

Afghanistan Legislative Commitments to the WTO: A Deeper Look at Afghanistan's Compliance with TRIPS

HAFIZULLAH SEDDIQI*

In 2016, Afghanistan formally acceded to the World Trade Organization (WTO) to improve its worldwide trading prospects. However, this journey began much earlier. To join the WTO, one of Afghanistan's commitments was to reform its then-existing trademark laws.¹ Intellectual property (IP)-related laws are, in general, one of the fields that countries must reform prior to joining the WTO, so as to be in accordance with the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).² While Afghanistan has enacted some IP-related statutes, including the 2009 Law on Trade Marks Registration, it continues to fall short of conforming to TRIPS because it is silent on licensing trademarks, and is ambiguous on both trademark validity and use requirements. Consequently, these kinds of deficiencies will create opportunities to misuse a legal loophole, perpetuate corruption, and discourage foreign investment in Afghanistan. This paper suggests that the Afghan government should fix the deficiencies in TRIPS by modeling the Turkey Industrial Code and the Law of the Republic of Indonesia on Marks, in order to decrease corruption and increase trust by foreign investors. The first part of this paper will briefly introduce the structure of the WTO, then cover the process of Afghanistan's accession to the WTO. The second part will introduce both the old and new Law on Trade Marks Registration of Afghanistan as well as TRIPS.

* Hafizullah Seddiqi, LL.M. in Global Business Law, University of Washington School of Law; Lecturer and Associate Dean, Herat University, Faculty of Law and Political Sciences; Member of the Afghanistan Independent Bar Association (Public Defense Lawyer). I would like to express my deepest gratitude for Professor Dongsheng Zang and Professor Elizabeth R. Baldwin for their useful guidance and comments on this article.

1. *Overview of Afghanistan's Commitments*, WORLD TRADE ORG., https://www.wto.org/english/news_e/news15_e/afgancommitmentsmc10_e.pdf (last visited Mar. 25, 2020).

2. Ermias Tekeste Biadgleng, *Accession to the WTO, Intellectual Property Rights and Domestic Institutions*, in 2 RESEARCH HANDBOOK ON THE INTERPRETATION AND ENFORCEMENT OF INTELLECTUAL PROPERTY UNDER WTO RULES: INTELLECTUAL PROPERTY IN THE WTO 80, 87-88 (Carlos M. Correa ed., 2010).

Indiana Journal of Global Legal Studies Vol. 27 #2 (Spring 2020)
© Indiana University Maurer School of Law

The final part will show the deficiencies of the Afghan statute in relation to TRIPS, the consequences of those deficiencies, and the possible solutions and recommendations for this problem.

I. INTRODUCTION

Afghanistan has been identified as one of the Least Developed Countries (LDCs) in the world by the United Nations (UN).³ This began to change after the Afghani-based Taliban—which had carried out the September 11 attacks and terrorized its own citizens—was attacked by the North American Treaty Organization (NATO), led by the United States, and forcibly removed from power. In order to develop the country, the government was eager to join international trade, establish trade relations with other countries, and reach the attention of foreign investment in Afghanistan.⁴ To do so, the government placed WTO membership at the top of its economic agenda.⁵ The Afghani government wanted this membership because the WTO expanded the scope of international trade law beyond the traditional border measures covered by the General Agreement on Tariffs and Trade (GATT),⁶ to a greater area of national regulatory activity, such as foreign investment, trade in services, and intellectual property rights (IPRs). Therefore, in addition to incorporating the GATT, the WTO Treaty introduced new agreements: the General Agreement on Trade in Services (GATS), the General Agreement on Trade-Related Investment Measures (TRIMS),⁷ and TRIPS,⁸ acceptance of which are required by every country that

3. *UN List of Least Developed Countries*, UNITED NATIONS CONF. ON TRADE & DEV., <https://unctad.org/en/Pages/ALDC/Least%20Developed%20Countries/UN-list-of-Least-Developed-Countries.aspx> (last visited Mar. 26, 2020).

4. *See generally* WTO Working Party on the Accession of Afghanistan, *Accession of Afghanistan: Memorandum on the Foreign Trade Regime*, WTO Doc. WT/ACC/AFG/4 (Mar. 31, 2009), https://www.wto.org/english/thewto_e/acc_e/a1_afghanistan_e.htm (detailing Afghanistan and its economic and political structure).

5. *Id.*

6. *See generally* General Agreement on Tariffs and Trade, Oct. 30, 1947, 61 Stat. A-3, 55 U.N.T.S. 194 [hereinafter GATT 1947] (detailing multilateral agreements created promote trade by greatly reducing trade barriers and removing discriminatory trade practices versus the intergovernmental framework of WTO).

7. *See generally* Agreement on Trade Related Investment Measures, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1A, 1868 U.N.T.S. 186 [hereinafter TRIMS] (detailing articles used to promote the liberalization of international trade, foster investment, and boost economic growth).

8. *See generally* Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, 1869 U.N.T.S. 299 [hereinafter TRIPS] (detailing articles used to promote international trade while protecting intellectual property rights).

aims to apply to the WTO. One of the commitments that Afghanistan was obliged to fulfill was reformation of its legislation, including aligning its IP law to conform with TRIPS. The implications and the effects of TRIPS, particularly the provisions that relate to trademarks in the WTO Member States, continue to unfold because trademarks are a very important marketing tool for modern businesses. Thus, the effect of TRIPS is crucial to the continued economic sustainability of Member States.

Based on its commitments, Afghanistan replaced the old Law of Trademarks of 1960,⁹ with the current Law on Trade Marks Registration of 2009.¹⁰ Although Afghanistan has taken positive steps to bring its trademark law into conformity with TRIPS, its effort has not gone far enough to achieve full compliance, and it has not attracted the trust of foreign investors to register their trademarks in Afghanistan. The law has been amended several times during the last ten years in some realms, such as the procedure of publishing trademarks, provisional measures, and supporting defendants in the event of being wrongfully enjoined or restrained. However, it still needs reformation in terms of licensing, renewing the validity of, and requiring use of trademarks. Lack of compliance will cause misuse of legal loopholes, perpetuate corruption, and discourage foreign investment in Afghanistan. Considering the importance of TRIPS in Afghanistan's trademark regime, assessing the legal effects of the agreement on Afghanistan's law helps in determining the compliance of the Law on Trade Marks Registration to a large extent.

The aim of this article is to identify the areas of noncompliance and discuss how the legislature can reform its code by modeling it after the Turkey Industrial Code¹¹ and the Law of the Republic of Indonesia on Marks¹² to make it compatible with TRIPS. This article limits discussion of Afghanistan's WTO compliance to certain substantive provisions of TRIPS to express how the Law on Trade Marks Registration still needs reformation.

9. *See generally* OSULNAMAH-E ALAYEME TEJARATI [LAW FOR TRADEMARKS] 1339 (1960) (Afg.) [hereinafter LAW OF TRADEMARKS 1960] (regulating the registration and qualifications of trademarks).

10. QANOON-E THABT-E ALAYEM-E TEJARATI [LAW ON TRADEMARKS REGISTRATION], JAREEDA-YE RASMI [OFFICIAL GAZETTE], No. 995, art. 2 1388 (2009) (Afg.) [hereinafter LAW ON TRADEMARKS REGISTRATION 2009].

11. *See* TURKISH LAW ON INDUSTRIAL PROPERTY, Law No. 6769, RESMI GAZETE (R.G) [OFFICIAL GAZETTE] art. 1 (2016) (Turk.) [hereinafter TURKISH IP LAW 2016].

12. *See* LAW OF THE REPUBLIC OF INDONESIA NO. 15/2001 ON MARKS art. 1-6 (2001) (Indon.) [hereinafter INDONESIAN TRADEMARKS LAW 2001]; *see also* *Indonesia*, WORLD INTEL. PROP. ORG., https://www.wipo.int/members/en/details.jsp?country_id=77 (last visited Mar. 31, 2020) (providing access to the Indonesia Timeline).

II. AFGHANISTAN'S ACCESSION TO THE WTO

“The Silk Road has existed for thousands of years, passing through many different empires, kingdoms, reigns and societies throughout history.”¹³ According to the United Nations Educational Scientific and Cultural Organization (UNESCO), Afghanistan is one of the countries located alongside the historic Silk Road,¹⁴ which connected the East to the West for thousands of years. However, “Afghanistan’s dominant position in international commerce” was decreased by the discovery of maritime trade routes, “which were safer, cheaper, and faster” than land trade routes; joint stock companies, such as the Dutch East Indian Company; and the influence of Russia in Siberia, which created a new route to the East.¹⁵ In recent centuries, the kings of Afghanistan have tried to regain the business position of Afghanistan. For example, they created routes for Indian caravans to bring goods to Persia (Iran);¹⁶ and specifically, King Amir Abdul Rahman Khan created reforms in the field of commerce, including his establishment of a commercial court in 1893.¹⁷ These efforts have continued into the twentieth century, through enacting commercial statutes and regulations, such as the Principles of Shariah Court on the Commercial Transactions in 1922,¹⁸ the Regulation on Industrial Promotion in 1926,¹⁹ the Business Registration Code in 1942,²⁰ the Commercial Code in 1955,²¹ and the

13. *Countries Alongside the Silk Road Routes*, UNESCO: SILK ROADS, <https://en.unesco.org/silkroad/countries-alongside-silk-road-routes> (last visited May 30, 2019) (providing access to information on countries alongside the Silk Roads).

14. *Afghanistan*, UNESCO: SILK ROADS, <https://en.unesco.org/silkroad/countries-alongside-silk-road-routes/afghanistan> (last visited May 30, 2019).

15. SUGARMAN ET. AL, AFG. LEGAL EDUC. PROJECT STANDFORD LAW SCHOOL, AN INTRODUCTION TO COMMERCIAL LAW OF AFGHANISTAN 28 (Daniel Lewis et al. eds., 2d ed. 2011).

16. *Id.* at 29.

17. *Id.* at 31.

18. See NEZĀM NĀMA-YE MAHKAMA-YE SHARIAH DAR BABE MOAMELATE TEJARATI [REGULATION OF SHARIAH COURT ON THE COMMERCIAL TRANSACTIONS] 1301 (1922) (Afg.).

19. See NEZĀM NĀMA-YE TASHWIQIAH-E SANAYE-E DAWLĀT-I ‘ĀLĪĀ-YE AFGHANISTAN [REGULATION ON INDUSTRIAL PROMOTION OF EXALTED STATE OF AFGHANISTAN] 1305 (1926) (Afg.) [hereinafter REGULATION ON INDUSTRIAL PROMOTION 1926].

20. OSULNAMA-E THABT-E TEJARAT [BUSINESS REGISTRATION CODE], NO. 48/51, 1321 (1942) [hereinafter BUSINESS REGISTRATION CODE 1942].

21. OSULNAMA-E TEJARAT [COMMERCIAL CODE], 1334 (1955) (Afg.) [hereinafter COMMERCIAL CODE 1955] (English version translation available at *Commercial Law (Commercial Code) of Afghanistan –1955– Usulnameh on the Commercial Law of Afghanistan*, AFGHAN LAWS, <http://www.asianlii.org/af/legis/laws/clcoa1955uotcloa713/> (last visited Mar. 31, 2020)).

Law of Trademarks in 1960.²² But the last four decades—which have been rife with civil wars, Soviet-imposed wars, and NATO's attacks on the Taliban—have set Afghanistan's business prosperity back again. In 2001, the global community committed to helping Afghanistan reestablish its social and economic bases during Bonn's Conference for Afghanistan.²³ As mentioned earlier, during the decades of war, Afghanistan's commercial connection with regional and global economies was severely diminished, and needed to be reestablished. To do so, Afghanistan established an open market-based economy by accepting the principle of market economy in the tenth provision of its new constitution.²⁴ To improve trade, Afghanistan's government committed to pursue trade liberalization and expansion with a view toward joining the WTO, and negotiating new effective bilateral and regional transit agreements.²⁵ The government then submitted a request for WTO membership on November 21, 2004.²⁶

This part expresses the process of Afghanistan's accession to the WTO, which underwent a very tough and long negotiation to achieve joining the organization. It will introduce the WTO and its accession process, which covers the negotiation rounds for Afghanistan during the eleven years—from 2004 to 2015—and will conclude that, despite having many economic, political, and security problems, the negotiation was successful enough to make the members accept Afghanistan's membership.

22. See generally LAW OF TRADEMARKS 1960, *supra* note 9 (regulating the registration and qualifications of trademarks).

23. U.N. Secretary-General, *Letter Dated 5 December 2001 from the Secretary-General Addressed to the President of the Security Council: Agreement on Provisional Arrangements in Afghanistan Pending the Re-establishment of Permanent Government Institutions*, 1, U.N. Doc. S/2001/1154 (Dec. 5, 2001) [hereinafter Bonn Agreement]; see also S.C. Res. 1383, ¶ 1 (Dec. 6, 2001) (endorsing the Bonn Agreement).

24. QĀNOON-I ASSĀSI-YE JAMHŪRI-YE ISLĀMI-YE AFGHANISTAN [CONSTITUTION OF THE ISLAMIC REPUBLIC OF AFGHANISTAN], art. 10, JAREEDA-YE RASMI [OFFICIAL GAZETTE] NO. 818, 1382 (2004) [hereinafter AFGHANISTAN'S CONSTITUTION 2004].

25. 1 GOV'T OF THE ISLAMIC REPUBLIC OF AFG., AFGHANISTAN NATIONAL DEVELOPMENT STRATEGY: AN INTERIM STRATEGY FOR SECURITY, GOVERNANCE, ECONOMIC GROWTH & POVERTY REDUCTION 102 (2006), <https://www.nps.edu/documents/105988371/107571254/National+Development+Strategy.pdf/8176334f-927b-495a-81e2-d899c57c1afb>.

26. *Afghanistan: Afghanistan's Timeline*, WORLD TRADE ORG., https://www.wto.org/english/thewto_e/acc_e/a1_afghanistan_e.htm (last visited June 6, 2019) [hereinafter *Afghanistan's Timeline*].

A. A Short History of the World Trade Organization

The WTO is the successor to GATT (the General Agreement on Tariffs and Trade).²⁷ After World War I, a worldwide recession emerged, which made countries rush toward protectionism, “an attempt to regulate trade and subsidize domestic industries.”²⁸ In fact, countries were reluctant to decrease trade barriers. For instance, the United States “adopted the Smoot-Hawley Tariff Act in 1930, that raised US tariffs to an average of nearly 60 [percent].”²⁹ In response, US trade partners raised tariff barriers and devalued their currencies competitively, which eventually exacerbated the Great Depression.³⁰

Thus emerged a collective need to reconstruct the world’s economic order based on the principle of free trade. Countries began by reversing the previous protectionism, expanding international trade, and founding new rules for economic activities.³¹ In 1944, at the height of World War II, delegates from the United States and Britain gathered in Bretton Woods, New Hampshire, and agreed to form three international organizations: the International Monetary Fund (IMF), the World Bank, and the International Trade Organization (ITO).³² The IMF was created in 1945 to “administer the international . . . [money] system.”³³ The World Bank was created to provide loans for European countries—which had suffered more than other countries from World War II—and to assist developing countries.³⁴ However, the ITO was never created, because it was not ratified by the US or by the other necessary signatory countries.³⁵ According to American diplomat Richard Gardner, “[i]t did not have a chance to die; it was simply stillborn.”³⁶ In its place, advanced industrial nations negotiated for and finally established GATT in 1948. Although GATT was meant to only temporarily function until the ITO came into effect, it lasted for forty-seven years until 1995, when the WTO was established.³⁷

27. RONALD A. REIS, GLOBAL ORGANIZATIONS: THE WORLD TRADE ORGANIZATION 26 (Peggy Kahn ed., 2009).

28. *Id.* at 23.

29. AMRITA NARLIKAR, THE WORLD TRADE ORGANIZATION: A VERY SHORT INTRODUCTION 3 (2005).

30. *Id.*

31. *See id.*

32. *Id.* at 10.

33. REIS, *supra* note 27, at 26.

34. REIS, *supra* note 27, at 26, 43; *id.*

35. NARLIKAR, *supra* note 29, at 10.

36. *Id.* at 26, 44.

37. *Id.* at 21.

During the time that GATT governed international trade, some efforts were made—through eight rounds of negotiation—to reduce tariffs.³⁸ In fact, each of the negotiation rounds was an important step to free international trade and remove the barriers in the way of free trade. The longest, most important, and most successful of these was the eighth (and final) round, the Uruguay Round, which lasted for eight years. This round began in Uruguay in September 1986, and concluded in Morocco in March 1994, by establishing a new trade organization—the WTO.³⁹ While the WTO “created new rules for dealing with trade in services and intellectual property and new procedures for dispute settlement,”⁴⁰ the creation of a new organization was not on the agenda for the Uruguay round.⁴¹ Discussion of a “new, permanent trade organization” was raised in the Quad Framework in 1989, and formally proposed by Canada in 1990.⁴² After four years of working on a new, permanent organization, the WTO was finally established in 1994 and came into effect by the beginning of 1995.⁴³ Actually, the WTO replaced GATT with a new version (GATT 1994), which is one of the annexes of the WTO Charter.⁴⁴ At the moment, the organization is located in Geneva, Switzerland, and has 164 members.⁴⁵

B. Accession: Afghanistan's Negotiations

Almost half a year after the US-led NATO attack on the Taliban, “Afghanistan submitted [its first] request for accession to the WTO on April 10, 2003.”⁴⁶ The WTO then established a Working Party on

38. *The GATT Years: From Havana to Marrakesh*, WORLD TRADE ORG., https://www.wto.org/english/thewto_e/whatis_e/tif_e/fact4_e.htm (last visited June 5, 2019).

39. REIS, *supra* note 27, at 45.

40. WORLD TRADE ORG., *THE WTO IN BRIEF* 6 (2019), https://www.wto.org/english/thewto_e/whatis_e/inbrief_e/inbr_e.pdf.

41. THE OXFORD HANDBOOK ON THE WORLD TRADE ORGANIZATION 131 (Amirta Narlikar et al. eds., 2012).

42. *Id.*

43. See NARLIKAR, *supra* note 29, at 22; *id.* at 129; WORLD TRADE ORG., UNDERSTANDING THE WTO 18-19 (5th ed. 2015); THE OXFORD HANDBOOK OF INTERNATIONAL ORGANIZATIONS 353 (Jacob Katz Cogan et al. eds., 2016).

44. See NARLIKAR, *supra* note 29, at 22; THE OXFORD HANDBOOK ON THE WORLD TRADE ORGANIZATION, *supra* note 41, at 129; UNDERSTANDING THE WTO, *supra* note 43, at 18-19; THE OXFORD HANDBOOK OF INTERNATIONAL ORGANIZATIONS, *supra* note 43, at 353.

45. *Members and Observers*, WORLD TRADE ORG., https://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm (last visited July 2, 2019).

46. *About WTO*, MINISTRY INDUSTRY & COM., <http://moci.gov.af/en/Page/571> [<https://web.archive.org/web/20120707014937/http://moci.gov.af/en/Page/571>] (last visited Mar. 4, 2019).

December 13, 2004, almost one month after it had received a revised application from Afghanistan on November 21, 2004.⁴⁷ In the meeting that the General Council held on December 13, 2004, the Chairman, Mr. Shotaro Oshima (Japan), drew attention to the communication from Afghanistan requesting accession.⁴⁸ All the present delegations, from different members, “welcomed the establishment of the Working Party on the accession of Afghanistan.”⁴⁹ Under the Afghan National Development Strategy in 2005, Afghanistan’s government planned to accede to the WTO by the end of 2010.⁵⁰ However, it failed to join the WTO until 2016. The WTO Working Party meets when a country finalizes and submits its Memorandum on the Foreign Trade Regime (MFTR), which is the first step in the accession. Although Afghanistan planned to draft its Memorandum in consultation with the WTO by 2007,⁵¹ it failed to do so until March 31, 2009.⁵²

Next, the WTO and Afghanistan entered the negotiation stage. In this step, the Working Party on Afghanistan’s accession had had five formal Working Party meetings with the interested members of the WTO to negotiate various foreign trade issues.⁵³ The first Working Party meeting took place on January 31, 2011, and the last Working Party meeting took place on November 11, 2015.⁵⁴ Each meeting had its own agenda, which the parties negotiated for ahead of time. In fact, these kinds of Working Party meetings were multilateral negotiation meetings for compliance with the WTO legal regime. During this period, Afghanistan responded to the more than 600 questions it had been asked by the members who attended the meetings and developed over

47. *Afghanistan’s Timeline*, *supra* note 26.

48. *Id.* (quoting General Council, *Minutes of Meeting*, ¶ 22, WTO Doc. WT/GC/M/90 (Dec. 31, 2004) linked to the Afghanistan WTO Timeline).

49. *Id.* (quoting General Council, *Minutes of Meeting*, ¶ 30, WTO Doc. WT/GC/M/90 (Dec. 31, 2004) linked to the Afghanistan WTO Timeline). (From May 2005 to July 2016, the Working Party was managed by three different chairpersons).

50. GOV’T OF THE ISLAMIC REPUBLIC OF AFG., *supra* note 25, at 165.

51. MARY KIRKBRIDE ET AL., OXFAM INT’L, GETTING THE FUNDAMENTALS RIGHTS: THE EARLY STAGES OF AFGHANISTAN’S WTO ACCESSION PROCESS 11 (2007), <https://oxfamilibrary.openrepository.com/bitstream/handle/10546/114503/bp92-getting-fundamentals-right-afghanistan-280707-en.pdf;jsessionid=351BAEFD6FEBA60D367C4DD405DCCB9F?sequence=1>.

52. *See generally* WTO Working Party on the Accession of Afghanistan, *Accession of Afghanistan: Memorandum on the Foreign Trade Regime*, WTO Doc. WT/ACC/AFG/4 (Mar. 31, 2009), https://www.wto.org/english/thewto_e/acc_e/a1_afghanistan_e.htm (detailing Afghanistan and its economic and political structure).

53. *Afghanistan’s Timeline*, *supra* note 26.

54. *Id.*

thirty documents.⁵⁵ Moreover, Afghanistan had “plurilateral negotiations on issues such as agriculture support, export subsidies and technical barriers to trade.”⁵⁶ As mentioned earlier, the process of accession to the WTO is a series of negotiations.⁵⁷ Therefore, an essential element to the negotiation process is facilitating bilateral negotiations among specific countries with common issues. Afghanistan has negotiated bilaterally on market access of goods and services with nine governing bodies, which are bound by their own established multilateral negotiations (United States, Japan, Korea Republic, Turkey, European Union, Thailand, Norway, Taiwan, and Canada).⁵⁸

Afghanistan's final step in joining the WTO consisted of the accession package. By extension, the results of plurilateral, multilateral, and bilateral negotiations had been ratified by working party members in the previous steps, prepared in separate documents, and sent to the General Council on behalf of the Ministerial Conference.⁵⁹ After eleven years of a very lengthy, complex process of negotiations, the WTO members officially approved the accession of Afghanistan during a special ceremony at the Nairobi Ministerial Conference on December 17, 2015, and the Protocol of Accession was signed by Afghanistan's First Deputy Chief Executive Mohammad Khan Rahmani and Roberto Azevêdo, the Director General of the WTO.⁶⁰ After Afghanistan's Parliament ratified the Protocol of Accession, the country became the 164th member of the World Trade Organization on July 29, 2016.⁶¹

55. See *id.*; *Fact Sheet: USAID Support to Afghanistan's WTO Accession*, USAID (Dec. 2015), <https://www.usaid.gov/sites/default/files/documents/1871/Fact%20Sheet%20-%20USAID%20Support%20to%20Afghanistan%27s%20WTO%20Accession%20%28English%29.pdf>; *USAID Support to Afghanistan's WTO Accession*, USAID, <https://www.usaid.gov/news-information/fact-sheets/usa-id-support-afghanistan%E2%80%99s-wto-accession> (last updated May 7, 2019).

56. *Afghanistan's Progress in Joining the WTO*, MINISTRY OF INDUSTRY & COM., <http://moci.gov.af/en/page/8603/8768/8769> [<https://web.archive.org/web/20190716055230/http://moci.gov.af/en/page/8603/8768/8769>] (last visited Feb. 5, 2019).

57. *How to Become a Member of the WTO*, WORLD TRADE ORG., https://www.wto.org/english/thewto_e/acc_e/acces_e.htm (last visited Feb. 20, 2019); see also PETER JOHN WILLIAMS, *A HANDBOOK ON ACCESSION TO THE WTO* 29 (2008).

58. *Afghanistan's Progress in Joining the WTO*, *supra* note 56; see also *Afghanistan's Timeline*, *supra* note 26.

59. See *Afghanistan's Timeline*, *supra* note 26 (providing access to documents sent to the General Council).

60. Ministerial Conference, *Accession of the Islamic Republic of Afghanistan: Ministerial Decision of 17 December 2015*, WTO Doc. WT/L/974, 1 (Dec. 21, 2015); *id.*; *Ministers Approve Afghanistan's WTO Membership at MC10*, WORLD TRADE ORG., https://www.wto.org/english/news_e/news15_e/acc_afg_17dec15_e.htm (last visited Mar. 31, 2020).

61. *Afghanistan's Timeline*, *supra* note 26.

III. REVIEW OF TRADEMARKS SUPPORTING UNDER TRIPS AND AFGHANISTAN'S LAW

IPRs, or intellectual property rights, are supported by national and international laws. In fact, the basic objectives of protection and enforcement of IPRs are to promote, transfer, and spread technological innovation for producers'/users' advantage to contribute to social/economic welfare to rights and obligations.⁶² During the last two centuries, a number of conventions and treaties were signed to support these IPRs.⁶³ The Paris Convention for the Protection of Industrial Property, signed in Paris, France, on March 20, 1883, was one of the first intellectual property treaties,⁶⁴ and it is currently still in force. Also, implemented initially by Berne, Switzerland, in 1886, the Berne Convention for the Protection of Literary and Artistic Works (Berne Convention) is an international agreement providing copyright protections.⁶⁵ Additionally, one of the most important agreements that supports trademarks as an IPR, among others, is the WTO Agreement on Trade-Related Aspect of Intellectual Property Rights (TRIPS).

A. What is TRIPS?

TRIPS is the product of the Uruguay Round negotiations that were conducted from 1986 until 1994, within the framework of GATT.⁶⁶ TRIPS was one of the "[thirteen] subjects for negotiation in the Part I of the [Ministerial] Declaration dealing with trade in goods."⁶⁷ The United States, pressured by representatives of the pharmaceutical industry present at negotiations, introduced intellectual property protections.⁶⁸ As IP was a new item in international negotiations related to trade,

62. ANTHONY TAUBMAN, *A PRACTICAL GUIDE TO WORKING WITH TRIPS* 76 (2011); *see also* A HANDBOOK ON THE WTO TRIPS AGREEMENT 34 (Antony Taubman, et al. eds. 2012).

63. 7 WTO-TRADE-RELATED ASPECTS OF INTELLECTUAL PROP. RIGHTS, MAX PLANCK COMMENTARIES ON WORLD TRADE LAW 2-3 (Peter-Tobias Stoll et al. eds., 2009).

64. Paris Convention for the Protection of Industrial Property art. 1, Mar. 20, 1888, 828 U.N.T.S. 305 (Stockholm Revision of July 14, 1967) [hereinafter Paris Convention].

65. Berne Convention for the Protection of Literary and Artistic Works art. 1, Sept. 9, 1886, 1161 U.N.T.S. 3 (Paris Revision of July 24, 1971) [hereinafter Berne Convention].

66. UNCTAD-ICTSD ET AL., *RESOURCE BOOK ON TRIPS AND DEVELOPMENT* 2-4 (2005).

67. *See* Carlos A. Primo Braga, *Trade-Related Intellectual Property Issues: The Uruguay Round Agreement and its Economic Implications*, THE URUGUAY ROUND AND THE DEVELOPING ECONOMIES: 307 WORLD BANK DISCUSSION PAPERS, 434, 441 (Will Martin & L. Alan Winters eds., 1995).

68. *Id.* at 434-471.

developing countries opposed the inclusion of general IP criteria at an international level.⁶⁹

However, TRIPS was finally made part of GATT, and is considered the third pillar (along with GATT and GATS) of the basis of the WTO.⁷⁰ "TRIPS is the first International Agreement containing exhaustive provisions on trademark and its enforcement procedures,"⁷¹ and is the most comprehensive multilateral agreement on intellectual property.⁷² Its purpose is to introduce minimum standards of protection that each member must maintain to reduce the obstacles in economic transactions in international trade.⁷³ However, TRIPS does not regulate the implementation of such minimum standards of protection.⁷⁴ The agreement also requires the WTO Member States to legislate clear and consistent IP laws.⁷⁵

In general, international intellectual property agreements are divided into two categories.⁷⁶ The first category contains those agreements that regulate substantive law standards, such as the Paris and Berne Conventions. The second category contains those agreements that are procedural, and aim to harmonize certain principles relating to the international registration trademarks and patents, such as the Madrid Agreement Concerning the International Registration of Marks (MAM) and the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (PMAM).⁷⁷ TRIPS is one of the first category agreements.⁷⁸

69. William Pretorius, *TRIPS and Developing Countries: How Level is the Playing Field?*, in GLOBAL INTELLECTUAL PROPERTY RIGHTS: KNOWLEDGE, ACCESS, AND DEVELOPMENT 183, 184-85 (Peter Drahos & Ruth Mayne eds, 2002).

70. *Id.*; see also Braga, *supra* note 67, at 441.

71. Sohaib Mukhtar et al., *Review of Trademark and Its Enforcement Procedures of Pakistan under TRIPS and Paris Convention. Economics, Law and Policy*. 1. 122. 10.22158/elp.v1n2p122. (2018).

72. *Overview: The TRIPS Agreement*, WORLD TRADE ORG., https://www.wto.org/english/tratop_e/trips_e/intel2_e.htm (last visited July 1, 2019).

73. *See id.*

74. WTO-TRADE-RELATED ASPECTS OF INTELLECTUAL PROP. RIGHTS, *supra* note 63, at 305; see also TRIPS, *supra* note 8, art. 1.

75. See Nikolaos Papageorgiadis & Frank McDonald, *Defining and Measuring the Institutional Context of National Intellectual Property Systems in a Post-TRIPS World*, 25 J. INT'L MGMT. 3, 4 (2019).

76. Susy Frankel, *The Applicability of GATT Jurisprudence to the Interpretation of the TRIPS Agreement*, in 2 RESEARCH HANDBOOK ON THE INTERPRETATION AND ENFORCEMENT OF INTELLECTUAL PROPERTY UNDER WTO RULES: INTELLECTUAL PROPERTY IN THE WTO 3, 4 (Carlos M. Correa ed., 2010).

77. *Id.*; WTO-TRADE-RELATED ASPECTS OF INTELLECTUAL PROP. RIGHTS, *supra* note 63, at 304.

78. *See* Frankel, *supra* note 76, at 4.

TRIPS does not just include its own conventions, but has incorporated the main substantive provisions of many preexisting conventions by reference, including the provisions of the World Intellectual Property Organization (WIPO), the Paris Convention, and the Berne Convention (excluding its human rights provisions), which TRIPS member countries are then obligated to follow as well.⁷⁹ TRIPS is also less flexible than either the Paris or Berne Conventions.⁸⁰ The two above conventions “have been in force since the late 19th century and provide substantive law minimum [standards] . . . [for protecting] trademarks, patents, designs and copyright,” but the creation of the WTO brought important changes in intellectual property by internationalizing it.⁸¹ In fact, TRIPS has several advantages compared to preexisting conventions: (1) it protects intellectual property fully; (2) relative to the Paris and Berne Conventions, TRIPS has higher standards for supporting IP—requiring compliance by nonmembers of these conventions; (3) it is the first IP treaty that mandates the most-favored-nation treatment; (4) in addition to requiring the WTO members to guarantee some substantial levels of protection and rights in their domestic laws, the agreement contains detailed provisions on the procedures for enforcing rights in the event of infringement; and (5) it includes dispute-settlement procedures.⁸²

B. Trademarks-Related Provisions in TRIPS

TRIPS is divided into seven parts composed of seventy-three articles. The seven parts, in order, are: (I) General Provisions and Basic Principles; (II) Standards Concerning the Availability, Scope, and Use of Intellectual Property Rights; (III) Enforcement of Intellectual Property Rights; (IV) Acquisition and Maintenance of Intellectual Property Rights and Related *Inter-Partes* Procedures; (V) Dispute Prevention and Settlement; (VI) Transitional Arrangements; and (VII) Institutional Arrangements, Final Provisions.⁸³ Part II, section 2 of TRIPS consists of articles 15 to 21, and pertains to the protection of trademarks.⁸⁴ These provisions deal with: (i) subject matters of trademarks; (ii) exceptions to trademark protections; (iii) the trademark registration process; (iv) rights conferred upon the holder of trademark rights; (v) duration of

79. Overview: *The TRIPS Agreement*, *supra* note 72.

80. Frankel, *supra* note 76, at 4.

81. *Id.*

82. *See id.* at 4-8.

83. *See* TRIPS, *supra* note 8, at 319.

84. *Id.*; WTO–TRADE-RELATED ASPECTS OF INTELLECTUAL PROP. RIGHTS, *supra* note 63, at 303.

trademark protection; and (vi) licensing and assignment of trademarks.⁸⁵ Mostly, section 2 of part II is related to a proposal provided by the community that relied on the European Trademark Law Directive.⁸⁶

The Paris Convention (administered by WIPO) is the basis of articles 15 to 21 of TRIPS.⁸⁷ In other words, TRIPS Member States are required to comply with articles 1 to 12 and article 19 of the Paris Convention with respect to parts 2, 3, and 4 of TRIPS.⁸⁸ Indeed, the Paris Convention was the only treaty under public international law that concerned international trademark rights prior to the implementation of TRIPS on January 1, 1995,⁸⁹ and TRIPS is a complement to the Paris Convention where the convention is silent or inadequate.⁹⁰

As mentioned above, trademarks are one of the IPRs that are defined in TRIPS. Articles 15 to 21 are pertinent to the trademark. According to article 15 of TRIPS:

[a]ny 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 including personal names, letters, numerals, figurative elements and combinations of colours as well as any combination of such signs, shall be eligible for registration as trademarks.⁹¹

This is the first article, in a multilateral agreement, that gives a uniform definition of signs for goods and services.⁹² Trademarks can be any of the following—a mark, sign, name, word, sound, or even a

85. TRIPS, *supra* note 8, at 319; WTO–TRADE-RELATED ASPECTS OF INTELLECTUAL PROP. RIGHTS, *supra* note 63, at 303.

86. TRIPS, *supra* note 8, at 319; Negotiating Group on Trade-Related Aspects of Intellectual Property Rights, including Trade in Counterfeit Goods, *Draft Agreement on Trade-Related Aspects of Intellectual Property Rights*, WTO Doc. MTN. GNG/NG11/W/68 (Mar. 29, 1990); *see also* Council Directive 89/104, 1988 O.J. (L 40) 1 (EC); WTO–TRADE-RELATED ASPECTS OF INTELLECTUAL PROP. RIGHTS, *supra* note 63, at 303.

87. WTO–TRADE-RELATED ASPECTS OF INTELLECTUAL PROP. RIGHTS, *supra* note 63, at 304.

88. TRIPS, *supra* note 8, art. 2.

89. WTO –TRADE-RELATED ASPECTS OF INTELLECTUAL PROP. RIGHTS, *supra* note 63, at 304.

90. *Overview: The TRIPS Agreement*, *supra* note 72.

91. TRIPS, *supra* note 8, art. 15.

92. WTO –TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 307.

smell—that is capable of distinguishing goods or services of one undertaking from goods or services of other undertakings.⁹³ Because a descriptive mark does not distinguish between undertakings,⁹⁴ it must be distinctive and nondescriptive to make the owner or user able to take prompt action against infringement of a registered trademark.⁹⁵

Trademarks are divided into two types: traditional trademarks and non-traditional trademarks. Traditional trademarks are signs, words, labels, logos, and shapes. Signs and words have a broad context in contrast to other types within this category.⁹⁶ They include, “personal names, [business names], letters, numerals, figurative elements and combinations of colours as well as any combination of such signs.”⁹⁷ Non-traditional trademarks consist of smells and sounds.⁹⁸ For instance, scent marks can include the smell of grass on a tennis ball,⁹⁹ and sound marks can include “music tones, ring tone[s], noises, songs, sound of flowing water, [and the] sound of moving plant[s] and leaves.”¹⁰⁰ However, the TRIPS Agreement allows Member States to deny registration of scents and sounds as trademarks.¹⁰¹

Article 16 is about the rights granted to the owner of the trademark.¹⁰² It also addresses the protection of well-known trademarks and specifications.¹⁰³ As this article enables the owners to defend their

93. See Negotiating Group on Trade-Related Aspects of Intellectual Property Rights, including Trade in Counterfeit Goods, *Suggestion by the United States for Achieving the Negotiating Objective*, WTO Doc. MTN.GNG/NG11/W/14/Rev.1 art. III.B.1 (Oct. 17, 1988), <https://docs.wto.org/gattdocs/q/UR/GNGNG11/W14R1.PDF>; CATHERINE SEVILLE, EU INTELLECTUAL PROPERTY LAW AND POLICY 225 (2009); Amanda Scardamaglia & Mitchell Adams, *Registering Non-Traditional Signs as Trade Marks in Australia: A Retrospective*, 26 AUSTRALIAN INTEL. PROP. J. 149, 150 (2016).

94. UNCTAD-ICTSD ET AL., *supra* note 66, at 231.

95. See WORLD INTELLECTUAL PROPERTY ORGANIZATION, INTRODUCTION TO TRADEMARK LAW AND PRACTICE 17-18 (1993); XUAN LI, *Ten General Misconceptions About the Enforcement of Intellectual Property Rights*, in INTELLECTUAL PROPERTY ENFORCEMENT: INTERNATIONAL PERSPECTIVES 14, 17-21 (Xuan Li & Carlos M. Correa, eds., 2009).

96. See Amanda Scardamaglia & Mitchell Adams, *supra* note 93, at 150.

97. *Id.* at 150 (quoting TRIPS, *supra* note 8, art. 15).

98. *Id.* at 150-51.

99. Kenneth L. Port, *On Nontraditional Trademarks*, 38 N. KY. L. REV. 1, 25 (2011).

100. Olga Morgulova, *Non-Traditional Trademarks: Registration of Aural and Olfactory Signs as Trademarks in Accordance with the Latest Amendments of the European Trademark Regulation 2015/2424 and Trademark Directive 2015/2436 20* (June 6, 2017) (unpublished thesis, Uppsala University).

101. WTO –TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 310; UNCTAD-ICTSD ET AL., *supra* note 66, at 229; *Overview: The TRIPS Agreement*, *supra* note 72.

102. TRIPS, *supra* note 8, art. 16.

103. *See id.*

trademarks against imitators, it is “considered [an] important improvement[] in the elimination of trademark misuse.”¹⁰⁴ However, using “a negative right exclusion instead of granting positive rights to . . . use the trademark,” the article allows the member states to follow their legitimate public policy objectives as long as article 16 is observed.¹⁰⁵

Article 17 is about the exceptions to the rights granted by a trademark such as fair use of descriptive terms. It expresses that “[m]embers may provide limited exceptions to the rights conferred by a trademark, such as fair use of descriptive terms, provided that such exceptions take account of the legitimate interests of the owner of the trademark and of third parties.”¹⁰⁶ In fact, under this article, Member States have the ability to create exceptions to the trademark owner’s rights, detailed in article 16, in domestic laws or by Member State discretion.¹⁰⁷ However, it should comply with the criteria and specifications of article 17.¹⁰⁸

Article 18 is about the terms of protection, and provides in its first sentence that “[i]nitial registration, and each renewal of registration, of a trademark shall be for a term of no less than seven years.”¹⁰⁹ The term of protection was a controversial issue between industrialized countries and developing countries.¹¹⁰ The former group favored a ten-year protection period,¹¹¹ while the latter group tried to let the members cover this issue in their national laws.¹¹² Finally, both groups compromised on seven-year term of protection.¹¹³ The second sentence of

104. WTO TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 317.

105. *Id.*

106. TRIPS, *supra* note 8, art. 17.

107. WTO TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 333.

108. *Id.*

109. TRIPS, *supra* note 8, art. 18.

110. See WTO TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 340. See Negotiating Group on Trade-Related Aspects of Intellectual Property Rights, including Trade in Counterfeit Goods, *Communication from Argentina, Brazil, Chile, China, Colombia, Cuba, Egypt, India, Nigeria, Peru, Tanzania and Uruguay*, WTO Doc. MTN.GNG/NG11/W/71 art. 1 (May 14, 1990), https://www.wto.org/gatt_docs/English/SULPDF/92100147.pdf (the term of protection was a controversial issue between industrialized countries and developing countries including Argentina, Brazil, Chile, China, Colombia, Cuba, Egypt, India, Nigeria, Peru, Tanzania and Uruguay).

111. *Suggestion by the United States for Achieving the Negotiating Objective*, *supra* note 93, art. III.B.6.

112. *Communication from Argentina, Brazil, Chile, China, Colombia, Cuba, Egypt, India, Nigeria, Peru, Tanzania and Uruguay*, *supra* note 110, art. 4.3.

113. WTO TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 340.

article 18 provides that “[t]he registration of a trademark shall be renewable indefinitely.”¹¹⁴ Indefinite registration “allows for the commercial operation of the trademark . . . to identify a commercial offer [if] it exists on the market.”¹¹⁵

Article 19 is about the requirement of use. According to this article, “[i]f use is required to maintain [such] registration, the registration [of a trademark] may be cancelled . . . after an uninterrupted period of at least three years of non-use.”¹¹⁶ However, the requirement of use is not mandatory, and has been left to the national legislators of the Member States.¹¹⁷ Based on the article, if the owner of the trademark can justify non-use for “valid reasons,” the registration cannot be cancelled.¹¹⁸ Article 19 then accepts “[c]ircumstances arising independently of the will of the [trademark] owner” as sufficiently “valid,” and exemplifies such circumstances as situations involving “import restrictions on or other government requirements for goods or services protected by the trademark.”¹¹⁹ In the second clause of the article, TRIPS requires Member States to recognize the use of trademark by third parties as right-maintaining use,¹²⁰ such as using the trademark by “licensees or trust-associated companies.”¹²¹ However, the use must be under the control of the trademark owner.¹²² Article 20 provides additional requirements,¹²³ including that “the use of a trademark in the course of trade” must not be restricted unjustifiably by the Member States in case of constituting other requirements for the grant of trademark protection.¹²⁴

The final article about trademarks, in terms of its substance, is article 21. This article regulates the licensing and assignment of trademarks. According to this article, Member States can set out rules and impose their own conditions to the licensing and assignment of

114. TRIPS, *supra* note 8, art. 18.

115. WTO TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 340.

116. TRIPS, *supra* note 8, art. 19.

117. WTO –TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 341.

118. TRIPS, *supra* note 8, art. 19.

119. *Id.*; *see also* WTO TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 342.

120. TRIPS, *supra* note 8, art. 19.2.

121. WTO TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 342.

122. TRIPS, *supra* note 8, art. 19.2.

123. *See id.* art. 20.

124. *Id.*; *see also* WTO TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 344

trademarks.¹²⁵ However, there are two restrictions. First, compulsory licensing is prohibited due to concerns that consumers may be misled with respect to the product's origin. Second, Member States are required to permit "naked assignment," which means a trademark can be assigned with or without the transfer of the business to which the trademark belongs.¹²⁶

C. Trademarks-Related Provisions in Afghanistan, pre-TRIPS

In the first half of the twentieth century, Afghan governments had supported IPRs in various laws. There was not a specific code to support IPRs, but they were supported indirectly among other rights. For instance, in the Industrial Promotion Regulation, enacted in 1926, merchants were encouraged to establish industrial companies that needed to be registered in the Ministry of Commerce to be supported by the government.¹²⁷ Also, based on the Business Registration Code, enacted in 1942, merchants were obliged to register their commercial companies and tradenames in the registration office, which was a subset of the commercial courts.¹²⁸

In sum, trademark support in Afghanistan dates back to approximately sixty-five years ago. In 1955, Afghanistan enacted a comprehensive commercial code (Law of Commerce), which is still promulgated and enforceable.¹²⁹ In article 55, titled Illegal Competition, the code expresses:

[i]f the marks or names used by a merchant should interfere with those used by another merchant, and causes doubts, the use of such marks and names is not allowed for the first-mentioned merchant. In case a person uses such interfering signs, though not through any fault, the court can order the removal of names and designation if the interested party so requests.¹³⁰

This is the only article within the Law of Commerce that expressed support for the trademark. Later, however, this support was codified.

125. TRIPS, *supra* note 8, art. 21.

126. *Id.*; see also WTO TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 349-50; UNCTAD-ICTSD ET AL., *supra* note 66, at 249.

127. REGULATION ON INDUSTRIAL PROMOTION 1926, *supra* note 19.

128. BUSINESS REGISTRATION CODE 1942, *supra* note 20.

129. COMMERCIAL CODE 1955, *supra* note 21, art. 1.

130. *Id.* art. 55.

In 1960, the Afghani Legislature enacted a new law called Law of Trade Marks, to regulate the registration and enforcement of trademarks.¹³¹ Although it was not enacted in light of TRIPS provisions, it was supportive of trademarks, as it consisted of the registration procedure: the assignment of trademarks, damages, and remedies.¹³² According to article 8, the basis of supporting the trademark is registration.¹³³ This law governed trademark registration and its enforcement for approximately fifty years, until it was replaced by the new Law on Trade Marks Registration in 2009.¹³⁴

After submitting the application to join the WTO, Afghanistan committed to reforming different areas, including legislation.¹³⁵ In other words, since the laws of Afghanistan were outdated and did not meet the needs of the new trade and economy system—introduced in the new constitution as the market-based economy¹³⁶—nor the requirements to join the WTO, the Working Party asked the government to reform some of its laws involving commercial and IP codes.¹³⁷ Therefore, Afghanistan was committed to replacing the Law of Trade Marks (1960) with a new statute (consistent with TRIPS) to regulate affairs related to trademark registration and the use of trademarks for identification and distinction (of goods, products, industrial commercial services, telecommunications, and agricultural services).¹³⁸ The new statute was enacted in 2009.¹³⁹ It has five chapters, which consist of: (a) General Provisions; (b) Ownership/Proprietorship and Registration of Trademarks; (c) Objections; (d) Penalties; and (e) Miscellaneous Rules.¹⁴⁰ Despite the ways that Afghanistan's Law on Trade Marks Registration shares characteristics with TRIPS, it continues to fall short of full compliance.

IV. COMPARATIVE REVIEW OF LAW ON TRADEMARKS REGISTRATION AFTER AFGHANISTAN'S ACCESSION

The key TRIPS provisions on trademarks can be found in articles 15 to 21 of the agreement. Although Afghanistan's legislature enacted and

131. See generally LAW OF TRADEMARKS 1960, *supra* note 9 (detailing provisions for trademark regulation and enforcement).

132. *Id.*

133. *Id.* art. 8.

134. LAW ON TRADEMARKS REGISTRATION 2009, *supra* note 10, art. 36.

135. See *Afghanistan's Timeline*, *supra* note 26.

136. AFGHANISTAN'S CONSTITUTION 2004, *supra* note 24, art. 10.

137. See *Afghanistan's Timeline*, *supra* note 26; *Overview of Afghanistan's Commitments*, *supra* note 1.

138. *Id.*

139. LAW ON TRADEMARKS REGISTRATION 2009, *supra* note 10, art. 1.

140. *Id.* art. 1-36.

amended the Law on Trade Marks Registration under the control of the WTO Working Party, there are still areas of inconsistency or ambiguity. Recently, the legislature has solved some, but not all, of these inconsistencies. Indeed, after hearing the concerns of the WTO Working Party members, the legislature solved some of the deficiencies by bringing changes or adding annexes in the old laws related to IPRs. For example, in the case of IP enforcement, the statute lacked provisional measures and supports for defendants, but after hearing the questions and the concerns of the members in the Working Party,¹⁴¹ these measures were added as an annex to the Commercial Procedure Code.¹⁴²

By extension, in article 50, TRIPS requires its members to enact prompt and effective provisional measures to prevent infringement and preserve relevant evidence regarding alleged infringement.¹⁴³ While Afghanistan's Law on Trade Marks is silent on this issue, the legislature has added it in an annex to the Commercial Procedure Code.¹⁴⁴ Part III of TRIPS relates to Enforcement of IPR, and sets out the obligations of Member States to establish administrative and judicial mechanisms through which IPR holders can seek effective protection of their interests.¹⁴⁵ In section 3 of the mentioned part, the agreement focuses on the provisional measures and obliges the members to further action for the "order[ing] [of] prompt and effective provisional measures to prevent . . . infringements."¹⁴⁶ In fact, it is sometimes necessary for the judicial authorities to have the power to act effectively to prevent an alleged infringement as soon as possible, because full judicial procedures on the merits of a case may take time to complete, whether or not the party alleged to be acting in an infringing manner can be notified and given the opportunity to be heard.¹⁴⁷ The court is not obliged to notify the defendant in advance, because in cases of intentional infringement—such as trademark copying—the defendant is

141. See WTO Working Party on the Accession of the Islamic Republic Afghanistan, *Report of the Working Party on the Accession of the Islamic Republic of Afghanistan*, WTO Doc. WT/ACC/AFG/36, 52-58 (Nov. 13, 2015), <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/WT/ACC/AFG36.pdf>; see also *Afghanistan's Timeline*, *supra* note 26 (providing access to the Report of the Working Party on the Accession of the Islamic Republic of Afghanistan).

142. ZAMIMAH-E SHOMARAH-E (2) QANOON-E OSOOL-E MOHAKEMAT-E TEJARATI-E 1343 [THE SECOND ANNEX TO THE COMMERCIAL PROCEDURE CODE] NO. 1317, 1397 (2018) [hereinafter ANNEXED (2) 2018].

143. A HANDBOOK ON THE WTO TRIPS AGREEMENT, *supra* note 62, at 44.

144. ANNEXED (2) 2018, *supra* note 142.

145. TRIPS, *supra* note 8, art. 41-61.

146. *Id.* art. 50.

147. A HANDBOOK ON THE WTO TRIPS AGREEMENT, *supra* note 62, at 44.

likely to try to destroy all the evidence upon receiving notice of the investigation.¹⁴⁸

In contrast, Afghanistan's Law on Trade Marks Registration does not mention anything about provisional measures. However, in articles 42 to 48 of the Commercial Procedure Code, the legislature predicted provisional measures.¹⁴⁹ In this code, there are specific rules to address this, including providing applications for provisional measures to the judicial authorities and equivalent assurances for the applicant.¹⁵⁰ As TRIPS has not obliged Member States to ratify a specific procedure code for IPRs claims,¹⁵¹ the members have two different options. One option is to establish a procedure code that shall be separately ratified only for IP claims. A second option is to establish general procedural rules for IP claims, but in exceptional cases, the legislature shall specify the rules that relate only to IP claims. The Afghan legislature has chosen the latter option, and has expressed all procedures related to IP claims in the Commercial Procedure Code.¹⁵² Nonetheless, the code has a problem that makes it incompatible with TRIPS. It was ratified in 1963, more than twenty years before TRIPS, which means it is not consistent with TRIPS.¹⁵³ Therefore, Afghanistan's legislature recently added an annex to the Commercial Procedure Code that only includes IPR enforcement provisions required by TRIPS, such as provisional measures that provide reasonable evidence, security, and equivalent assurance by the applicant.¹⁵⁴

Another example that shows how the legislature has resolved some of the deficiencies in the 2009 Law on Trade Marks Registration is publishing the registered trademark in the Official Gazette.¹⁵⁵ Article 15, paragraph 5 of TRIPS requires members to publish their trademarks.¹⁵⁶ The article makes the responsibility for publishing the trademark the government's, not the owner's, but according to article 18 of Afghanistan's Law on Trade Mark Registration, it is the owner who is responsible for publishing the trademark.¹⁵⁷ Does it really matter who publishes the trademark? The answer is yes, because placing

148. *Id.*

149. QANOON-E OSOOL-E MOHAKEMAT-E TEJARATI [COMMERCIAL PROCEDURE CODE] JAREEDA-YE RASMI [OFFICIAL GAZETTE], NO. 3, 1343 (1963) [hereinafter COMMERCIAL PROCEDURE CODE 1963].

150. *Id.*

151. See TRIPS, *supra* note 8, art. 1.

152. See COMMERCIAL PROCEDURE CODE 1963, *supra* note 149.

153. See *id.*

154. ANNEXED (2) 2018, *supra* note 142.

155. LAW ON TRADEMARKS REGISTRATION 2009, *supra* note 10, art. 18.

156. See TRIPS, *supra* note 8, art. 15.5.

157. LAW ON TRADEMARKS REGISTRATION 2009, *supra* note 10, art. 18.

responsibility on the trademark's owner to take the registration documents from the registration office in the Ministry of Commerce and Industry (MOCI), to the Ministry of Justice (MOJ), to then be published in the Official Gazette, has two disadvantages. First, unlike many countries, Afghanistan has a terrible bureaucracy governing the administrative institutions inside the government,¹⁵⁸ and the process of being published by the trademark's owner takes a long time, which causes the business to slow down. Second, according to Transparency International, Afghanistan is one of the most corrupt countries in the world.¹⁵⁹ It is ranked as the ninth most corrupt country out of the 172 that were ranked in 2018.¹⁶⁰ This corruption makes it difficult for the trademark's owner to publish it in the Official Gazette, while the same responsibility is not as big of a deal for the registration office, which can easily send the documents to the MOJ to be published. Fortunately, after nine years of enforcing the law, the legislature has explicitly stated in a new law, the Law on Processing Manner of Publication and Enforcement of Legislative Documents, that publishing the trademark in the Official Gazette is the government's responsibility.¹⁶¹

As a result, these kinds of deficiencies were gradually rectified over ten years by the legislature, but still there are more deficiencies in the statute that need to be modified. On the one hand, the concern is that if the inconsistencies with TRIPS are not solved, it will discourage not only foreign, but also national, investors from investing in Afghanistan due to lack of support by the law. On the other hand, while Afghanistan must completely implement TRIPS no later than January 1, 2019,¹⁶² there are more deficiencies that are not yet rectified, and the legislature needs to correct them too. These deficiencies are related to licensing and assigning the trademark,¹⁶³ renewing its validity,¹⁶⁴ and requiring use

158. See *Bureaucracy and Corruption: Two Obstacles of Investment in Afghanistan*, MANDEGAR DAILY NEWS PAPER (Nov. 21, 2015), <https://mandegardaily.com/reports/%D8%A8%D8%B1%D9%88%DA%A9%D8%B1%D8%A7%D8%B3%DB%8C-%D9%88-%D9%81%D8%B3%D8%A7%D8%AF-%D8%A7%D8%AF%D8%A7%D8%B1%DB%8C-%D9%85%D8%A7%D9%86%D8%B9-%D8%B3%D8%B1%D9%85%D8%A7%DB%8C%D9%87%E2%80%8C%DA%AF%D8%B0%D8%A7/>; see also H.E. Noorullah Delawari, AFGHAN-AM. CHAMBER OF COM., <https://www.a-acc.org/bio/h-e-noorullah-delawari/> (last visited July 24, 2019).

159. TRANSPARENCY INT'L, CORRUPTION PERCEPTIONS INDEX 2018 2-3 (2019), https://www.transparency.org/whatwedo/publication/corruption_perceptions_index_2018.

160. *Id.* at 3.

161. Qanoon-E Tay-E Marahel-E Asnad-E Taqini [Law on Processing of Legislative Documents], No 1313, 1397 art. 57.2 (2018) [hereinafter Law on Publication of Legislative Documents 2018].

162. *Overview of Afghanistan's Commitments*, *supra* note 1.

163. See LAW ON TRADEMARKS REGISTRATION 2009, *supra* note 10, art. 17.

164. See *id.* art. 20.

of the trademark.¹⁶⁵ If Afghanistan, as a member of the WTO, wants to fulfill its legislative obligations, it would be better to modify the law to enforce it in the best way. This section will cover all three problems with their costs, and will provide possible resolutions and recommendations.

A. Licensing

Under the title of “Transfer of a Trademark,” article 17 of Afghanistan’s Law on Trade Marks Registration states that “[a] trademark is transferable.”¹⁶⁶ Based on article 21 of TRIPS, Member States are free to determine their conditions on the licensing and assignment of trademarks.¹⁶⁷ It also states that binding licensing is prohibited, and that owners are free to transfer their ownerships with or without the transfer of business.¹⁶⁸ While countries are free to allow the assignment of the trademarks only with the transfer of the corresponding business or goodwill located in the relevant territory before the introduction of the TRIPS agreement, under article 21 they are obliged to allow the assignment of the trademarks independently from the corresponding business operation.¹⁶⁹

Although the Law on Trade Marks Registration has not explained how to assign the trademarks in article 17,¹⁷⁰ this is not a problem because it is up to the owner of the trademark whether they would like to transfer it with or without their business. The big problem in this article is that it is silent about licensing. In general, assignment is different from licensing. While an assignment is the transfer of the owner’s “entire ownership interest in some property to someone else,” a license is just a permission to some rights.¹⁷¹ The proprietary rights continue to vest with the original owner (licensor) but only a few restricted rights are given to the licensee.¹⁷² Apparently, the legislature did not differentiate between assignment and licensing trademarks in the law.

Unlike licensing, which has many economic benefits, such as allowing rapid market penetration, earning more money, and reaching

165. *See id.* art. 22.

166. *Id.* art. 20.

167. WTO TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 349.

168. *Id.*; TRIPS, *supra* note 8, art. 21.

169. A HANDBOOK ON THE WTO TRIPS AGREEMENT, *supra* note 62, at 71.

170. *See* LAW ON TRADEMARKS REGISTRATION 2009, *supra* note 10, art. 17.

171. *See* Christopher M. Newman, *An Exclusive License is Not an Assignment: Disentangling Divisibility and Transferability of Ownership in Copyright*, 74 LA. L. REV. 59, 59 (2013).

172. *Id.* at 79-81.

the attention of the consumer,¹⁷³ lack of legislation in this regard causes domestic transactions and foreign investments to decrease. To elaborate, technology transfer (information that is often protected by IPRs such as patents, trademarks, copyrights, trade secrets, etc.) in modern international business transactions plays a central role, and has become increasingly important to international commerce.¹⁷⁴ When a company would like to expand its market and invest in a foreign country (here in our case, Afghanistan), it can choose foreign direct investment (FDI) or nonestablishment forms of doing business, such as franchising or licensing.¹⁷⁵

On the one hand, in Afghanistan, there are so many barriers to investing that may cause a foreign company to not to choose FDI. Insecurity, corruption, and bureaucracy are the most important obstacles that cause domestic and foreign investors to be reluctant to invest in Afghanistan.¹⁷⁶ Also, based on the World Bank's recent Afghanistan Development Update, insecurity challenges are one of the obstacles for economic development in Afghanistan.¹⁷⁷ Therefore, it is completely logical if a foreign investor avoids the risk of investing with FDI.

On the other hand, when a foreign investor wants to introduce its products to Afghanistan's market, it needs to license its trademark to an Afghan company because of the barriers mentioned in the last paragraph. This has some advantages for both sides. The foreign company can access Afghanistan's market without confronting security and corruption risks. Moreover, the company avoids spending time and money to find a reliable transportation and communication system to deliver the goods or services to the consumer in Afghanistan. Also, it is an opportunity for the Afghan side. Afghan merchants can use the foreign company's trademark and manufacture the products at a low price, and supply it to the market. This is similarly beneficial for consumers, who can access a high-quality product for less money. Despite these advantages, licensing the trademark is not incorporated in the law to let foreign investors access Afghanistan's market by licensing. Therefore, the law should be changed to attract foreign

173. ANDREW SHERMAN, FRANCHISING AND LICENSING: TWO POWERFUL WAYS TO GROW YOUR BUSINESS IN ANY ECONOMY 371 (2011).

174. DANIEL CK. CHOW, INTERNATIONAL BUSINESS TRANSACTIONS: PROBLEMS, CASES, AND MATERIALS 309-10 (2015).

175. *Id.* at 283.

176. Hafizullah Zaki, *Barriers to Investment in Afghanistan*, DAILY AFGHANISTAN-E- MA (Jan. 30, 2015), http://www.dailyafghanistan.com/editorial_detail.php?post_id=134999.

177. *Afghanistan Facing Strong Headwinds to Growth*, WORLD BANK (July 21, 2019), <https://www.worldbank.org/en/search?q=Afghanistan+Facing+Strong+Headwinds+to+Growth>; see also *Afghanistan's Timeline*, *supra* note 26.

investors to invest in Afghanistan and allow them to sell their goods in the country easily by licensing their trademarks.

However, there are two articles in the law (article 8.13 and article 16) that are not actually about licensing, but some may interpret it as such. In article 8, where the legislature talks about prohibiting the use or registration of a mark, it points out that no one can use another's published mark without permission. It states that "[t]he following symbols may not be used or registered as trademarks . . . [including] [u]se of company marks published and disseminated in Afghanistan unless authorized by their owners."¹⁷⁸ The critical point in this article is the last phrase, "unless authorized by their owners," which may refer to licensing.

Also, in article 16 under the title of Using the Name and Address of the Owner of the Trademarks, the law states that:

The owner of a trademark can, during the commercial course, prohibit legal and actual persons from using his/her name, address or signs and specifications of the quality, quantity, objectives, cost, geographic source, date of production or delivery of services and other specifications of goods, productions and services unless the use of it will be legitimate according to industrial and commercial methods and a permit is taken from the owner.¹⁷⁹

In this article, the critical part, which may refer to licensing, is the last part of the sentence where it says "unless the use of it . . . and a permit is taken from the owner."

Nonetheless, as these two articles are not clear and do not stipulate licensing, a court may not interpret them as licensing. Moreover, only referring to a provision is not enough to regulate a very important matter such as licensing. This issue needs to be clarified in detail and in plain language to avoid making it ambiguous.

In addition, as the MOCI is permitted to enact regulatory measures and procedures for better implementation of the law,¹⁸⁰ it has enacted a procedure which briefly refers to licensing.¹⁸¹ Nevertheless, it is not enough just to include licensing in procedure because licensing confers/creates rights and obligations on/for the parties (licensor and

178. LAW ON TRADEMARKS REGISTRATION 2009, *supra* note 10, art. 8.13.

179. *Id.* art. 16.

180. *Id.* art. 35.

181. MINISTRY OF INDUSTRY AND COMMERCE, PROCEDURE ON INTELLECTUAL PROPERTIES REGISTRATION art. 28. (1397) [2018].

licensee), and should be expressed in the Law on Trade Marks Registration, which is substantive law, while the procedure enacted by the MOCI is procedural law.

To resolve this deficiency, the legislature can explicitly include licensing in article 17 in addition to assignment. Moreover, the legislature can state some specific rules for trademark licensing to regulate it in the best way by modeling countries with robust trademarks law. For example, there are three provisions in most countries' trademarks codes that would be useful if Afghanistan's legislature added them to the law: first, the parties (licensor and licensee) should forecast a mechanism for maintaining the quality and merchantability of goods by the licensee but under the licensor's supervision; second, exclusive or nonexclusive license; and third, the licensee is not allowed to assign the trademark license (nonassignability of the trademark license).¹⁸² Modeling Turkey's IP laws is one way to resolve this deficiency and make it supportive and understandable for an investor who would like to license their trademark. In its Industrial Property Law,¹⁸³ the Turkish legislature describes trademark licensing in detail. The law covers all aspects of trademark licensing, such as licensing a trademark for a part or all of the business, exclusive or nonexclusive licenses, nonassignability of the rights arising from a license agreement, and measures the licensor can take to guarantee the quality of any products manufactured or any services offered by the licensee under the license agreement.

The following is from article 24 of the Industrial Property Law of Turkey:

License

ARTICLE 24

(1) The trademark right may be subject to a license for a part or all of the goods or services for which it is registered.

(2) License may be granted as exclusive license or non-exclusive license. Unless otherwise agreed in the contract, the license shall not be exclusive. In the non-

182. See Irene Calboli, *The Sunset of Quality Control in Modern Trademark Licensing*, 57 AM. U. L. REV. 341, 348 (2007).

183. TURKISH IP LAW 2016, *supra* note 11, art. 1.

exclusive license contracts, licensor may use the trademark himself or may grant licenses to third parties. In the exclusive license contracts, licensor may not grant license to another person and unless the right has been apparently reserved, may not use the trademark himself.

(3) Unless otherwise agreed in the contract, licensors may not transfer their rights arising from the license to third parties or grant sub-licenses.

(4) The licensor shall take measures to guarantee the quality of goods to be produced or services to be offered by the licensee. The licensee is obliged to comply with the terms of the license contract. Otherwise, the trademark proprietor may claim his rights arising from registered trademark against the licensee.¹⁸⁴

Another potential example for the Afghan legislature to model is Indonesia's trademarks law (Law of the Republic of Indonesia on Marks).¹⁸⁵ In fact, this law has very detailed rules about licensing in Indonesia. Not only does the Indonesian law define licensing, but it also includes several regulations that relate to each different aspect of licensing.¹⁸⁶ It explains how a license can be granted, where the licensing agreement should be granted, what the conditions of registration are, how one can relicense to the third party, and so on.¹⁸⁷

As we can see, noted articles in Turkish and Indonesian law explicitly state how a trademark is subject to a license. In contrast, Afghanistan's trademark law does not include any provisions about licensing. Therefore, adding the above noted changes to article 17 of Afghanistan's Law on Trade Marks Registration, or adding a separate article about the trademark licensing can correct one of the important deficiencies of the law.

184. *Id.* art. 24.

185. INDONESIA TRADEMARKS LAW 2001, *supra* note 12 (providing provisions for the adequate administration of trademarks).

186. *See id.* art. 43-49.

187. *Id.*

B. The Right of Renewal

According to article 18 of TRIPS, the “initial registration, and each renewal . . . shall be for a term of no less than seven years.”¹⁸⁸ It also states that “the registration of a trademark shall be renewable indefinitely.”¹⁸⁹ In contrast, article 20 of Afghanistan’s Law on Trade Marks Registration has extended the initial registration term to a period of ten years.¹⁹⁰ It also stipulates that the registration is renewable for ten-year, successive periods.¹⁹¹ In TRIPS it is not explicitly expressed who has the right to request renewals, but Afghanistan’s legislature has granted the right of renewal only to the owner of the trademark.¹⁹² In article 20, it expresses that “[t]he validity of a registered trademark is 10 years, and this period can be renewed upon the request of the owner of a trademark.”¹⁹³ But what about the beneficiary, such as the licensee?

By extension, as previously discussed, trademarks are transferable by either assigning or licensing. A trademark owner can agree to let another person use their trademark. Let’s assume that the owner licenses the trademark to the licensee by a five-year contract, nine years after they registered the trademark. They must then renew it within one year if they want it to continue.

What will happen to the licensee who is the beneficiary of the trademark if the owner does not want to renew it? Can the licensee renew it or not? If they can, then it is fine, but if they cannot, does the owner need to have their consent (as the beneficiary) or not? If not, then the right of the beneficiary will be at risk because according to article 7 of the Law on Trade Marks Registration, a trademark will be supported by the law, in case of registration.¹⁹⁴ But after not being renewed by the owner, the law will not support the trademark in the four remaining years of the licensing agreement because its registration will be cancelled. In article 22.3, the law states about the options of ending a trademark ownership that “[n]ot submitting a request to renew the validity period of a trademark within six months prior to the expiration” is one of the conditions that the ownership of a trademark ends.¹⁹⁵ In fact, not asking for renewal is a kind of asking for the deletion of the

188. TRIPS, *supra* note 8, art. 18.

189. *Id.*

190. LAW ON TRADEMARKS REGISTRATION 2009, *supra* note 10, art. 20.

191. *Id.*

192. *Id.*

193. *Id.*

194. *Id.* art. 7.

195. *Id.* art. 22.3.

trademark, while the mark is still bound by another agreement, such as the licensing agreement or any other agreement. As a result, the beneficiary is the one who will suffer.

Admittedly, they can add a clause in the contract to express, for example, that the licensor should renew the trademark, or should indemnify in case of harming the licensee by not renewing the trademark. In fact, the contract is the governing law between the parties that can give the licensee the power of enforcing the provisions on the licensor if they breach the contract. However, in a country like Afghanistan, which is one of the most corrupt in the world,¹⁹⁶ and which lacks the rule of law as is present in other countries,¹⁹⁷ the contract does not seem to be as powerful in governing the relationships between parties. Undoubtedly, the power of the licensor will prevail. Therefore, the contract is not enough to support the licensee. The licensee needs to be supported by the law, which is legislated by the parliament, not the contract. In other words, this right should be explicitly accepted by the Law on Trade Marks Registration.

However, while many countries, such as Turkey,¹⁹⁸ Egypt,¹⁹⁹ Indonesia,²⁰⁰ and Malaysia,²⁰¹ grant the right to request renewal to the owner of a trademark (or their legal representative), there are some other countries that follow TRIPS and are silent on the issue. For example, Liberia, which joined the WTO in July 2016 along with Afghanistan,²⁰² provides in the Liberia Intellectual Property Act 2016,²⁰³ section 10.9.b, that “[t]he registration of a mark may be renewed for further consecutive periods of ten years each, upon

196. TRANSPARENCY INT’L, *supra* note 159, at 3.

197. See generally WORLD JUSTICE PROJECT, THE RULE OF LAW IN AFGHANISTAN: KEY FINDINGS FROM THE 2018 EXTENDED GENERAL POPULATION POLL 5 (2018), https://worldjusticeproject.org/sites/default/files/documents/WJP_Afghanistan_Report_Reduced%20%281%29_0.pdf [hereinafter RULE OF LAW IN AFGHANISTAN] (“[H]ighlighting a different facet of the rule of law as it is experienced by the population in Afghanistan.”).

198. TURKISH IP LAW 2016, *supra* note 11, art. 23.2.

199. Law No. 82 of 2002 (Law on the Protection of Intellectual Property Rights), *al-Jarīdah al-Rasmiyah*, vol. 22 (Duplicate), 2 June 2002, art. 90 (Egypt).

200. INDONESIAN TRADEMARKS LAW 2001, *supra* note 12, art. 35.

201. Trade Marks Act, 1976 (Act 175, amended 2006) § 41 (Malay.); see also *Malaysia—Malaysia*

Trade Marks Act 1976 (Act 175, incorporating all amendments up January 1, 2006), WORLD INTELL. PROP. ORG., <https://wipolex.wipo.int/en/legislation/details/16606> (last visited Jan. 19, 2020).

202. *Liberia—Liberia’s Timeline*, WORLD TRADE ORG., https://www.wto.org/english/thewto_e/acc_e/a1_liberia_e.htm (last visited Jan. 22, 2020).

203. LIBERIA INTELLECTUAL PROPERTY ACT, 24 L.C.L.R §10.9(b) (2016); see also *Liberia*, WORLD INTELL. PROP. ORG., <https://wipolex.wipo.int/en/legislation/details/16994> (last visited Jan. 19, 2020).

compliance with the prescribed requirements and payment of the prescribed renewal fee.”²⁰⁴ Moreover, there are some other countries, such as Sri Lanka²⁰⁵ and Oman,²⁰⁶ which follow TRIPS and use very general language regarding who has the right to request trademark renewal. In other words, they do not stipulate that the owner is the only one who has the right of asking for renewal.

Thus, there are generally two models of rights of trademark renewal: first, countries that grant the right of renewal only to the owner of the trademark; and second, countries that follow TRIPS and use general language without stipulating who has the right to request renewal of trademark registration. It seems that the latter one is better for Afghanistan; however because of the aforementioned lack of rule of law in Afghanistan,²⁰⁷ it would be better to grant the right of renewal not only to the owner of trademark but also to any other beneficiary. Moreover, although the Indonesian legislature has only granted the renewing right to the owner,²⁰⁸ article 62.2 stipulates that in requesting deletion the written consent of the licensee is needed if the mark “is still bound by a valid licensing agreement.”²⁰⁹ As pointed out earlier, when the owner of a trademark is not requesting renewal, in fact, the law understands this to be a cancellation of the registration. Therefore, it is a nice idea if the Afghan legislature put the same condition on the owner to obtain the written consent of the beneficiary. The following is the quotation of the said article in Law of the Republic of Indonesia on Marks:

(1) A request for the deletion of registration of a Mark by the Mark owner or his Proxy, either for all or for part of the kinds of goods and/or services, shall be submitted to the Directorate General.

(2) Where the Mark as referred to in paragraph (1) is still bound by a valid licensing agreement, the deletion

204. LIBERIA INTELLECTUAL PROPERTY ACT, *supra* note 203, § 10.9(b).

205. INTELLECTUAL PROPERTY ACT, No. 36, art. 118-119 (2003) (Sri Lanka); *see also Sri Lanka— Intellectual Property Act (Act No. 36 of 2003)*, WORLD INTELL. PROP. ORG., <https://wipo.lex.wipo.int/en/legislation/details/6705> (last visited Jan. 19, 2020).

206. INDUSTRIAL PROPERTY RIGHTS LAW, No. 67, art. 41 (2008) (Oman); *see also Oman— Industrial Property Rights Law (promulgated by the Royal Decree No. 67/2008)*, WORLD INTELL. PROP. ORG., <https://wipo.lex.wipo.int/en/legislation/details/11876> (last visited Jan. 19, 2020).

207. RULE OF LAW IN AFGHANISTAN, *supra* note 197, at 5-7.

208. INDONESIA TRADEMARKS LAW 2001, *supra* note 12, art. 35.

209. *Id.* art. 62.2.

may only be made with a written consent of the licensee.²¹⁰

Accordingly, it is recommended that article 20 of the Law on Trade Marks Registration be amended by adding the phrase “or any other beneficiary” aside from the owner. Also, written consent of the beneficiary needs to be expressed in the article. With these changes, the text of article 20.1 could be:

(1) The validity of a registered trademark is 10 years, and this period can be renewed upon the request of the owner *or any other beneficiary* of a trademark.

(2) Where the trademark is still bound by an agreement, the written consent of the beneficiary is necessary if the owner does not want to renew it.

C. The Requirement of Use

Given the flexibility of article 15.3 of TRIPS in allowing the Member States to determine whether registration is dependent on use or not, the article further provides that the “actual use of a trademark shall not be a condition for filing an application for registration.”²¹¹ This means members can make registration dependent on the use of the trademark, but they cannot make it conditional upon the intended use within three years of the application.²¹² In compliance with TRIPS in Afghanistan, registration of a trademark does not depend on whether the mark is used or not, but a mark may be registered either if it has been in use or if it has been proposed to be used by the applicant.²¹³ However, to be supported by the Afghan government, a trademark is required to be registered.²¹⁴ Accordingly, issues of the use of a trademark would not become a concern until the mark has been registered.

Although article 15.3 of TRIPS is flexible, article 19.1 states that the use of a trademark is “required to maintain a registration, the registration may be cancelled only after . . . three years of non-use, unless valid reasons” are provided.²¹⁵ This seems reasonable, because

210. *Id.*

211. TRIPS, *supra* note 8, art. 15.3.

212. A HANDBOOK ON THE WTO TRIPS AGREEMENT, *supra* note 62, at 62-63.

213. LAW ON TRADEMARKS REGISTRATION 2009, *supra* note 10, art. 19.

214. *See id.* art. 7.

215. TRIPS, *supra* note 8, art. 19.1.

the value of a trademark is subject to its use in the course of trade in the goods or services for which it is registered. By extension, as developing the design of a new product and planned advertisement campaign are dependent on the trademark, enterprises often register trademarks prior to launching the corresponding products.²¹⁶ This is because when a competitor applies for a similar trademark, the investment would be lost if the trademark has not been registered in advance of launching the product.²¹⁷ In addition, some people intend to record trademarks for future use, either personally or by selling them, and some who are motivated to inhibit their competitors' commercial development would register marks that have not been used for years. In order to prevent this, TRIPS stipulates that the use of a trademark is "required to maintain a registration," and the owner should use it for at least three years, otherwise it will be cancelled unless providing "valid reasons."²¹⁸

Although TRIPS does not define such valid reasons and leaves to the "Member [States] to determine the scope of the grounds for justification of non-use," it introduces a "narrow interpretation for those grounds" in the first clause of article 19.²¹⁹ There are two kinds of interpretations of the grounds for justification of non-use: a wide interpretation and a narrow interpretation.²²⁰ A wide interpretation of the sufficient grounds to justify non-use not only includes what is outside the control of the trademark owner, but also includes what is under the influence of the trademark owner, such as technical problems in producing the goods to be labelled with the trademark.²²¹ In contrast, a "narrow interpretation may regard as valid only those facts that arose outside [of the control of the trademark owner] such as a governmental prohibition on the sale of the trademarked goods."²²² The language of article 19.1 of TRIPS clearly introduces a narrow interpretation.²²³ In fact, it limits the obstacles "recognized as valid reasons for non-use" to "circumstances arising independently of the will of the trademark owner."²²⁴ Then it lists two examples for such circumstances by the

216. A HANDBOOK ON THE WTO TRIPS AGREEMENT, *supra* note 62, at 63.

217. *Id.*

218. TRIPS, *supra* note 8, art. 19.1.

219. WTO TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 341-42.

220. *Id.*

221. *Id.*

222. *Id.*

223. *Id.*

224. TRIPS, *supra* note 8, art. 19.1.

language of “import restriction on or other government requirement for the goods or services protected by the trademark.”²²⁵

This is the area that the Afghanistan’s Law on Trade Marks Registration does not appear to ensure full compliance with TRIPS. There is a lack of clarity as to the formal implementation of article 19.1 of TRIPS. Article 22(4) of the law permits cancellation of trademarks registration if the mark is not used for three years.²²⁶ However, pursuant to this article, the owner of a registered trademark may only prevent cancellation where the non-use is due to “logical justification” in the trade and not to any intention not to use or abandon the mark.²²⁷ This appears to fall short of the provision of article 19.1 of TRIPS, which requires the recognition of a “valid reason for non-use,” namely, “circumstances arising independently of the will of the owner of the trademark which constitute an obstacle to the use of the trademark, such as import restrictions on or other government requirements for goods or services protected by the trademark.”²²⁸ In fact, Afghanistan’s legislature, unlike the drafters of TRIPS, chose a wide method of expressing the valid reasons by only saying “logical justification.” Certainly, the phrase “logical justifications” in article 22 of the law does not encompass the safeguards in article 19 of TRIPS, because no one knows how the courts would interpret the phrase. Thus, yet again, while Afghanistan has taken positive steps to bring its trademark law into conformity with TRIPS, its effort has not gone far enough to achieve full compliance.

Hence, it is strongly recommended that the article be amended to comply with article 19.1 of TRIPS. The Law of the Republic of Indonesia on Marks has very clear language and is an ideal model if the Afghan legislature wants to amend article 22.4 of the Law on Trade Marks Registration. In fact, the Indonesian law explicitly expresses that the excuse of not using the trademark in several years may be brought by a trademark owner to prevent any other interpretation other than what is stipulated in the law. In relevant part, articles 61.2 and 61.3 state:

The deletion of a Mark registration on the initiative of the Directorate General may be made if:

a. the Mark has not been used for 3 (three) consecutive years in trade of goods and/or services from the date of

225. WTO TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, *supra* note 63, at 341-42; *see also* UNCTAD-ICTSD ET AL., *supra* note 66, at 245.

226. LAW ON TRADEMARKS REGISTRATION 2009, *supra* note 10, art. 22.4.

227. *Id.*

228. TRIPS, *supra* note 8, art. 19.1.

registration or of the last use, except there is an excuse which is acceptable to the Directorate General; or

b. the Mark is used for the kind of goods and/or services which is not in pursuant to the kind of goods or services for which the Mark Application for registration was filed, including the use of Mark which is not in accordance with the registered Mark.

(3) The reasons as referred to in paragraph (2) letter a are:

a. import prohibition;

b. the prohibition related to the permit for the distribution of goods using the Mark concerned or any temporary decision from the competent authority;

c. other similar prohibitions imposed by Government Regulation.²²⁹

Therefore, the Afghan legislature can modify the phrase “logical justification” by adding the two examples of valid reasons that are mentioned in TRIPS, (import restriction on or other government requirements for goods or services protected by the trademark).

Finally, to prevent misuse of the registration, the legislature should reduce the total number of trademarks registered and, consequently, the number of conflicts which arise between them. I would also recommend imposing fines on persons who register trademarks and do not use it for three years absent valid reasons for non-use, particularly when registration is accomplished by malicious intent.

V. CONCLUSION

After replacing the old Law of Trademarks of 1960 with the Law on Trade Marks Registration in 2009, the new law has been amended several more times. In some cases, its loopholes are filled with annexes to the procedural codes, such as the Commercial Procedure Code. However, a closer examination reveals deficiencies inherent in the statute concerning whether Afghanistan's Law on Trade Marks

229. INDONESIAN TRADEMARKS LAW 2001, *supra* note 12, art. 61.

Registration complies with TRIPS as deduced from this study. It is submitted that the required provisions on trademarks that were studied with regards to TRIPS vary in their compliance with it. The required provisions on trademarks contained in Afghanistan's Law on Trade Marks Registration examined in this article vary in their compliance with TRIPS.

The issue of the absence of an express provision for licensing the trademark needs to be addressed. Also, proposed use required by the law is a vital aspect of a trademark. Hence, it must be clarified by putting a system in place to determine such use. Moreover, limiting the right of renewing the trademark to the owner seems to be unfair while there is a beneficiary, such as a licensee, who would suffer if a trademark renewal is denied.

As a result, although Afghanistan's Law on Trade Marks Registration has been gradually amended throughout the last ten years, it still needs reformation in licensing, renewing the validity of the trademark, and requirement for use of the trademark. Accordingly, this paper recommends adding a clause regarding the licensing under article 17 to regulate it as the assignment of the trademark. A further suggestion would be to give the right of renewals to the beneficiary under article 20 to protect their right through the law, rather than a private contract. Last, the legislature should clarify article 22.4 about the definition of the phrase "logical justifications" by adding the two examples of import restrictions on, or other government requirements, for goods or services protected by the trademark, which is mentioned in article 19.1 of TRIPS. To reach this aim, the Turkey Industrial Code and the Law of the Republic of Indonesia on Marks can be appropriate models for Afghanistan. With these reformations, it would be more compliant with TRIPS and more acceptable and reliable to both domestic and foreign investors.

Reproduced with permission of copyright owner. Further reproduction prohibited without permission.