJIL* (2003) 907; Carmody, ‘WTO Obligations as Collective’, 17 *EJIL* (2006) 419; Gazzini, ‘The Legal Nature of WTO Obligations and the Consequences of Their Violation’, 17 *EJIL* (2006) 723.

³⁴ The Paris Convention, *supra* note 4, deals with patents, trade marks, designs, and other kinds of ‘industrial property’, though that term has fallen into disuse. The Berne Convention, *supra* note 5, deals with copyright in works of authorship, such as literary, artistic, dramatic, and musical works.

³⁵ Paris Convention, Art. 1(1), Berne Convention, Art. 1. For the (rather elusive) nature of the Unions so constituted see Bodenhausen, *supra* note 4, at 19–21; Ladas, *supra* note 4, at 95ff, Ricketson and Ginsberg, *supra* note 5, at 219–232.

³⁶ Currently the World Intellectual Property Organization (WIPO), formerly the *Bureaux Internationaux Réunis pour la Protection de la Propriété Intellectuelle* (BIRPI).

³⁷ Ladas, *supra* note 4, at 265–275.

³⁸ Paris Convention, Art. 2(1).

³⁹ Berne Convention, Art. 5(1).

assimilated to their status, collectively known as *ressortissants*) at least as well as they treat their own nationals. There is no requirement of reciprocity.

B The *Ressortissants* of Paris and Berne

The Paris and Berne conventions restrict their application to the '*ressortissants*' of states which are members of their respective Unions. The word '*ressortissants*' is used in the French text of the Paris Convention in relation to the principle of national treatment:⁴⁰

Les ressortissants de chacun des pays de l'Union jouiront dans tous les autres pays de l'Union, en ce qui concerne la protection de la propriété industrielle, des avantages que les lois respectives accordent actuellement ou accorderont par la suite aux nationaux ...

The French '*ressortissants*' is traditionally translated into English as 'nationals', but is perhaps more accurately rendered as 'subjects' or 'citizens', in the broader sense of being subject to the jurisdiction of one of the countries of the Union.⁴¹ As such, both nationality and citizenship, and perhaps less permanent relationships, such as domicile or residence, seem to have been contemplated when the term was adopted. Be that as it may, most of the problems which might arise from a narrow or over-literal reading of either the French or the English text are obviated by a provision assimilating two important categories of non-nationals to the status of *ressortissants* properly so called:⁴²

Nationals of countries outside the Union who are domiciled or who have real and effective industrial or commercial establishments in the territory of one of the countries of the Union shall be treated in the same manner as nationals of the countries of the Union.⁴³

Following Ladas,⁴⁴ it is conventional to use '*ressortissants*' as a convenient shorthand for all persons entitled to the benefit of the Paris Convention, whether by nationality, domicile,⁴⁵ or establishment, so that one speaks of 'the *ressortissants* of the Paris Convention' (in an inclusive sense), rather than the *ressortissants* of an individual member state. Convenient as this usage is, one should be aware that it conceals a double inversion of meaning. It emphasizes the rights of the individual *ressortissants*

⁴⁰ Paris Convention, Art. 2(1). For the corresponding English text see text at note 37.

⁴¹ Prior to the 1925 (Hague) revision conference, Arts 2 and 3 used '*sujets ou citoyens*'. The Hague conference standardized on '*ressortissants*', with the (unofficial) English translation being 'nationals': Ladas, *supra* note 4, at 244. They were perhaps influenced by the Berne Convention, which has always used that word, or by the recent preference for '*ressortissants*' in the Treaty of Versailles (1919), where the term proved troublesome: P. Weis, *Nationality and Statelessness in International Law* (2nd edn, 1979), at 7.

⁴² Paris Convention, Art. 3. This provision for deemed *ressortissants* has been part of the Paris Convention since 1883, with slightly varying language. Its importance has diminished as the number of member states has grown, and is now minimal.

⁴³ In French: '*Sont assimilés aux ressortissants des pays de l'Union les ressortissants des pays ne faisant pas partie de l'Union qui sont domiciliés ou ont des établissements industriels ou commerciaux effectifs et sérieux sur le territoire de l'un des pays de l'Union.*'

⁴⁴ Ladas, *supra* note 4, at 243.

⁴⁵ There are strong reasons for reading 'domicile' in a non-technical sense, not significantly different from 'residence': *ibid.*, at 250–251; Bodenhausen, *supra* note 4, at 33.

rather than their obligations to any sovereign; and it shifts the relevant connection from one of national subjection to one of international entitlement. Ladas' '*ressortissants* of the Paris Convention' are the private law beneficiaries of the Paris Convention, whether by virtue of nationality or otherwise.

The situation with regard to the Berne Convention is similar, but significantly more complicated. The Berne Convention recognizes two connecting factors which are capable of giving rise to its operation, namely the nationality of the author of a work and the 'country of origin' of the work, which is normally the country where the work was first published.

For mainstream works of authorship, the Berne Convention provides:⁴⁶

The protection of this Convention shall apply to:

- (a) authors who are nationals of one of the countries of the Union, for their works, whether published or not;
 - (b) authors who are not nationals of one of the countries of the Union, for their works first published in one of those countries, or simultaneously in a country outside the Union and in a country of the Union.
- (2) Authors who are not nationals of one of the countries of the Union but who have their habitual residence in one of them shall, for the purposes of this Convention, be assimilated to nationals of that country.

Two points of difference as compared with the Paris Convention are immediately apparent. First, the extended definition of *ressortissants* is differently phrased and rather narrower,⁴⁷ in so far as it extends to persons having their habitual residence in a state of the Berne Union, but not to persons having a commercial or industrial establishment.⁴⁸ More importantly, protection can be gained for individual works by virtue of first (or 'simultaneous') publication in a country of the Berne Union, even for authors who are not Berne nationals or residents at all. As with the Paris Convention, it is convenient to refer to all those entitled to the benefits of the Berne Convention as its *ressortissants*, whether their status arises by virtue of their nationality, their residence, or from first publication of their works.

C *The Ressortissants of TRIPs*

The French text of the WTO TRIPs Agreement maintains the language of '*ressortissants*', which it presumably borrowed from the Paris and Berne Conventions:⁴⁹

Les Membres accorderont le traitement prévu dans le présent accord aux ressortissants des autres Membres.

⁴⁶ Berne Convention, Art. 3(1) and (2). See Ricketson and Ginsberg, *supra* note 5, at 238–252. Special provisions (Art. 4) apply to cinematograph films, works of architecture, and works of art incorporated into buildings.

⁴⁷ Except in so far as Art. 3(2) of the Berne Convention benefits stateless persons, whereas Art. 3(2) of the Paris Convention apparently does not. The difference is almost certainly unintentional.

⁴⁸ The relevance of a commercial or industrial establishment is much more obvious in the context of the Paris Convention, dealing as it does with 'industrial property', than in Berne.

⁴⁹ TRIPs, Art. 1(3). The term '*ressortissants*' is hardly used at all in the French texts of the other WTO Agreements, an exception being Annex B(4) of the Agreement on the Application of Sanitary and Phytosanitary Measures, where note 6 gives it an extended meaning in terms of 'persons, natural or legal, who are domiciled or who have a real and effective industrial or commercial establishment in that customs territory'.

In English ‘*ressortissants*’ is translated as ‘nationals’. Regardless of language the term is once again extended, by reference to no fewer than four pre-existing conventions:⁵⁰

In respect of the relevant intellectual property right, the nationals [*ressortissants*] of other Members shall be understood as those natural or legal persons that would meet the criteria for eligibility for protection provided for in the Paris Convention (1967), the Berne Convention (1971), the Rome Convention and the Treaty on Intellectual Property in Respect of Integrated Circuits, were all Members of the WTO members of those conventions.

So nationals of member states of the WTO automatically have full *ressortissant* status for TRIPs. Persons (whether natural or legal) who are nationals of non-member states may have *ressortissant* status,⁵¹ depending in part on the kind of intellectual property in issue.

D Problems Specific to Paris and Berne

Both the Paris and Berne conventions give rise to problems in relation to their respective definitions of *ressortissants*, and the general law of diplomatic protection. For the Paris Convention, the main problem is that those most likely to want to invoke its provisions include businesses and multinational corporations, to which the full force of the *Barcelona Traction* judgment applies. A second problem arises in relation to *ressortissants* by virtue of domicile or establishment, rather than nationality, but these are a diminishing class.

For the Berne Convention, the situation was and is rather more complicated. Berne confers its protection partly on the basis of an author’s nationality (where the *Barcelona Traction* problem is much less acute than for Paris, since authors are natural persons), and partly on the basis of the ‘country of origin’ of the individual work, which was typically the country of first (or simultaneous) publication.

Historically, copyright protection by virtue of country of origin was of enormous practical importance, since simultaneous publication in Canada (a Berne member) was the almost invariable route by which American authors and their publishers claimed the benefits of Berne treatment before 1989,⁵² even though the US was not then a member of Berne.⁵³ But how would a claim in the ICJ have proceeded? If we apply the rule that the only state capable of exercising diplomatic protection is the state of nationality of the injured author, then only the US would have qualified – but so far as the US was concerned, the Berne Convention was *res inter alios acta*, and its nationals enjoyed no substantive rights under it in their capacity as such. Canada had a formal interest in so far as these works were protected by virtue of first publication

⁵⁰ As well as the Paris and Berne conventions, these are the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations (Rome 1961) and the Treaty on Intellectual Property in Respect of Integrated Circuits (Washington DC 1989).

⁵¹ As well as any stateless persons who might benefit, most probably stateless copyright owners.

⁵² The US acceded to the Berne Convention on 16 Nov. 1988, effective 1 Mar. 1989. The Berne Convention is retroactive, so the majority of pre-existing works by US authors are now protected directly, even absent simultaneous publication.

⁵³ K.M. Garnett et al., *Copinger and Skone James on Copyright* (2011), at sect. 23–07.

in Canada, but no further. The injured authors were not its nationals, and according to *Barcelona Traction* it seemingly had no *locus standi* to represent them, had it been minded to do so.⁵⁴ Since 1948 the Berne Convention has provided for the ICJ to have jurisdiction over its interpretation and application, but in situations such as these its procedures would appear to have been frustrated or deadlocked from the outset.

4 The Paris and Berne Conventions

A *The Right to Unionist Treatment*

In addition to the national treatment provisions of Paris and Berne, and as the Articles quoted above indicate in their closing words, there is a further source of international obligations in the form of the 'rights specially provided for [or granted] by this Convention'. These are rights for which the conventions make special provision, and they are conveniently distinguished from national treatment by the designation of 'unionist treatment' or 'unionist protection'. In the case of the Paris Convention these provisions may be divided into three categories for present purposes.⁵⁵ First, those which in terms benefit nationals of 'other countries of the Union', and which by definition cannot be interpreted as benefiting nationals of the state undertaking the obligation in question. Next, there are those in which a two-country relationship is already inherent or implicit. Take one of the most basic principles of the Paris Convention, that of priority:⁵⁶

Any person who has duly filed an application for a patent ... in one of the countries of the Union ... shall enjoy, for the purpose of filing in the other countries, a right of priority during the periods hereinafter fixed.

So the priority right applies in all the countries of the Union, *except* the country of first filing. Countries, such as the UK, which allow an applicant to claim priority from an earlier application in that same country, are not giving effect to the Paris Convention as such, but are pursuing a policy of their own. If we assume, as will often be the case, that Paris *ressortissants* generally make their first filings in the state of their own nationality then the applicant will have no Convention-based right to claim priority in that state.

That, however, still leaves two unanswered questions. First, if a national of a Paris member state makes a regular first filing in a state which is *not* the state of his or her nationality, then may he or she claim priority in his or her home state? This does not contravene the 'other countries' wording of Article 4A(1), but it does engage the own-state theme of this Article.

⁵⁴ Note also that works may have been published simultaneously in many countries as well as the US and Canada. This complication barely affects subsistence of copyright, but it adds a further layer of complexity to questions of diplomatic protection.

⁵⁵ Cf. Bodenhausen, *supra* note 4, at 12–15.

⁵⁶ Paris Convention, Art. 4A(1). The right of priority means that patents may be filed internationally within a 12 month priority period running from the first filing, without the subsequent patents being jeopardized by events occurring during that period.

Secondly, does ‘any person’ in Article 4A(1) mean anyone at all, or is eligibility confined, by implication, to persons who are in fact *ressortissants* by virtue of nationality, domicile, or establishment? So far as the latter question is concerned, the Convention is silent, but the leading commentary is unambiguous:⁵⁷

The term ‘any person’ must be interpreted within the context of the rules of the Convention which define the persons capable of benefiting therefrom. The term thus means all persons entitled to claim application of the Convention according to Articles 2 and 3, that is, nationals of a country of the Union and nationals of countries outside the Union who are domiciled or have a real and effective industrial or commercial establishment in the territory of one of the countries of the Union. This interpretation is confirmed by the discussion of the provision at the Conference of Paris, where the Convention was originally concluded. ...

National legislation, may, however, go further and grant a similar right of priority also to other persons. It may also allow the nationals of the country itself to claim priority there, based on an earlier foreign application.

So Bodenhausen has answered both questions. In terms of strict legal entitlement, the words ‘any person’ must be interpreted as excluding from the right to Convention priority anyone who is a national of the state in which priority is claimed, as well as anyone who lacks the status of a *ressortissant* by reason of nationality, domicile, or establishment. This is so even though the present Article lacks the clarity of some others which expressly refer to nationals of ‘other countries of the Union’.

B Paris Provisions with no Explicit Limitation to Ressorissants

This leads to a third and final problem, in so far as there are provisions which appear, in terms, to be absolute and unqualified, but which raise the question whether this was simply an oversight, perhaps because the implicit restriction of their benefit to *ressortissants* was considered to be so obvious that it did not need to be stated expressly. As regards this category of provisions, there are once again two related but logically separate questions which have to be answered, namely, whether the member states of the Paris Union are obliged to provide all these benefits to non-*ressortissants* (i.e., persons who are neither nationals nor domiciliaries of the Union, and who do not have an establishment in a member state), and whether they are obliged to provide them to their own nationals.

As regards the first question, the answer, I think, must be a firm ‘no’. Self-evidently, neither the non-*ressortissants* themselves, nor their patron states, can invoke treaty provisions to which those states are not parties. Nor can a Paris member state take up arms on behalf of a non-member state, or its nationals, except under the historical and largely irrelevant provisions for colonies and protectorates.⁵⁸ However, this is not just a matter of *locus standi* and procedure. Put the question in terms of ‘Does this Article benefit *ressortissants* and non-*ressortissants* alike?’ and the only credible answer is that protection is one of the benefits of membership of the Union, and those benefits are not gratuitously to be conferred upon all and sundry. Of course national legislatures

⁵⁷ Bodenhausen, *supra* note 4, at 35.

⁵⁸ Paris Convention, Art. 24.

are not obliged to withhold protection from non-*ressortissants*, and in many cases this would merely be petty or spiteful, but that is not to say that any corresponding underlying international obligation exists towards non-member states or their nationals, even in relation to provisions which do not embody any specific qualifications in this respect.

C *The Berne Convention*

The Berne Convention is in many respects similar to the Paris Convention, with provisions for national and unionist treatment. Like the Paris Convention, the Berne Convention defines its *ressortissants* principally by nationality or domicile.⁵⁹ However, whereas the Paris Convention only occasionally refers to the 'country of origin' of a particular intellectual property right, the Berne Convention uses that concept much more pervasively.

The result is that an author's entitlements under the Berne Convention depend on a two-stage process, and two entirely separate criteria. First, one must ask if the author qualifies for the benefits of the Berne Convention at all. This is answered in the affirmative for authors who are *ressortissants* (nationals or habitual residents) of a Berne member state and (in relation to individual works) for any other authors who can rely on the country of origin principle. For both categories, however, the extent of the rights to which the author is entitled is determined on a work-by-work basis according to the country of origin of each work, and not on a universal basis according to the author's nationality or residence.

The Berne Convention provides, at Article 5(3):

Protection in the country of origin is governed by domestic law. However, when the author is not a national of the country of origin of the work for which he is protected under this Convention, he shall enjoy in that country the same rights as national authors.

A detailed definition of the country of origin is highly complex.⁶⁰ For present purposes it is sufficient to say that for most published works the country of origin will be the country of the Union in which the work was first published,⁶¹ and for most unpublished works it will be that of the author's nationality.⁶² A complicating factor is that works published in two or more different countries within a period of 30 days are treated as having been published simultaneously.⁶³ A rather arbitrary rule attempts to deal with works which would otherwise have several countries of origin,⁶⁴ and special rules apply to films and works of architecture.

D *Nationals and the Country of Origin*

It follows, perhaps surprisingly, that a *ressortissant* of Berne is entitled to the full protection of the Convention outside the country of origin of a given work, but to

⁵⁹ Taking domicile (Paris) as equivalent to habitual residence (Berne).

⁶⁰ See Ricketson and Ginsberg, *supra* note 5, at 279–292.

⁶¹ Berne Convention, Art. 5(4)(a).

⁶² *Ibid.*, Art. 5(4)(c).

⁶³ *Ibid.*, Arts 3(4), 5(4)(a).

⁶⁴ *Ibid.*, Art. 5(4)(a). The country of origin is deemed to be that with the shortest copyright term for the work, but that does not resolve all situations of conflict: Ricketson and Ginsberg, *supra* note 5, at 79.

no more than bare national treatment in the country of origin if he is a national of another country, and to no set minimum level of protection at all if his nationality coincides with the country of origin of that work, as will frequently be the case.⁶⁵ As Masouyé comments:⁶⁶

In short, the protection in the country of origin of a work where the author is a national of that country is governed exclusively by the national legislation; the Convention offers no protection whatsoever. So far as other authors are concerned, these are assured of national treatment.

Likewise Ricketson and Ginsberg:⁶⁷

Most importantly under the principle of independence of protection ... a Berne Convention work is not entitled to Berne minimum protections in its country of origin. Under article 5(1) and 5(3), so long as a member state affords the minimum Berne protection to authors whose countries of origin are in *other* Union states, it can provide far less to authors whose works originate in that state. It is unusual for a state to treat its authors less well than foreign authors, but examples of this kind of discrimination exist.

This multiplicity of connecting factors presents obvious problems in terms of diplomatic protection. A straightforward application of *Barcelona Traction* would seem to suggest that an author's country of nationality (e.g., France) ought to be the sole relevant and determinative factor, and that this would be the case even if all that author's works were first published outside France, and even if his complaint was that France was withholding from him his full measure of Berne entitlements. Alternatively, might it be said that it is the country of origin of each work which is entitled to exercise diplomatic protection in respect of that work only? This has the advantage of aligning diplomatic protection to the stronger of the two connecting factors recognized by Berne, but it exposes us to two rather serious problems. First, there is the inconvenience of multiple countries of origin for different works, not to mention the problems arising from simultaneous publication of a given work. Secondly, the connection between an author and the country of origin may be so weak and arbitrary that that state will most probably refuse even to contemplate exercising diplomatic protection on behalf of foreign authors who owe it no allegiance, and to whom it owes nothing in return.

E The Own-state Problem: Interim Conclusions

My preferred interpretation of the Paris Convention in relation to the own-state problem is that the Convention does not explicitly confer its benefits on its *ressortissants* in relation to their own states, and that such an interpretation should be avoided as a matter of inference. As Ladas concludes:⁶⁸

The argument that the contrary opinion would result in placing foreigners in a more favorable situation than nationals of a country is not convincing, since a country may always grant to

⁶⁵ Berne Convention, Art. 5(2) confirms, by implication, that a work may wholly lack protection in its country of origin.

⁶⁶ Masouyé, *supra* note 5, at 34.

⁶⁷ Ricketson and Ginsberg, *supra* note 5, at 278 (emphasis in original, citations omitted).

⁶⁸ Ladas, *supra* note 4, at 257 (citations omitted).

foreigners a broader protection than to its own nationals. Besides, it is difficult to maintain that the Convention constitutes international legislation regulating any other relations except international relations. This is the reason French and German writers opposed the inclusion of nationals in their own country in the 'ressortissants' of the Union.

For the Berne Convention, the situation is much clearer since the treaty text is explicit. If the nationality of the author corresponds to the country of origin (as defined), then the Convention confers no rights on the author in that country, and the extent to which he is protected (if at all) is wholly regulated by national law. If the country of the author's nationality and the country of origin do not correspond, then the author is entitled to national treatment in the country of origin, but not to the minimum level of protection otherwise guaranteed.

F *The Third-state Problem: Interim Conclusions*

The situation for both Paris and Berne is much less clear in relation to the third-state problem. The starting point is that the *Barcelona Traction* principle supposes that for every natural or corporate person there is one state, and one state only, which is empowered to vindicate the rights of that person on the international plane, according to the nationality of the supposed victim. At first sight, the Paris and Berne conventions appear to sit rather well in this order of things, in so far as each defines *ressortissant* status primarily by virtue of nationality. To this extent, at least, *ressortissant* status and international *locus standi* are closely aligned, and no problems seem to have been anticipated when recourse to the ICJ was originally proposed in 1948 and 1967.⁶⁹

For the Berne Convention, there is a further problem in so far as an author's entitlement to the benefits of national and unionist treatment in a given state crucially depends on the country of origin of each individual work, and not just on the nationality of the author. If we ask whether diplomatic protection ought to be exercised in relation to a given work by the author's country of nationality, or according to the country of origin of the work, then neither answer is remotely satisfactory. The former is more consistent with *Barcelona Traction* and with diplomatic protection as we know it, but the latter corresponds more closely to the way authors and their works are treated under Berne. Further problems can arise in cases of simultaneous publication, where there may be more than one possible country of origin, and choosing between them may be difficult or governed by seemingly arbitrary rules.

These problems are compounded now that works published over the internet may be published simultaneously in almost all the countries of the world. On one reading of Article 5(3), there would apparently be an almost unlimited number of countries with *locus standi* to vindicate the rights of the author, such as they were, if the second hypothesis canvassed in the previous paragraph were to be accepted. The reservation 'such as they were' is appropriate because the same analysis apparently leads to an almost complete dereliction of mandatory international copyright protection, since an internet-published work would have over 100 different countries of origin, each of which would be entitled to withhold Berne-level protection. On yet another

⁶⁹ *Supra* note 13.

interpretation, all internet-published works would find themselves localized in the country or countries with the lowest term of protection.⁷⁰

5 The Third-state Problem under TRIPs

A *Bananas with Rum*

No case decided by the WTO authorities under TRIPs has expressly addressed questions of international *locus standi*. TRIPs complaints are typically brought on behalf of industry sectors rather than individual victims, and the interest of the complainant state in promoting and protecting the interests of the industry in question is normally self-evident. Conversely, complaints in this area have rarely involved any detailed consideration of the treatment of individual persons.⁷¹ It is normally sufficient to examine the objectionable rule or practice in wholly abstract terms, or by reference to hypothetical private parties. TRIPs complaints are also typically concerned with ensuring future compliance, rather than with compensating for past defaults.

As a matter of general WTO law, moreover, the Appellate Body appears to have rejected the need for any formal legal interest. In *EC – Bananas III* a complaint against the EC was brought by the US,⁷² ostensibly in its own right, but in reality to protect the commercial interests of the US Chiquita company in various Latin American banana-exporting countries. The lack of any conventional legal interest did not trouble the Appellate Body in the slightest, and sufficient justification for treating the complaint as admissible was found in the possibility that the contested EC import regime might conceivably have affected the US's domestic banana market. The US itself was not even an exporter of bananas, and only a minor producer of them.⁷³

B US – Havana Club

The next case to note is that brought by the EC against the US over section 211 of the US Omnibus Appropriations Act 1998, *Havana Club* for short.⁷⁴ The detailed grounds of the complaint are complicated, and need not be examined here. In brief, Congress had voted into the 1998 Act a number of provisions intended to nullify the consequences of the expropriation of the *Havana Club* rum brand in the Cuban revolution of 1960. Specifically, the Act prohibited the renewal of any US trade mark which had previously been abandoned by a trade mark owner whose assets had been confiscated under Cuban law, and prohibited any US court from recognizing any such rights.

Though Cuba is a member of the WTO, it was not Cuba, but the EC, which initiated proceedings over section 211. Amongst other findings, the WTO Appellate Body held

⁷⁰ Ricketson and Ginsberg, *supra* note 5, at 285–289.

⁷¹ A partial exception being *US – Havana Club*, *supra* note 2, considered in the next section.

⁷² WTO Appellate Body Report, *EC – Regime for the Importation, Sale and Distribution of Bananas*, WT/DS27/AB/R, adopted 25 Sept. 1997, DSR 1997: II, 591 ('*Bananas III*').

⁷³ *Ibid.*, paras 136–137. See Pauwelyn, Carmody, and Gazzini, all *supra* note 32.

⁷⁴ *US – Havana Club*, *supra* note 2. See Pauwelyn, *supra* note 32, at 943.

that the US was in breach of its obligations of national treatment (both under TRIPs itself,⁷⁵ and under the Paris Convention as incorporated into TRIPs⁷⁶), and under the most-favoured nation treatment provision of TRIPs.⁷⁷ The breach of national treatment arose from the finding that the relevant provision discriminated against persons who were not US nationals, while the breach of MFN treatment arose from discrimination against Cuban nationals. The circumstances in which European nationals might actually have been disadvantaged in either of these cases were highly remote and hypothetical.

Given that the EC had no obvious cause for complaint, then how and why did it become involved? The EC has a formal procedure for receiving notifications of unfair trade practices and examining them with a view to instigating proceedings at the WTO if considered appropriate,⁷⁸ but there is no indication that it was invoked in this case. There is, however, no doubt that the real complainant was the French Pernod-Ricard group, which had an interest in the *Havana Club* brand through a Luxembourg-based joint venture (Havana Club Holdings) with Havana Rum and Liquors of Cuba. The *Havana Club* trade marks were also claimed by the Bahamas-based Bacardi group,⁷⁹ as assignees of the owners prior to the events of 1960, and they and Pernod-Ricard were involved in global litigation over the brand, with section 211 itself, and concomitant litigation in the US, being only part of the picture. Bacardi themselves benefited from, and may well have inspired, the section 211 provisions.⁸⁰

C *Havana Club Compared to Barcelona Traction*

In *Havana Club* we have a clear antithesis to *Barcelona Traction*, and on rather similar facts, too. In strict legal analysis, the original expropriation in the *Havana Club* case was of a company, Jose Arechabala SA (JASA), which was both the producer of *Havana Club* rum in Cuba and the owner of the corresponding US trade mark. Assuming it was the company, rather than the trade mark as such, which was expropriated in 1960, then no question of extraterritoriality would have arisen: the US trade mark continued to belong to JASA, though JASA no longer belonged to the Arechabala family, but to the Cuban government.⁸¹ This analysis is not affected by the fact that the expropriation of JASA seems to have been without compensation or legal redress.

Suppose now that the EC (or one of its constituent states, presumably Luxembourg) had taken as much of the *Havana Club* complaint as related to the Paris Convention

⁷⁵ TRIPs Art. 3(1).

⁷⁶ Paris Convention, Art. 2(1), as incorporated by TRIPs Art. 2(1).

⁷⁷ TRIPs Art. 4. There is no MFN provision in the Paris Convention.

⁷⁸ I.e., under the Trade Barriers Reg., Council Reg. (EC) No. 3286/94 of 22 Dec. 1994, OJ (1994) L 349/71.

⁷⁹ The Bahamas are a member of the Paris Convention, but not of the WTO.

⁸⁰ That *Havana Club* was basically a private dispute between two corporate groups, inappropriately elevated to the international plane, is well addressed in Abbott and Cottier, 'Dispute Prevention and Dispute Settlement in the Field of Intellectual Property Rights and Electronic Commerce: US-Section 211 Omnibus Appropriations Act 1998 ("Havana Club")', in E.-U. Petersmann and M.A. Pollack (eds), *Transatlantic Economic Disputes: The EU, the US, and the WTO* (2003).

⁸¹ *Banco Nacional de Cuba v. Sabbatino*, 376 US 398 (1964); cf. *Williams & Humbert Ltd v. W&H Trade Marks (Jersey) Ltd* [1986] AC 368.

before the ICJ, pursuant to the Statute of the Court and Article 28 of the Paris Convention. The claim would presumably have asserted that the US was in breach of the obligation of national treatment under Paris Article 2, but would the case ever have gone to judgment on the merits? Had the US taken objection to the complainants' *locus standi*, then the Court would inevitably have held that the only private party on behalf of whom the complainant could exercise diplomatic protection was Havana Club Holdings, and that its interest was too remote. Havana Club Holdings had merely purchased a distressed asset which had been rendered all but worthless in consequence of two entirely separate sovereign acts with which neither it, nor Luxembourg as the claimant state, was even remotely concerned. The only country which had the capacity to exercise diplomatic protection on behalf of the actual victim of section 211 was Cuba, as the state of incorporation of JASA, and Cuba, perhaps not surprisingly, seems not to have been interested. Pursuant to *Barcelona Traction*, the Court could only have dismissed the complaint, just as it had done in 1970. As for Bacardi, its state of incorporation was the Bahamas which, as a member state of the Paris Union, might have intervened to exercise diplomatic protection on its behalf, but which could not have asserted its rights before the WTO, of which it was not a member.

Another case is that brought by the EC against the US over section 110(5) of the US Copyright Act, and known as *Music in Bars*, alleging that a US law permitting the unlicensed and unremunerated performance of radio broadcasts of music in certain semi-public environments infringed Articles 11(1)(ii) and 11bis(1)(iii) of the Berne Convention, as incorporated into TRIPs by Article 9(1) of the latter. The panel rejected the claim in respect of the so-called 'homestyle exemption' in the US Copyright Act, but upheld it in relation to the separate 'business exemption'. What is interesting for present purposes is that the complaint wholly depended on incorporated provisions of the Berne Convention (and not on native TRIPs provisions), but that it was filed in the name of the EC. Neither the EC as such, nor the EU, is a party to Berne, though all the individual member states are.⁸² It follows that the EC was considered to have had the necessary *locus standi* to prosecute a case under an incorporated treaty to which it was not a party. This situation is unremarkable in the context of WTO law, since the relevant provisions had been incorporated into TRIPs, but it contrasts strongly with what the position would have been under the Berne Convention as such, since the EC would not have been able to bring an analogous complaint before the ICJ.⁸³

D Conclusions So Far

It is a reasonable inference that if *Havana Club* was rightly decided, then the *Barcelona Traction* limitation does not apply to TRIPs. From *Havana Club*, and less directly from *Bananas III*, it would seem that any WTO member state has the necessary *locus standi* to bring formal DSB proceedings against any other WTO member state, not only in relation to breaches of the TRIPs agreement which adversely affect that member state

⁸² The member states took no part in the proceedings.

⁸³ Both because the EC is not a 'state' in terms of the Statute of the ICJ, and because it is not a party to the Berne Convention.

or its nationals, but also for alleged breaches of TRIPs which affect it and its nationals only indirectly, as in *Havana Club*, or perhaps not at all. This applies both to the native provisions of TRIPs as such and to as many of the substantive provisions of the Paris and Berne conventions as are incorporated into TRIPs by reference, which is almost all of them. Their right of action (or intervention) is sufficiently justified by the probability that a successful outcome will (or should) result in changes to national law or practice, with potential implications for all member states.⁸⁴

The answer to the third-state problem as posed above is therefore that TRIPs obligations owed by state A to state B and its *ressortissants* can be enforced by any of states C, D, and E, provided only that they are members of the WTO. Formal *locus standi* is, according to one's viewpoint, either an irrebuttable presumption or a legal fiction. Likewise, the answer to the third-state problem in relation to Paris and Berne is, in practice, reversed. Paris and Berne provisions incorporated into TRIPs are subject to the same rule as for TRIPs' own native provisions.

6 The Own-state Problem under TRIPs

A A Cautious Approach with Correa ...

It will be recalled that the two contrasting approaches to the own-state problem in relation to TRIPs are epitomized by Daniel Gervais,⁸⁵ for whom it is self-evident that each member of TRIPs must provide its benefits to its own nationals, as well as the nationals of other members; and Carlos Correa,⁸⁶ who argues that TRIPs is similar to Paris and Berne in so far as it has no application to relations between a member state and that state's own nationals.

To put the broad (Gervais) and narrow (Correa) interpretations into practice, consider the shortest, and surely one of the simplest, Articles of TRIPs, namely Article 32:

An opportunity for judicial review of any decision to revoke or forfeit a patent shall be available.

Taking these terms as read, then what does Article 32 mean in practice? Does it mean that the opportunity for 'judicial review' must be made available to *anyone* whose patent has been revoked or forfeited? That is what the Article, taken in isolation, seems to say. The right to judicial review seems to be attached to the patent as such, and not to any particular person. But if that were the case (not only for Article 32, but for TRIPs in general) then what would be the point of any state becoming a member of TRIPs in the first place? Its nationals would already have the benefit which Article 32 confers (on this assumption) on members and non-members alike. Such unreciprocated generosity may not quite be 'manifestly absurd or unreasonable', to track the language of the Vienna Convention on the Law of Treaties (VCLT),⁸⁷ but it is certainly pretty odd

⁸⁴ Though neither *Music in Bars* nor *Havana Club* has actually resulted in the US changing its laws to comply with the relevant adverse WTO rulings.

⁸⁵ *Supra* note 17.

⁸⁶ *Supra* note 18.

⁸⁷ VCLT, Art. 32.

for states to behave like this. Repeat the exercise *mutatis mutandis* for other Articles and it would seem that TRIPs is all give and no take. Taking Article 1(3) as conditioning all the substantive obligations of TRIPs, Article 32 included, solves the gatecrasher (or free rider) problem. Members are not obliged to afford the protection of TRIPs to non-members, who must sign up to TRIPs themselves if they want to be treated to its benefits, and rather than repeat this self-evident proviso tiresomely in each and every Article, Article 1(3) makes it apply to the whole, once and for all.

However, this reading of Article 32 in the light of Article 1(3), no matter how effective it may be in closing the door on the ‘gatecrashers’ at the party, does not answer our original question: can Article 32 be invoked (if necessary) by nationals of the host state, in the host state, against the host state? As long as we agree that Article 32 is wholly conditioned by Article 1(3), then the answer can only be ‘no’. Article 1(3), first sentence, is perfectly clear. There is nothing ‘ambiguous or obscure’,⁸⁸ in the expression ‘nationals of other members’. Nothing in Article 1(3) purports to oblige member states to accord TRIPs protection to their own nationals.

But is this conclusion ‘manifestly absurd or unreasonable’, to refer to the VCLT again? Even if it were, we would only be justified in having recourse to so-called secondary means of interpretation (principally the *travaux préparatoires*,⁸⁹ which are inconclusive), and not in rewriting the Article the better to fit our preconceptions as to what it ought to have said. But the interpretation is not absurd or unreasonable at all. TRIPs cannot possibly be read as requiring, or even expecting, that members will confer the benefit of Article 32 on their own nationals. TRIPs, like all treaties, is an agreement on the international plane between states. So the question is not whether it is absurd or unreasonable for states to deny basic justice to their own citizens, but rather whether it is absurd or unreasonable for them to avoid turning the relationship between themselves and their own citizens into international law obligations owed to (and potentially enforceable by) all and sundry.

That is the case for the cautious interpretation.

B ... Or a Bold One with Gervais

If we are to justify Gervais’ preferred interpretation⁹⁰ it might be by saying that TRIPs Article 1(1) and 1(3) act in parallel, so that it is the combined operation of Article 1(3) with TRIPs Article 32 which confers the benefit of the latter on nationals of other member states, and the combined operation of Article 1(1) with Article 32 that confers its benefits on nationals of each member state in relation to their state of nationality.⁹¹

Lest this seem too radical, consider the following arguments.

First, the right of states to opt out of Paris and Berne obligations in respect of their own nationals has hardly ever been exercised in fact. A rare example is that of trade

⁸⁸ *Ibid.*

⁸⁹ *Supra* note 19.

⁹⁰ *Supra* note 17.

⁹¹ Likewise for other Arts. This has the advantage of assigning some sort of purpose to the first sentence of Art. 1(1), which otherwise appears to be mere surplusage, albeit of a very common and innocuous kind.

mark filing based on intent to use, rather than actual use, where the US formerly conceded the rights of foreign Paris convention *ressortissants* to file without evidence of actual use, while requiring proof of use from its own nationals. This exercise in reverse discrimination was abolished in 1988, though US nationals and non-nationals are not wholly assimilated, even today.⁹² Another example is that US nationals must still register their copyrights before filing actions for infringement, whereas (foreign) Berne nationals are exempt.⁹³ However, TRIPs itself has usually been transposed into national law on the tacit assumption, benign even if incorrect, that nationals are entitled to its benefits. Raising this *de facto* assumption to a proposition of law would make surprisingly little practical difference.

Secondly, there is the place of TRIPs in the WTO system. The Preamble to TRIPs begins:

Desiring to reduce distortions and impediments to international trade, and taking into account the need to promote effective and adequate protection of intellectual property rights ...

One may ask whether these objectives are better served by allowing member states (if only in theory) to withhold the benefits of TRIPs from their own nationals or by requiring them to provide equal benefits to nationals and non-nationals alike.

7 Conclusions

A *Where Does This Lead?*

I began by asking two questions, which I designated as the own-state problem and the third-state problem, in relation to two systems of international law, the composite Paris–Berne system which prevailed from the 1880s to the 1990s, and the WTO TRIPs system which supplemented it from that period. Of the four pairings which result, I am reasonably confident in my conclusions as to three of them. Under the pre-1994 Paris regime the answer to the own-state problem was that the Paris Convention did not confer the status of *ressortissant* on natural or legal persons in relation to the state whose nationals they were or from which that status derived by domicile or establishment. Member states of the Paris Convention might, at least in theory, quite legitimately have withheld all or any of the benefits of membership from their own nationals. That few states did so in practice is not the point. Though they may have conferred equivalent rights on their own nationals, they did not do so pursuant to any international obligations, and to withdraw or withhold those same rights from their own nationals would not be internationally wrongful.

The answer to the third-state problem is that international rights and obligations under the Paris Convention are broadly consistent with the customary principles of diplomatic protection, subject to the specific provisions of that Convention. In practice, this would normally mean that only the state of a victim's nationality would be competent to represent him on the international plane, whether in formal legal proceedings or otherwise, but there are situations in which diplomatic protection might

⁹² *Supra* note 9.

⁹³ *Supra* note 10.

need to be exercised on behalf of a non-national, on the basis of domicile or establishment. Such occasions for departing from the general law of diplomatic protection would be rare in modern times.

The situation for the Berne Convention is at once clearer, in so far as it derives from express provisions which allow few opportunities for interpretation, and more confused, because of the complexity of the relevant provisions and their detachment from the real world. The own-state problem turns out to be unanswerable in the terms in which it was originally posed, but as a practical matter Berne *ressortissants* who first publish their works in the state of their own nationality, as is more than likely, will find that they have no Berne-related rights against that state. This situation arises primarily from that state's status as the country of origin of the work, with the author's nationality being a secondary factor. For similar reasons, authors of unpublished works have no rights under the Berne Convention in the state of their own nationality, since in this case the country of origin and the country of nationality necessarily coincide.⁹⁴

With regard to the third-state problem, the Berne Convention defies conventional analysis. Berne recognizes two entirely different sets of connecting factors: one principally in terms of nationality for the author and one in terms of the country of origin of the work. The two may coincide, but this is by no means inevitable, and a well-travelled author may have dozens of separate countries of origin for his various works. The problem is compounded by technical developments under which works may be simultaneously published in most of the countries of the world. This duality of connecting factors and multiplicity of possible outcomes cannot easily be reconciled with the law of diplomatic protection as we know it.

Moving forwards to the WTO era, it is reasonably certain that the principle of diplomatic protection has little or no place in relation to TRIPs. It seems to have been accepted, at least as a matter of practice, that any WTO member state has *locus standi* to bring proceedings under the DSU in respect of alleged breaches of TRIPs (and incorporated provisions of the Paris and Berne conventions), notwithstanding that the measures complained of were directed towards another state entirely, and that the complaining state had no legal interest in relation to the alleged breach. The answer to the third-state problem, both in relation to TRIPs itself and in relation to the incorporated Paris and Berne provisions, is therefore that alleged breaches by state A may be the basis of formal proceedings under the DSU regardless of whether the complainant state C has any direct or vicarious interest in them or not.

If this is right, then much of the sting is removed from the problems from which the Berne Convention apparently suffers with regard to diplomatic protection and *locus standi*. This development may have happened accidentally, but that does not make it any less welcome.

B The Own-state Problem under TRIPs

The final question is that of the own-state problem under TRIPs and the incorporated conventions. At this point I hesitate to come to any definite conclusions. So far as

⁹⁴ Reading Art. 5(1) and (3) Berne Convention with Art. 5(4)(c).

native TRIPs provisions are concerned, I regard the more expansive Gervais solution as being the more consistent with the ethos and teleology of TRIPs, but I acknowledge that the Correa formulation is a more orthodox reading of the text of the Agreement. If the Gervais solution is more consistent with the general law and policy of the WTO, then the more cautious Correa formulation is the more consistent with the *status quo* under Paris and Berne.

It is the *status quo* under the Berne Convention in particular which is the rock on which the argument for an expansive interpretation founders. Article 5(3) of Berne expressly denies the protection of the Convention to authors in respect of the 'country of origin' of the work (typically the country of first publication), to the point of denying them *any* internationally binding right to *any* of its benefits if they happen to be nationals of that state. The reasons for this seemingly bizarre state of affairs may be historical and partly obsolete, but Article 5(3) is there, and cannot be gainsaid. The position for the Paris Convention is slightly more nuanced in so far as none of its provisions is quite as explicit as Article 5(3), but there is a well-established consensus that Paris *ressortissants* may not invoke the provisions of the Convention against their own state of nationality.

So the comparison between native and incorporated provisions in TRIPs cuts both ways, according to whether one regards TRIPs as a continuation of the two earlier treaties, incorporating the same principles and limitations, or as a radical new departure. But even if one is inclined to accept the more radical solution for native TRIPs provisions, then can the same solution to the own-state problem be applied to the incorporated Paris and Berne provisions, which have never previously been considered to have own-state effect? TRIPs is very much a Paris-plus and Berne-plus agreement, in which the incorporated provisions are at least as important as the native ones, if not more so. Giving own-state effect to native TRIPs provisions, but not to incorporated ones, would risk undermining those same TRIPs provisions, as well as marginalizing Paris and Berne provisions of more fundamental importance. *US – Music in Bars* indicates the likely futility of this approach.

C *Berne-in-TRIPs and Berne qua Berne*

A possible response to this impasse would be to follow Professor Neil Netanel in saying that since 1994 there have really been two 'Berne conventions' in (almost) identical terms, but with 'Berne-in-TRIPs' existing as a separate entity in parallel with the original Berne Convention itself, or 'Berne *qua* Berne'.⁹⁵ As Netanel points out, any treaty provision is to be interpreted in the light of its context and purpose, according to Article 31 of the VCLT, so Berne Articles are to be interpreted in the context of the Berne Convention as an entirety, Paris Articles in the context of the Paris Convention,

⁹⁵ Netanel, 'The Next Round: The Impact of the WIPO Copyright Treaty on TRIPs Dispute Settlement', 37 *Virginia J Int'l L* (1997) 441; Netanel, 'A Perspective on Interpretation: TRIPs, the WIPO Copyright Treaties, and Freedom of Expression', in H. Hansen (ed.), *International Intellectual Property Law & Policy – Volume 5* (1997). I am grateful to an anonymous peer reviewer for directing me to Prof. Netanel's analysis, and for other suggestions.

and TRIPs Articles (including Paris and Berne provisions incorporated by reference) in the context not only of TRIPs itself, but of the WTO Agreements taken as a whole.⁹⁶

This process provides the incorporated Articles of Paris and Berne not only with a new and unfamiliar textual context, but with an entirely different set of purposes and values as well: one cannot simply assume that if a particular form of words has a particular meaning in Paris or Berne, then it must necessarily have the same meaning in TRIPs, or even a cognate one.⁹⁷ Incorporated Articles also have a different interpretative future, in so far as the judicial organs of the WTO (panels and the Appellate Body) have their own methods and teleologies, which typically owe rather more to international trade law than to the international law of intellectual property rights as such.⁹⁸

Like Professor Netanel, I am not over-enthused with the idea of the trade-related values of TRIPs routinely prevailing over the more varied and humane values of the Berne convention. In the case of the own-country problem, however, a distinction between Berne *qua* Berne and Berne-in-TRIPs seems entirely benign. Let TRIPs (including the incorporated conventions) be guided by its own standards, and let all the problems associated with Article 5(1) and 5(3) be left to Berne *qua* Berne, where they can safely be ignored. This is not quite the end of the argument, though, since TRIPs is not sufficiently explicit as to whether it does indeed confer its benefits on nationals and non-nationals alike; but it does open the way to the possibility of allowing the values of TRIPs to prevail in so far as the interpretation of Berne-in-TRIPs is concerned, notwithstanding that the values of Berne *qua* Berne might seem to point in the opposite direction. That analysis would give the own-country problem a suitably welcome outcome in terms of empowering national right-holders against their respective states, though I should want Professor Netanel's distinction to receive more widespread and explicit acceptance before placing too much reliance on it.

⁹⁶ I am not aware of any writers who have explicitly adopted a similar distinction between Paris *qua* Paris and Paris-in-TRIPs, but if Netanel is right *quoad* Berne, then the same distinction must apply.

⁹⁷ Cf. the reluctance of the CJEU to interpret provisions which are not part of the Community legal order, but which employ similar (or even identical) language in another context: e.g. Case C-312/91 *Metalsa* [1993] ECR I-3751, at paras [11]–[12].

⁹⁸ *Havana Club*, *supra* note 2, provides an example. The exceptionally strict application of the principle of national treatment is not surprising in the context of international trade law, but actual practice under the Paris Convention (there being no other source of reference) has been much laxer.