

## **ANNEX XIX**

**REFERRED TO IN ARTICLE 9.1**

**PROTECTION OF INTELLECTUAL PROPERTY**



ANNEX XIX

REFERRED TO IN ARTICLE 9.1 (PROTECTION OF INTELLECTUAL  
PROPERTY)

PROTECTION OF INTELLECTUAL PROPERTY

**SECTION I**

**GENERAL PROVISIONS**

ARTICLE 1

*Definition of Intellectual Property*

For the purposes of the Agreement, “intellectual property” comprises copyrights<sup>1</sup> as well as related rights, trademarks for goods and services, geographical indications<sup>2</sup> for goods, and indications of source for goods and services, industrial designs, patents, plant varieties, layout-designs (topographies) of integrated circuits, as well as undisclosed information.

ARTICLE 2

*Intellectual Property and Public Health*

This Annex shall be without prejudice to the Doha Declaration on the TRIPS Agreement and Public Health as well as the Amendment of the TRIPS Agreement as adopted by the WTO General Council on 6 December 2005.

ARTICLE 3

*International Conventions*

1. The Parties reaffirm their rights and obligations set out in the following multilateral agreements which are hereby incorporated into the Agreement *mutatis mutandis*:

- (a) TRIPS Agreement;

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<sup>1</sup> The Parties understand that computer programmes and compilations of data are covered by copyright.

<sup>2</sup> Appellations of origin are a sub-category of geographical indications in the Parties that legally recognise appellations of origin.

- (b) Paris Convention of 20 March 1883 for the Protection of Industrial Property, as revised by the Stockholm Act of 1967 (Paris Convention);
- (c) Berne Convention of 9 September 1886 for the Protection of Literary and Artistic Works, as revised by the Paris Act of 1971;
- (d) Patent Cooperation Treaty of 19 June 1970, as amended on 28 September 1979, modified on 3 February 1984 and on 3 October 2001;
- (e) Nice Agreement of 15 June 1957 Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, as revised by the Geneva Act of 1979;
- (f) Budapest Treaty of 28 April 1977 on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure; and
- (g) Protocol of 27 June 1989 relating to the Madrid Agreement Concerning the International Registration of Marks.

2. The Parties shall ratify or accede to the following agreements within two years from the entry into force of the Agreement, provided they are not parties to them yet, or comply with their substantive provisions by the same date:

- (a) World Intellectual Property Organisation (WIPO) Copyright Treaty of 20 December 1996; and
- (b) WIPO Performances and Phonogram Treaty of 20 December 1996 (WPPT).

3. The Parties shall make all reasonable efforts to ratify or accede to the following agreements, provided they are not parties to them yet, or comply with their substantive provisions:

- (a) Beijing Treaty of 24 June 2012 on Audio-visual Performances;
- (b) International Convention for the Protection of New Varieties of Plants 1991 (UPOV), unless the Party concerned is already a member of UPOV 1978; and
- (c) Geneva Act of 2 July 1999 of the Hague Agreement Concerning the International Registration of Industrial Designs.

3. Upon request of another Party, a Party shall, subject to the availability of resources and on mutually agreed terms, engage in dialogue and information exchange on intellectual property issues.

#### ARTICLE 4

##### ***Genetic Resources and Traditional Knowledge***

1. The Parties recall the rights and obligations under the Convention on Biological Diversity, the Nagoya Protocol on Access to Genetic Resources and the Fair and

Equitable Sharing of Benefits Arising from their Utilization, the International Treaty on Plant Genetic Resources for Food and Agriculture, the WIPO Treaty on Intellectual Property, Genetic Resources and Associated Traditional Knowledge, and other relevant international agreements related to genetic resources and associated traditional knowledge.<sup>3</sup>

2. The Parties recognise the importance of farmers' rights in relation to genetic resources and associated traditional knowledge and should, as appropriate and subject to their domestic laws and regulations, take measures to protect and promote such rights.

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<sup>3</sup> The Parties understand that they are only bound by the rights and obligations of the international agreements to which they are a party.

**SECTION II**

**STANDARDS CONCERNING THE AVAILABILITY, SCOPE AND USE OF**

**INTELLECTUAL PROPERTY RIGHTS**

ARTICLE 5

*Copyright and Related Rights*

1. Without prejudice to the obligations set out in the international agreements to which the Parties are parties, each Party shall, in accordance with its domestic laws and regulations, grant and ensure adequate and effective protection to the authors of works and to performers, producers of phonograms and audio-visual fixations and broadcasting organisations for their works, performances, phonograms, audio-visual fixations and broadcasts, respectively.
2. In addition to the protection provided for in the international agreements to which the Parties are parties or which the Parties shall ratify or accede to under the Agreement, each Party shall:
  - (a) grant and ensure protection as provided for in Articles 5, 6, 7, 8 and 10 of the WPPT, *mutatis mutandis*, to performers for their audio-visual and visual performances; and
  - (b) grant and ensure protection as provided for in Articles 11, 12, 13 and 14 of the WPPT, *mutatis mutandis*, to producers of audio-visual fixations.
3. Each Party may, in its domestic laws and regulations, provide for the same kinds of limitations or exceptions with regard to the protection of performers for their visual and audio-visual performances, to the protection of producers of audio-visual fixations, and to broadcasting organisations as it provides for, in its domestic laws and regulations, in connection with the protection of copyright in literary and artistic works.
4. The term of protection to be granted to performers under the Agreement shall last, at least, until the end of a period of 50 years computed from the end of the year in which the performance was fixed.
5. The term of protection to be granted to producers of audio-visual fixations under the Agreement shall last, at least, until the end of a period of 50 years computed from the end of the year in which the audio-visual fixation was published, or failing such publication within 50 years from the fixation of the audio-visual fixation, 50 years from the end of the year in which the fixation was made.
6. The term of protection to be granted to broadcasting organisations under this Annex shall last, at least, until the end of a period of 50 years computed from the end of the year in which the broadcast took place.

## ARTICLE 6

### *Trademarks*

1. Each Party shall grant adequate and effective protection to trademark right holders of goods and services. Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark. Such signs, in particular words, personal names, letters, numerals, figurative elements, shapes of goods, sounds and combinations of colours as well as any combination of such signs, shall be eligible for registration as trademarks. Where signs are not inherently capable of distinguishing the relevant goods or services, a Party may make registrability depend on distinctiveness acquired through use. A Party may require, as a condition of registration, that signs be visually perceptible.

2. Each Party Parties shall grant the owner of a registered trademark the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed. The rights described above shall not prejudice any existing prior rights, nor shall they affect the possibility of a Party making rights available on the basis of use.

3. Article 6bis of the Paris Convention shall apply, *mutatis mutandis*, to goods or services that are not identical or similar to those identified by a well-known trademark, whether registered or not, provided that use of that trademark in relation to those goods or services would indicate a connection between those goods or services and the owner of the trademark, and provided that the interests of the owner of the trademark are likely to be damaged by such use.

4. No Party may require as a condition for determining that a trademark is well-known that the trademark has been registered in that Party or in another jurisdiction, included on a list of well-known trademarks, or given prior recognition as a well-known trademark.

5. Each Party recognises the importance of the principles contained in WIPO Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks, adopted by the Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of the WIPO in 1999, and the WIPO Joint Recommendation Concerning Provisions on the Protection of Marks and other Industrial Property Rights in Signs, on the Internet, adopted by the Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of the WIPO in 2001.

## ARTICLE 7

### *Patents*

1. Subject to paragraphs 2 and 3, patents shall be available for any inventions, whether products or processes, in all fields of technology, provided that they are new, involve an inventive step and are capable of industrial application. Subject to paragraph

3, patents shall be available and patent rights enjoyable without discrimination as to the place of invention, the field of technology and whether products are imported or locally produced. In line with TRIPS Article 27 (1), importation and offering on the market shall be considered a way of exploiting the patent in the country of importation. Accordingly, a compulsory licence may not be granted on the sole ground that a product protected by a patent or a product incorporating a patented process is being imported and not locally produced or used.

2. Each Party may exclude from patentability inventions, the prevention within their territory of the commercial exploitation of which is necessary to protect *ordre public* or morality, including to protect human, animal or plant life or health or to avoid serious prejudice to the environment, provided that such exclusion is not made merely because the exploitation is prohibited by its domestic laws and regulations.

3. Each Party may also exclude from patentability:

- (a) any invention of a method for treatment of the human or animal body by surgery or therapy or for diagnostic methods practised on the human or animal body. This provision shall not apply to products, in particular substances or compositions, for use in any of these methods; and
- (b) plant or animal varieties or essentially biological processes for the production of plants or animals. This provision shall not apply to microbiological processes or the products thereof.

4. The Parties shall provide a patent applicant with opportunities to make amendments, corrections, and observations in connection with its application.

5. Recognising the benefits of transparency in the patent system, the Parties shall endeavour to publish unpublished pending patent applications promptly after the expiration of 18 months from the filing date or, if priority is claimed, from the priority date.

6. If a pending patent application is not published promptly in accordance with paragraph 5, the Parties shall publish such application or the corresponding patent as soon as practicable.

7. The Parties shall provide that a patent applicant may request the early publication of an application prior to the expiration of the period mentioned in paragraph 5.

## ARTICLE 8

### ***Undisclosed Information***

1. With regard to agricultural chemical products, the Parties shall:

- (a) when requiring, as a condition of approving the marketing of agricultural chemical products which utilise chemical or biological entities, the submission of undisclosed test data or other data, the origination of which involves a considerable effort, protect such data against unfair commercial use. In addition, the Parties shall protect such data against disclosure,



except where necessary to protect the public, or unless steps are taken to ensure that the data are protected from unfair commercial use;

- (b) prevent applicants for marketing approval from relying on, or referring to, undisclosed test data or other data submitted to the competent authority by the first applicant for a period, counted from the date of marketing approval in the Party where marketing approval is sought, of at least 10 years; and
- (c) make best efforts to process marketing approval applications expeditiously with a view to avoiding unreasonable delays.

2. With regard to pharmaceutical products, the Parties shall:

- (a) when requiring, as a condition of approving the marketing of a pharmaceutical product, the submission of undisclosed test data or other data, the origination of which involves a considerable effort, protect such data against unfair commercial use. In addition, the Parties shall protect such data against disclosure, except where necessary to protect the public, or unless steps are taken to ensure that the data are protected from unfair commercial use.
- (b) process subsequent applications and grant marketing approval in marketing authorisation procedures only after a period of time as defined in the domestic laws and regulations or earlier where a written consent from the first applicant is presented.

## ARTICLE 9

### *Industrial Designs*

The Parties shall ensure in their domestic laws and regulations adequate and effective protection of industrial designs, in particular by providing a period of protection of at least 25 years in total. Subject to the TRIPS Agreement, the Parties may provide for a shorter period of protection for designs of component parts used for the purpose of the repair of a product.

## ARTICLE 10

### *Geographical Indications*

1. Each Party shall ensure in its domestic laws and regulations adequate and effective means to protect geographical indications.

2. For the purposes of the Agreement, “geographical indications” are indications, which identify goods as originating in the territory of a Party, or a region or locality in that territory, where a given quality, reputation, or other characteristic of such goods is essentially attributable to their geographical origin.

3. Each Party shall at the request of an interested party, refuse or invalidate the registration of a trademark which contains or consists of a geographical indication with respect to goods not originating in the territory indicated, if use of the indication in the trademark for such goods in that Party is of such a nature as to mislead the public as to the true place of origin.

4. Without prejudice to Article 23 of the TRIPS Agreement each Party shall provide the legal means for interested parties to prevent the use of a geographical indication for goods not originating in the place indicated by the designation in question in a manner which misleads the public as to the geographical origin of those goods or which constitutes an act of unfair competition within the meaning of Article 10*bis* of the Paris Convention.

5. Each Party shall provide the legal means for interested parties to prevent the use of a geographical indication for wines and spirits and registered geographical indications for agricultural products and foodstuffs for identical or comparable<sup>4</sup> goods not originating in the place indicated by the designation in question.

6. Each Party recognises the importance of ensuring the processing of registration of geographical indications in an efficient and timely manner. Towards this end, each Party shall endeavour, upon request of another Party, to provide necessary information in order to facilitate its processing of registration approval for geographical indications in accordance with the Party's domestic laws and regulations.

#### ARTICLE 11

##### ***Protection of Specific Geographical Indications<sup>5</sup>***

If a Party grants protection of specific geographical indications by means of lists to a non-Party, that Party shall, upon request from another Party, commence consultations no later than one year after the request is received, with the aim of mutually protecting specific geographical indications through a list under the Agreement.

#### ARTICLE 12

##### ***Indications of Source and Country Names***

1. Each Party shall ensure in its domestic laws and regulations adequate and effective means to protect indications of source, names armorial bearings, flags of countries, and other State emblems, with regard to all goods and services.

2. Indications of source are direct or indirect references to the geographical origin of goods or services.

3. Each Party shall provide the legal means for interested parties to prevent the commercial use of an indication of source for goods not originating in the place indicated

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<sup>4</sup> In Malaysian domestic law 'comparable' is understood as 'similar'.

<sup>5</sup> For the purposes of this Article, a Party means Malaysia on the one side and Liechtenstein and Switzerland on the other side.

by the designation in question in a manner that misleads the public as to the geographical origin of those goods or which constitutes an act of unfair competition within the meaning of Article 10*bis* of the Paris Convention.

4. Each Party shall provide the legal means for interested parties to prevent the use of an indication of source for services, including but not limited to cases where such indication is used as a trademark in a manner which misleads the public as to the geographical origin or constitutes an act of unfair competition within the meaning of Article 10*bis* of the Paris Convention.

5. Each Party shall prevent any incorrect or misleading use or registration of country names of another Party or of its territory names, as trademarks, designs or as any other protected title, such as company names or names of associations.

6. Each Party, in accordance with its obligations under Article 6*ter* of the Paris Convention, shall prevent that armorial bearings, flags and other State or regional emblems of another Party are used or registered as trademark, designs or as any other protected title, such as company names or names of associations, in non-compliance with the conditions laid down in the domestic laws and regulations of that Party. This protection shall also apply to signs that may be confused with armorial bearings, flags and other State or regional emblems of a Party.

**SECTION III**  
**ACQUISITION AND MAINTENANCE OF INTELLECTUAL PROPERTY**  
**RIGHTS**

ARTICLE 13

*Acquisition and Maintenance*

Where the acquisition of an intellectual property right is subject to the right being granted or registered, the Parties shall ensure that the procedures for granting or registration are at least of the same level as that provided in the TRIPS Agreement, in particular Article 62.

**SECTION IV**

**ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS**

ARTICLE 14

*General*

1. The Parties shall provide in their respective domestic laws and regulations for enforcement provisions for rights covered by Article 1 (Definition of Intellectual Property) that shall at least be of the same level as that provided in the TRIPS Agreement, in particular in Articles 41 to 61.
2. The Parties recognise the importance of effective action by the competent authorities against any act of infringement of intellectual property rights covered by this Chapter.

ARTICLE 15

*Civil Remedies*

1. Each Party shall provide that:
  - (a) in civil judicial proceedings, its judicial authorities shall have the authority to order the infringer, who knowingly or with reasonable grounds to know, engaged in infringing activity of intellectual property rights, to pay the right holder damages adequate to compensate for the injury the right holder has suffered as a result of the infringement;
  - (b) In determining the amount of damages for intellectual property rights infringement, its judicial authorities shall have the authority to consider, *inter alia*, any legitimate measure of value the right holder submits, which may include lost profits, the value of the infringed goods or services measured by the market price, or the suggested retail price.
2. Each Party shall provide that its judicial authorities have the authority to order, if appropriate, at the conclusion of civil judicial proceedings concerning infringement of at least copyright or related rights, patents and trademarks, that the prevailing party be awarded payment by the losing party of court costs or fees and appropriate attorney's fees, or any other expenses as provided for under the Party's domestic laws and regulations.

ARTICLE 16

*Injunctions*

1. Each Party shall ensure that, where a judicial decision is taken finding either an infringement or an imminent threat of an infringement of an intellectual property right,

the judicial authority may issue against the infringer an injunction aimed at prohibiting the continuation of the infringement or the accomplishment of an infringement.

2. Non-compliance with an injunction shall, where appropriate, be subject to civil or criminal sanctions, with a view to ensuring compliance.

3. The Parties' judicial authorities shall have the authority to adopt provisional measures *inaudita altera parte* where appropriate, in particular where delay is likely to cause irreparable harm to the right holder, or where there is a demonstrable risk of evidence being destroyed. Upon request for provisional measures, the Parties' judicial authorities shall act expeditiously and take a decision without undue delay.

4. Each Party shall ensure that, in civil judicial proceedings with regard to the enforcement of intellectual property rights, its judicial authorities have the authority to order a party to the proceedings to desist from an infringement, *inter alia*, to prevent the entry into the channels of commerce in their jurisdiction of imported goods that involve the infringement of an intellectual property right, immediately after customs clearance of such goods.

## ARTICLE 17

### ***Removal from Commerce***

Each Party shall ensure that its competent judicial authorities in an infringement dispute may order, at the request of the right holder, that appropriate measures be taken with regard to goods that they have found to be infringing an intellectual property right and, in appropriate cases, with regard to materials and implements predominantly used in the creation or manufacture of those goods. Such measures shall include definitive removal from the channels of commerce or destruction. In considering a request for corrective measures, the need for proportionality between the seriousness of the infringement and the remedies ordered as well as the interests of third parties shall be taken into account.

## ARTICLE 18

### ***Suspension of Release***

1. Each Party shall adopt procedures to enable a right holder, who has valid grounds for suspecting that importation or exportation of goods infringing intellectual property rights at least of counterfeit trademark or pirated copyright goods may take place, to lodge an application in writing with its competent authorities, administrative or judicial, for the suspension by the customs authorities of the release of such goods.

2. Each Party shall enable its competent authorities to act upon their own initiative and suspend the release of goods when they have valid grounds for suspecting that importation or exportation of those goods would infringe intellectual property rights at least of counterfeit trademark or pirated copyright goods.

3. Each Party shall provide its competent authorities with the authority to inform the right holder in order to enable the enforcement of their rights.

4. It is understood that there shall be no obligation to apply procedures set forth in paragraphs 1 or 2 to the suspension of the release of goods put on the market by or with the consent of the right holder.

5. To facilitate effective enforcement procedures, the customs authorities may use appropriate measures, such as the carrying out of risk-based controls to target and identify goods suspected of infringing intellectual property rights.

6. Without prejudice to a Party's domestic laws and regulations pertaining to privacy or the confidentiality of information, where its competent authorities have suspended the release of goods that are suspected of being counterfeit or pirated, that Party ensures that its competent authorities have the authority to inform the right holder of the necessary information to enforce his or her rights.

7. Each Party shall provide the competent authorities, administrative or judicial, with the authority to decide, on request from the right holder, that the products, the release of which has been suspended pursuant to paragraphs 1 or 2, shall be held seized until a final decision is reached in the infringement dispute.

8. The right holder may seek recovery of costs and expenses that the right holder may have incurred in connection with the exercise of rights and remedies provided in this Article by means of civil remedies and provided that the suspected goods have been determined to infringe an intellectual property right, in accordance with the domestic laws and regulations of the Parties.

9. Each Party may exclude small quantities of goods of a non-commercial nature contained in travellers' personal luggage or sent in small consignments from the application of this Article. This Article applies to small consignments if they amount to import or export on a commercial scale.

## ARTICLE 19

### ***Right of Inspection***

1. The competent authorities shall give the applicant for the suspension of goods and other persons involved<sup>6</sup> in the suspension the opportunity to inspect goods whose release has been suspended.

2. When examining goods, the competent authorities may take samples and, according to the rules in force in the Party concerned, hand them over or send them to the right holder, at his or her express request, strictly for the purposes of analysis and of facilitating the subsequent procedure. Where circumstances allow, samples must be returned on completion of the technical analysis and, where applicable, before goods are released or their detention is lifted. Any analysis of these samples shall be carried out under the sole responsibility of the right holder.

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<sup>6</sup> The term 'other persons involved' shall be interpreted in accordance with the domestic laws and regulations of each Party.

3. The declarant, holder or owner of the suspected infringing goods may be present at the inspection with a view to protecting its trade secret.

## ARTICLE 20

### ***Security or Equivalent Assurance***

Each Party shall ensure that its competent authorities have the authority to require an applicant to provide a security or equivalent assurance, sufficient to protect the defendant and the competent authorities and to prevent abuse. Such security or equivalent assurance shall not unreasonably deter recourse to these procedures. A Party may fulfil this obligation by requiring an applicant to declare to accept liability towards the persons involved, instead of providing a security or equivalent assurance.

## ARTICLE 21

### ***Criminal Remedies***

Each Party shall provide for criminal procedures and penalties to be applied at least in cases of wilful trademark counterfeiting or copyright or related rights piracy on a commercial scale.

## ARTICLE 22

### ***Final Judicial and Administrative Decisions***

The Parties shall endeavour to ensure that final judicial and administrative decisions relating to intellectual property rights are:

- (a) in writing and contain the findings of fact and the reasoning or the legal basis on which the decisions are based; and
- (b) published or otherwise made publicly available in a national language or in English in such a manner as to enable interested parties to become acquainted with them, subject to protection of confidential information.

## ARTICLE 23

### ***Cooperation in the Field of Intellectual Property***

The Parties, recognising the growing importance of intellectual property rights as a factor of social, economic and cultural development, agree to enhance cooperation in the field of intellectual property.