

STANDING COMMITTEE ON JUSTICE, LAW AND HUMAN RIGHTS

Report on the Review of the Designs Bill 2020 (Bill No. 47 of 2020)



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TABLE OF CONTENTS

CHAIRPERSON'S FOREWORD 3
Committee Composition5
1.0 INTRODUCTION
1.1 Background7
1.2 Committee's Review Procedure7
2.0 COMMITTEE'S DELIBERATION AND ANALYSIS OF THE BILL
2.1 Initial deliberation
2.2 <i>Bill Summary</i>
2.3 Evidence received via public consultation16
2.4Sustainable Development Goals/National Development Plan Impact Analysis
3.0 KEY ISSUES IDENTIFIED 18
4.0 OUTCOME OF REVIEW19
5.0 APPRECIATION 21
6.0 CONCLUSION

CHAIRPERSON'S FOREWORD



As a means of development of the laws in Fiji, the Government of Fiji has been reviewing laws that govern vital sectors of the country, including that which relates to the area of intellectual property. Through this, there have been numerous prominent work carried out including the identification of what is called "intellectual property theft", majority of which relates to designs. It has been highlighted that today, people are more clever in as far as the usage of designs are concerned using internet, et cetera.

It has also been identified that the only current law in Fiji that governs the registration and use of designs is the *United Kingdom Designs (Protection) Act 1936*, which provides that a registered owner of design registered in the UK enjoys the same rights and privileges as though the certificate of registration in the United Kingdom had been issued with an extension to Fiji.

Therefore, the Fijian Government has introduced the *Designs Bill 2020*, which is intended to introduce a modern regulatory framework that encourages the development of intellectual property designs and at the same time put in place protective measures for such designs. The *Designs Bill 2020* has been referred by Parliament to the Standing Committee on Justice, Law and Human Rights, for review.

The Committee began its review by making preliminary deliberations on the Clauses of the Bill and identified that the Bill aims to provide for the registration and protection of designs in Fiji and makes provision for international arrangements that Fiji may be a party to, for the protection of registered designs in Fiji, that may be used in other countries and vice-versa.

As part of the review the Committee also conducted public consultation on the Bill; there was a lot of support on the introduction of the Bill, from majority of the public and relevant stakeholders that had participated in the public consultation. There were also comments and suggestions put forth by submitters, which the Committee placed reasonable emphasis on. The following are the salient issues identified from the submission received.

Firstly that the Bill should provide that transitional provisions also provide that UK registrations continue to be protected for a certain period. Secondly that the Bill generally lacks enforcement provisions. And thirdly that the provisions of the Bill regarding penalties for false representation be amended to mirror that of penalties for conviction for commercial fraud.

Consideration was also given to the impact of the Bill on Fiji's efforts in combating counterfeit activities that pose a threat to the business of Fiji along with meeting its targets of the sustainable development goals and the national development plan. It was encouraging to note that the Bill was introduced for the purpose of economic development. Additionally, the objective of the Bill is as such that it applies equally to all persons, irrespective of gender.

At the conclusion of the review, the Committee acknowledges that there were a few issues identified, and these were considered extensively by the Committee through internal deliberations and necessary consultations with the legal team from the Solicitor-General's Office. This ensured that the primary objectives of the Bill are preserved. The Committee believes that majority of the provisions of the Bill are sufficient to address the issues identified from the review. Additionally, from the review, it was noted that a substantive amendment should be made to the Bill, which pertains to the penalty provisions for offences relating to false representation. As a consequence of the proposed amendment, there are also other amendments which relate to grammar and cross-referencing. These amendments are captured in magenta coloured text in the copy of the Bill tabled with this Report.

The Committee also acknowledges that the Bill aligns to best international practices regarding Designs registration. The Committee is of the opinion that as we start implementing this law, this would be an opportune moment to gauge the implications of the Bill on Fiji's business sector and that a review of these may be initiated in few years' time.

I would like to thank my Honourable Members, Hon. Rohit Sharma (Deputy Chairperson), Hon. Ratu Suliano Matanitobua, Hon. Dr. Salik Govind, and Hon. Mosese Bulitavu, for their input. The Committee acknowledges the public, key stakeholders and entities that provided their views on the Bill and for taking an interest in the proceedings of the Committee and Parliament.

Hon. Alvick Avhikrit Maharaj Chairperson

Committee Composition



Hon. Alvick A. Maharaj (Chairperson)

- Assistant Minister of Employment, Productivity, Industry Relations, Youth and Sports
- Chairperson of Public Accounts
 Committee
- Government Whip
- Pharmacist



Hon. Rohit Sharma (Deputy Chairperson)

- Former Civil Servant Education Sector
- Deputy Chairperson of the Standing Committee on Justice, Law and Human Rights
- Deputy Government Whip



Hon. Ratu Suliano Matanitobua (Member)

- Shadow Minister for Youth and Sports
- Former State Minister of Fijian Affairs
 - Former Military Territorial Officer



Hon. Dr. Salik Govind (Member)

- Public Health Specialist United Nations (World Health Organisation)
- Deputy Chairperson of the Standing Committee on Foreign Affairs and Defence Committee



Hon. Mosese Bulitavu (Member)

- Shadow Minister for Defense, National Security, Immigration and Correction Services
- Former Opposition Whip
- Business Consultant/Farmer
- Territorial Military Officer Republic of Fiji Military Forces
- Law Graduate and Researcher

Committee Secretariat Team

Supporting the Committee in its work is a group of dedicated Parliament Officers who make-up the Committee Secretariat, and are appointed and delegated by the Secretary-General to Parliament pursuant to Standing Order 15 (3)(i). The Secretariat team is made of the following Parliament officers:

- Mr. Ira Komaisavai Senior Committee Clerk
- Mr. Jackson Cakacaka Deputy Committee Clerk
- Ms. Darolin Vinisha Committee Assistant

1.1 Background

As a way of background, the Fijian Government had been working on improving numerous areas of the Fijian economy and such vital sector is intellectual property. This has led to the review of the laws pertaining to intellectual property in Fiji. From the review, it was identified that there has been an increase in what is called as "intellectual property theft", whereby people are becoming more clever in as far as the usage of designs are concerned using internet, et cetera.

There has been numerous consultations on the regulatory framework on intellectual property designs. It was identified that the current law governing intellectual property design, goes back to 1936, and is quite limited in its application.

It was also identified that there are developments in indigenous intellectual property designs, et cetera, which needs to be protected. Thus, the *Designs Bill 2020* was introduced and tabled in Parliament. The Bill was then referred to the Standing Committee on Justice, Law and Human Rights, hereinafter referred to as the Committee, for review on 11 December 2020. The Bill was referred to the Committee pursuant to Standing Order 51 of the Standing Orders of the Parliament of Fiji, whereby the Committee was tasked with scrutinising the Bill and to report back on the Bill in the April 2021 Parliament Sitting.

The Designs Bill seeks to provide for and encourage the development of unique designs, and is not necessarily limited to traditional or indigenous designs but also any design by young people designing various products.

The Bill aims to provide for the registration and protection of designs in Fiji and makes provision for international arrangements that Fiji may be a party to, for the protection of registered designs in Fiji that may be used in other countries and vice-versa.

1.2 Committee's Review Procedure

The Committee's review process was through the resolution of the Committee and the following provides a brief summary of the agreed upon procedure and program.

The first step in the Committee's review process was the formulation of its program with regards to its review process. The Committee's agreed upon review program was as follows:

i) Initial Analysis of the Bill

The Committee began with an initial reading of the Bill and conducting its own deliberation of the Clauses in the Bill. An in-depth deliberation of the Bill was conducted by the Committee, whereby pertinent issues were identified.

ii) Identification of mode of public consultation

The Committee then discussed, which mode of public consultation would be suitable for the review the Bill. The Committee resolved to rely on two main modes of public consultation, which is to call for written submission and conducting in-person public consultation.

iii) <u>Awareness on the Committee's public consultation through advertisement</u> The Committee then conducted awareness on its proposed public consultations, through advertisements via newspaper advertisements.

iv) Conducting of public consultation

The Committee was also committed to upholding public trust in Parliament, by ensuring that there is public participation and that all such participation is given due consideration. The Committee was mindful of the provisions in Standing Order 111(1)(a) and ensured that its meetings were open to the public and the media, except during such deliberations and discussions to develop and finalise the Committee's observations and this Report.

The Committee called for written submissions from the public and other interested stakeholders by placing an advertisement through the Parliament website and Parliament social media pages on social media platforms; Facebook, Twitter and Instagram. The Committee received a written submission on the Bill from relevant stakeholders. A summary of these submissions is provided in a later part of this report, under the heading 'Committee's Deliberation and Analysis of the Bill'.

The Committee then visited various communities to conduct in-person public consultation. A list of the areas visited by the Committee is appended to the Appendices of this Report. All the face-to-face submissions conducted during the public consultation were recorded and open to the public and the media.

v) <u>Review of evidence collected and seeking legal clarification on pertinent issues</u> The Committee reviewed all the evidence received from the public consultation and to maintain due diligence, the Committee also relies on legal clarification on technical issues identified from the Bill, which is obtained from the Office of the Solicitor-General.

These clarifications also assist the Committee in deliberating on these pertinent issues and in deciding whether there would be recommendations for any changes to the Bill.

vi) Drafting of Committee Report

The final step of the review process is the compilation of all issues identified from the evidence received from the public consultation. This is then deliberated on with the necessary legal clarifications and the Committee forms its own independent view on all issues identified.

2.0 COMMITTEE'S DELIBERATION AND ANALYSIS OF THE BILL

2.1 Initial deliberation

The Committee commenced its analysis of the Bill going through Clause by Clause. From this initial reading, it was noted that the Bill aims to introduce a new law that would put in place necessary regulatory provisions regarding the registration and protection of designs in Fiji. The Bill also seeks to repeal the *UK Designs (Protection) Act 1936*.

The Committee had extensive discussions on the provisions of the Bill and resolved that given the time provided to the Committee to review the Bill; that it be prudent to firstly hear the views of the public on this very important piece of proposed legislation. This public consultation would then allow the Committee to gauge the public's perspective on the Bill before deliberating further, whilst also bearing in mind the requirements as set down by Parliament in referring the Bill to the Committee.

2.2 Bill Summary

By way of consensus, the Committee believed that it be prudent to also capture in this Report the necessary provisions that the proposed law is intending to bring about to the designs regulatory framework. This would be achieved by providing a brief summary of the Clauses of the Bill in this part of the Report. This would conveniently provide the reader of this Report with the aforementioned information about the Bill. The Bill summary is provided below¹.

Clause 1 of the Bill provides for the short title and commencement. If passed by Parliament, the Act will come into force on a date or dates appointed by the Minister by notice in the Gazette.

Clause 2 of the Bill provides for the definitions of the terms used throughout the Bill.

Clause 3 of the Bill states that the State is bound by the provisions of the new legislation.

Clause 4 of the Bill provides that the Solicitor-General will perform the function and exercise the powers of the Commissioner of Designs ('Commissioner').

Clause 5 of the Bill allows the Commissioner to delegate his or her functions, duties or powers to any person, except the power of delegation.

Clause 6 of the Bill affords indemnity to the Commissioner or any other person acting on behalf of the Commissioner for any act done or omitted to be done in the performance or intended performance of the Commissioner's functions or duties, or the exercise or intended exercise of the Commissioner's powers if the Commissioner or other person acted in good faith, in a reasonable manner and in the reasonably held belief that the

¹ Bill summary as captured in Explanatory Note to the *Designs Bill*; *Designs Bill* 2020 (Bill No. 47 of 2020), pages 33-41.

prerequisites for the performance of any function or duty or the exercise of any power had been satisfied.

Clause 7 of the Bill specifies the designs that are registrable. Subject to the other provisions of the Bill, a design must be new or original in order for it to be registered. A design may, on an application made by the person claiming to be the owner, be registered in respect of any article or set of articles specified in the application.

Clause 8 of the Bill deals with ownership of designs. The author of a design must be treated as the owner of the design ('owner'). If the design is executed by the author for another person for good consideration, the other person must be treated as the owner. If the design (or the right to apply a design to an article) is vested in another person by assignment, transmission or operation of law (either solely or jointly), the person (if solely) or the owner and other person (if jointly) must be treated as the owner.

Clause 9 of the Bill provides the process for registration. An application for the registration of a design ('application') must be made and filed with the Commissioner in the prescribed form and manner. In determining whether a design is new or original, the Commissioner may conduct necessary searches. The Commissioner may then register the design or refuse the application. Clause 9 of the Bill also provides that where an applicant has defaulted or neglected the completion of an application to register a design within the prescribed time the application is deemed to be abandoned. A design when registered must be registered as of the date on which the application was made.

Clause 10 of the Bill provides that where the registered owner of a design registered in respect of any article makes an application for registration: (i) in respect of one or more other articles, of the registered design; or (ii) in respect of the same or one or more other articles, of a design consisting of the registered design with modifications or variations not sufficient to alter the character or substantially affect the identity of the registered design, the application must not be refused and the registration made on that application must not be invalidated by reason only of the previous registration or publication of the registered design. Clause 10 of the Bill also states that where any person makes an application for the registration of a design in respect of any article and either: (i) that design has been previously registered by another person in respect of some other article; or (ii) the design to which the application relates consists of a design previously registered by another person in respect of the same or some other article with modifications or variations not sufficient to alter the character or substantially to affect the identity of the registered design, then, if at any time while the application is pending the applicant becomes the registered owner of the design previously registered, the previous rule applies as if at the time of making the application the applicant had been the registered owner of that design.

Clause 11 of the Bill ensures secrecy in respect of designs relevant for defence purposes.

Clause 12 of the Bill provides for confidential disclosure.

Clause 13 of the Bill states that the registration of a design gives to the registered owner the exclusive right in the registered design in Fiji to make, import for sale or use for the

purposes of any trade, or to sell, hire or offer for sale or hire any article in respect of which the design is registered.

Clause 14 of the Bill provides the period of right in the registered design which subsists for a period of 5 years from the date of registration and may be extended upon application for a second period of 5 years from expiration of the original period.

Clause 15 of the Bill affords exemption from liability to an innocent infringer, that is, where the infringer was not aware and had no reasonable ground at the date of the infringement for believing that the design was registered in Fiji.

Clause 16 of the Bill allows an interested person to, after a design has been registered, apply to the Commissioner for a compulsory licence in respect of the design on the ground that the design is not applied in Fiji by any industrial process or means to the article in respect of which it is registered to a reasonable extent.

Clause 17 of the Bill allows the Commissioner to cancel the registration of a design upon request of the registered owner.

Clause 18 of the Bill allows any Government department and any person authorised in writing by a Government department to use any registered design for the services of the State.

Clause 19 of the Bill provides the rights of third parties in respect of State use of a registered design.

Clause 20 of the Bill deals with reference of disputes as to State use of a design for services of the State which may be referred to the court by either party to the dispute.

Clause 21 of the Bill deals with State use of a design during emergency for any purpose which appears to the Government to be necessary or expedient to inter alia ensure that whole resources of the community are available for use.

Clauses 22 to 26 of the Bill deal with international arrangements to which Fiji is a party for the purposes of registration of a design and where protection of the design is afforded.

Clause 27 of the Bill states that the Commissioner must ensure that a register of designs registered in Fiji is kept and maintained ('register').

Clause 28 of the Bill states that the Commissioner must grant a certificate of registration to the registered owner of a design when the design is registered.

Clause 29 of the Bill deals with the registration of a person who becomes entitled by assignment, transmission or operation of law to a registered design or share thereof.

Clause 30 of the Bill states that the Personal Property Securities Act 2017 is not affected by the provisions of clauses 26 to 28.

Clause 31 of the Bill allows the court to correct the register.

Clause 32 of the Bill allows the Commissioner to correct a mistake on the register or in any document as a result of the Commissioner's error or omission. The Commissioner may also require the production of the document.

Clause 33 of the Bill requires the representation or specimen of a registered design to be open for public inspection on and after the day on which the certificate of registration is issued. Where a design is registered in respect of an article of a prescribed class, any representation or specimen of the design filed must not be open for public inspection until the specified period after the day on which the certificate of registration is issued has expired except by the registered owner, person authorised in writing by the registered owner or a person authorised by the Commissioner or the court.

Clause 33 of the Bill also provides that where the Commissioner proposes to refuse an application because it is the same or differs slightly from a prior design, the applicant in this instance is entitled to inspect the representation or specimen of the first design. Furthermore, where an application has been abandoned or refused, the application for registration as well as the representation or specimen of the design filed must not be open for public inspection or publication.

Clause 34 of the Bill provides that the Commissioner must inform a person as to whether a design is registered and any articles associated, name and address of the registered owner if the person has made a request, provided information to the Commissioner to identify the design and paid the prescribed fee.

Clause 35 of the Bill provides that a certificate indicating or showing out to be signed by the Commissioner certifying that an entry has been made or has not been made is prima facie evidence of the entry or non-entry. The same applies to a copy of or an extract from, any entry in the register or document registered or kept by the Commissioner, and is admissible evidence in legal proceedings.

Clause 36 of the Bill provides that the court may certify that the validity of the registration of a design was contested in any proceedings in instances where the validity of registration of a design was questioned and found to be valid. If, in any subsequent proceedings on the infringement of the right in the registered design or cancellation of the registration of the design, the court gives a final order in favour of the registered owner, he or she is entitled to solicitor's costs.

Clause 37 of the Bill allows a person who is aggrieved by threats of proceedings for infringement of the right in a registered design to bring an action against the person making such threats and is entitled to claim for relief such as a declaration that the threats are unjustifiable, an injunction against the continuance of such threats and damages.

Clause 38 of the Bill provides that an appeal made under the Bill against a decision of the Commissioner must be made to the court and a notice of appeal must be filed in court and served on the Commissioner within 28 days after the day on which the decision in question was given. Consequently, no appeals from a decision of the court may be made except with the leave of the court or Court of Appeal.

Clause 39 of the Bill requires the Commissioner to give an applicant for registration of a design an opportunity to be heard before making a decision in the exercise of the Commissioner's power of discretion under the Bill.

Clause 40 of the Bill provides that where a delay has been caused by the Commissioner for something required under the Bill within a prescribed time, the Commissioner may extend the time needed to carry out or do that which needed to be done. Furthermore, clause 40 of the Bill provides that no fees are payable in this instance.

Clause 41 of the Bill further allows the Commissioner to extend the time prescribed for the filing of an application under clause 22(1) of the Bill in relation to an application for the registration of a design, the protection of which has been applied for in a convention country. The Commissioner however may also refuse to grant an extension in this instance if he or she is of the opinion that the applicant or applicant's agent has not allowed enough time for the delivery of any document relating to the application for an extension of time or failed to act with due diligence and prudence, or there has been undue delay in applying for an extension of time or prosecuting the application.

Clause 41 of the Bill also allows the Commissioner to grant the extension of time applied for by an agent provided written confirmation of the agent's authority to act on behalf of an applicant is signed and lodged with the Commissioner. An application for the extension of time must be made before the registration of the design.

Clause 42 of the Bill allows the Commissioner to award to any party in any proceedings before the Commissioner, costs as he or she thinks reasonable and direct how and by what parties such costs are to be paid. Where an application is made for the cancellation of the registration of a design, grant of a licence in relation to a registered design or a notice of appeal is given from a decision of the Commissioner by an applicant who does not reside in Fiji, the Commissioner or the court may require him or her to give security for costs of the proceedings or the appeal. If this is not done, the application or appeal would be treated as abandoned.

Clause 43 of the Bill allows evidence in proceedings under the Bill to be given by way of an affidavit or statutory declaration and gives discretion to the Commissioner to also take oral evidence and allow witnesses to be cross examined on their affidavit or statutory declaration. The use of a statutory declaration may also be used as evidence in an appeal under the Bill.

Clause 44 of the Bill recognises agents duly authorised in the prescribed manner to carry out an act in relation to a registered design or proposed registered design or any proceedings as required under the Bill.

Clause 45 of the Bill allows the Commissioner to dispense with the production of probate or letters of administration and register any qualified person, defined as the owner of a design where the registered owner has died, or allow any qualified person to complete an application and register himself of herself as the owner of the design where the applicant dies before the registration of the design.

Clause 46 of the Bill allows the restoration of lapsed registration of a design due to failure to make an application for an extension of registration of a design or failure to pay for the prescribed fee, or both. An extension granted under this clause may be for a second period of 5 years at the Commissioner's discretion on whether failure to apply for an extension was unintentional.

Clause 47 of the Bill allows a registered owner or where the registered owner is deceased, his or her personal representative, to request for an order under clause 46 of the Bill for the restoration of lapsed registration of a design. Clause 47 of the Bill further allows for 2 or more registered owners to make a request for the order provided they have leave of the Commissioner to make such a request either by one or more of them without joining the other registered owners. However such request may only be made within the prescribed period which may be extended by the Commissioner if satisfied that there was no undue delay in making the request. This is provided for under clause 48 of the Bill.

Clause 49 of the Bill provides that on consideration of a request under clauses 46 to 48 of the Bill, the Commissioner must give the person making the request an opportunity to be heard if the Commissioner is not satisfied that a prima facie case has been made under clause 46 of the Bill or must publish in the Gazette if satisfied otherwise.

Clause 50 of the Bill allows a person who wishes to oppose an order made under clause 46 of the Bill to give notice of opposition to the Commissioner with the prescribed period. The Commissioner must then notify the person who made the request and provide a copy of the notice provided, and give both the person opposing the order and the person who made the request, an opportunity to be heard.

Clause 51 of the Bill requires the Commissioner to make an order on payment of any unpaid fees and any penalties. Clause 51 of the Bill also provides the conditions on which an order for the extension of registration of a design may be made and requires the Commissioner to give the registered owner an opportunity to be heard before deciding to revoke any such order.

Clause 52 of the Bill provides that where an application for registration is abandoned, an applicant may request that an order be made to restore the application and to extend the period for complying with the requirements for making an application. This is also provided for under clause 53 of the Bill which requires such the applicant to provide a statement setting out the circumstances that caused and reasons for, the delay.

Clause 52 of the Bill also provides that the Commissioner must then give the person making the request an opportunity to be heard if the Commissioner is not satisfied that the default or negligence of the applicant was unintentional. If the Commissioner is satisfied, he or she must publish the request in the Gazette.

Clause 54 of the Bill allows a person to give notice to the Commissioner of opposition to an order made under clause 56 of the Bill on the grounds the default or neglect of the applicant was intentional or that the delay in making a request under clause 53 of the Bill was undue. The Commissioner must then notify the applicant of the notice of opposition and provide a copy of the notice to him or her. The Commissioner must also give both the applicant and the person opposing the order an opportunity to be heard.

Clause 55 of the Bill requires the Commissioner to make a decision after the expiry of the prescribed period for giving notice of opposition under clause 54 of the Bill or dismiss the request made. An order made under this clause is however subject to provisions for protection or compensation of persons who availed themselves of the design between the date the application became abandoned or on which the request was published.

Clause 56 of the Bill provides that it is an offence to fail to comply with any direction given under clause 11 of the Bill or to make or cause to be made an application for the registration of a design in contravention of clause 11 of the Bill. Any person who commits this offence is liable on conviction to a maximum fine of \$1000 or maximum imprisonment term of 2 years or both fine and imprisonment. Where a body corporate has committed the offence, clause 56 of the Bill also holds the director, general manager or other similar officer of the body corporate liable for the offence unless proven inter alia that the offence was committed without his or her consent.

Clause 57 of the Bill provides that it is an offence to make or cause to make a false entry in the register or a writing falsely purporting to be a copy of an entry in that register or produce false evidence which renders a person liable on conviction to a maximum imprisonment term of 2 years.

Clause 58 of the Bill provides that it is an offence for a person to falsely represent that a design applied to any article sold by him or her, is registered in Fiji. Clause 58 of the Bill also provides that it is an offence to mark any article to which a registered design has been applied as being registered in Fiji after the registration of a design has expired. A person who commits either of the offences in clause 58 of the Bill is liable on conviction to a maximum fine of \$40.

Clause 59 of the Bill empowers the Minister to make regulations to give effect to the provisions of the Bill and prescribe matters that are required or permitted by the Bill to be so prescribed, and to achieve the general purpose of the Bill. Clause 58 of the Bill also includes a list of what matters may specifically be prescribed by regulations.

Clause 60 of the Bill provides the ways in which a notice or any other document can be served under the Bill. Clause 60 of the Bill further provides that service by post must be treated as received by the recipient when it would be delivered in the ordinary course of post and service by e-mail must be treated as received by the recipient on the second working day after the date it is emailed.

Clause 61 of the Bill prohibits anything from being construed as giving authority or requiring the Commissioner to register a design if it is contrary to law or morality in the Commissioner's opinion.

Clause 62 of the Bill repeals the United Kingdom Designs (Protection) Act 1936.

2.3 Evidence received via public consultation

As part of the review, the Committee conducted public consultation on the Bill, in various key locations and also called for written submissions from interested persons or entities. This consultation ensured that the public participated in the legislative process, which is fundamental to democracy. All the submissions received were considered and deliberated on extensively. The main points and issues noted from the submissions are summarised below.

Members of the public commended and supported the introduction of the Bill given that it aims to promote economic development by putting in place modern business regulatory frameworks.

Apart from this commendations from the members of the public, there were also a written submissions, which highlighted a few pertinent issues, which the Committee placed reasonable emphasis on.

Submission noted that currently, designs are protected in Fiji under the UK Designs (Protection) Act 1936, which extends the protections under the UK design registration legislation to Fiji. The new Fiji Designs Bill will allow new and original designs to be registered and protected in Fiji for 2 periods of 5 years. It will repeal the existing UK Designs (Protection) Act 1936, which will leave design owners, who were relying on their rights in the UK to protect their designs in Fiji, without protection. Thus it was noted from the submission that there should be a transitional provision providing that UK registrations continue to be protected in Fiji for a certain period.

One of the submitters; the International Trademark Association ("INTA"); encourages Fiji to join the Hague Agreement concerning the International Registration of Industrial Designs. In line with the Hague Agreement, INTA supports a term of protection of at least 15 years from application (even if made up of renewals after multiple shorter periods - for example, 3 terms of 5 years).

According to the submission from the Office of the Trade Representative of the United States, the Design Bill generally lacks enforcement provisions. It was recommended that the Bill adopts some of the enforcement provisions delineated in the Trademarks Bill 2020 into the Design Bill, including those provisions concerning civil infringement proceedings and border enforcement.

Furthermore, it was noted from a submission that Clause 58, provides that a false representation of that a design is registered in Fiji is liable to a conviction with a fine not exceeding \$40. It recommended that changes be made to this amount to a level commensurate with conviction for commercial fraud under the Fiji criminal code.

A copy of the written submission received can be obtained from the online Appendices of this Report, which can be accessed via the parliament website: <u>www.parliament.gov.fj</u>.

2.4 Sustainable Development Goals/National Development Plan Impact Analysis

In reviewing the Bill, the Committee was mindful of the Bill's impact on Fiji's efforts in achieving the targets set out in the national development plan, which in turn contributes to Fiji's overall commitment and obligation towards the global agenda - the sustainable development goals.

As a starting point, the objectives of the Bill aims to define to provide for the registration and protection of designs in Fiji and makes provision for international arrangements that Fiji may be a party to, for the protection of registered designs in Fiji, that may be used in other countries and vice-versa.

This objective relates to the ambitious development plan and goal by the Government of Fiji in developing the businesses sector by making necessary changes to its regulatory framework². The Bill will bring about the necessary regulatory framework, which is envisioned to develop the business sector in Fiji.

The Committee was also mindful of the requirements of the Standing Orders of Parliament regarding gender, which is also a key goal in the sustainable development goals. The Committee ensured that full consideration will be given to the principle of gender equality so as to ensure all matters are considered with regard to the impact and benefit on both men and women equally. The Committee identified from the review that the Clauses of the Bill are designed to impact all Fijians and the people living in Fiji, irrespective of gender.

² Fijian Government 5-Year & 20-Year National Development Plan, "Mordernising the Business Regulatory Environment", page 87.

3.0 KEY ISSUES IDENTIFIED

At the penultimate stage of the review, after reviewing the evidence received from both the public and the electoral management bodies; the Committee identified a few key issues, which the Committee place reasonable emphasis on and which the Committee believed need legal clarification. The following are these key issues that were identified:

- That the Bill will repeal the existing law governing the registration of designs.
- That the transitional provisions in the Bill seems to have unfavourable implications on design owners who were relying on their rights in the UK to protect their designs in Fiji.
- That the Bill generally lacks enforcement provisions.
- That the provisions of the Bill regarding the penalties prescribed for the offence of false representation needs to be more severe, and mirror the penalty level of a conviction for commercial fraud as prescribed in Fiji's criminal code.

After extensive deliberation, the following outlines some of the main outcomes of the Committee's deliberation and review.

The Committee weighed all options concerning the issues that had been identified and had extensive discussions on these. Legal clarification was then sought on the implication of these issues from the legal team at the Solicitor-General's Office, who also relied on the consultants from the World Trade Organisation and Intellectual Property Offices from around the region. This process ensures that all these relevant issues were appropriately addressed and that the objectives of the Bill were preserved.

The following is a summary of the clarifications that were noted regarding the identified issues and the Committee's view and stance on the issues.

In regard to the issue on the transitional provisions of the Bill to be applied to UK registrations, the Committee noted that Section 2 of the United Kingdom Designs (Protection) Act 1936 (in this context also referred to as the Designs Act) essentially extends the rights and privileges of a registered proprietor/owner of any design registered in the United Kingdom under the Patents and Designs Acts 1907 to 1932, or any Act amending or substituted for those Acts, to Fiji (as though the certificate of registration in the United Kingdom had been issued with an extension to Fiji). Given that the Designs Act is an imperial law and extended application to Fiji pre-independence, it was advisable that a transitional or savings provision is not necessary given that protection for such designs are already provided for under the respective United Kingdom legislation. The Designs Bill 2020 provides for the registration of designs in order for registered owners to have their designs can be made by way of agreement between Fiji and other countries, if participating countries allow so.

Also, Fiji is a member of the TRIPS Agreement. Under Article 26(3) of the TRIPS Agreement, the duration of protection available for industrial designs must amount to at least 10 years. Article 26(3) also does not oblige WTO members to establish a continued, uninterrupted term of protection and so WTO members are free to provide the duration of protection in successive terms. Clause 14 of the Designs Bill provides for such successive terms where the term of registration and therefore protection of a design is 5 years from the date of registration and can be extended for a further period of 5 years, leaving right holders the choice of renewing registration in the event market demand for the goods bearing the designs persists.

Furthermore, the Committee also noted that there was recommendation for Fiji to join to the Hague Agreement, which provides for a minimum term of 15 years protection and that this is supported by International Trademark Association. However, given that Fiji is not a member of the Hague Agreement, the minimum term however does not apply to Fiji until such time Fiji joins/accedes to the Hague Agreement.

In regard to the issue on the recommendation for the adoption of enforcement provisions, the Committee notes that currently the Designs Bill provides general provisions for any legal proceedings in relation to infringement of a right in a registered design.

Accordingly, we advise that in order to include additional provisions on enforcement, a review of the suggested inclusions is required before the same can be inserted to the Designs Bill.

And in respect to the issue of amending the penalties relating to false representation, the Committee believed that there was merit in making changes, given that the provision in contention related to a serious offence and as such should also carry a penalty commensurate to the offence. The Committee then noted that there are similar offences in the criminal law in Fiji, which carry higher penalties. For example, the Crimes Act 2009, Part 17 – Divisions 2, 3 and 5 provides for offences of fraudulent conduct and related matters and carries a higher penalty than that provided in the Bill. Accordingly, the Committee recommends that Clause 58(1) and (3) of the Designs Bill be amended as follows taking into consideration penalties for similar or related offences under the Crimes Act 2009, Patents Bill and Trademarks Bill:

"58. Fine for falsely representing a design as registered

(1) Any person who falsely represents that a design applied to any article sold by him or her is registered in Fiji in respect of that article commits an offence and is liable on conviction to a fine not exceeding \$150,000 or imprisonment for a term not exceeding 5 years or both.

(3) Any person who after the registration of a design has expired, marks any article to which the design has been applied with the words 'registered in Fiji'' or any word or words implying that there is a subsisting right in the registered design in Fiji or causes any such article to be so marked commits an offence and is liable on conviction to a fine not exceeding \$150,000 or imprisonment for a term not exceeding 5 years or both."

The review did highlight a few issues on the Bill, and these were considered extensively by the Committee through internal deliberations and necessary consultations with the legal team from the Solicitor-General's Office. The Committee, therefore believes that all issues identified have been adequately addressed. The Committee makes one substantive amendment to the Bill, which is the proposed amendment to Clause 58. As a consequence of the proposed amendment, there are also other amendments made to the Bill, which grammatical and cross-referencing in nature and these amendments are captured in the magenta coloured text in the copy of the Bill tabled with the Committee's Report. The Committee, by way of consensus, during the drafting of this Report resolved that it would be appropriate to acknowledge all those that had provided great support to the Committee during the review of the Bill.

Firstly, the Committee acknowledges the Speaker of the Parliament of the Republic of Fiji for realising the vital aspect of public participation in the legislative making process, thus supporting and encouraging the Committee to conduct extensive public consultation. Moreover, appreciation goes to the UNDP Fiji Parliament Support Project, for its financial support, which enabled the Committee to have conduct extensive awareness on its public consultations.

Furthermore, the Committee would also like to acknowledge the Parliament IT Team for its support, which enabled the Committee to have virtual meetings and continue to carry out its constitutionally mandated functions, despite the impact of Covid-19.

6.0 CONCLUSION

After adhering to due process and the requirements of the Standing Orders of Parliament, the Committee in its deliberation and review noted that there was great support for the Bill.

The review highlighted a few issues on the Bill, which were considered extensively by the Committee through consultations with the legal team from the Solicitor-General's Office so as to address all the issues raised and to ensure the objectives of the Bill are not affected. The Committee notes that all issues identified have been addressed adequately, however, as noted in the Report, it also believes that there is a need to make a few amendments to the Bill and these were reflected in the magenta coloured text in the copy of the Bill provided with this Report.

The Committee is also of the view that this piece of legislation needs to be reviewed periodically as the business environment relating to designs continuously changes with time and circumstances. An up to date business environment is vital for the economy of the nation, therefore the legal framework governing such business environments should be in par at all times to ensure economic development in Fiji.

The Committee, through this bi-partisan report and consensus, commends the *Designs Bill 2020* (Bill No. 47 of 2020) and the proposed amendments, to the Parliament.

MEMBERS SIGNATURES

HON. ALVICK MAHARAJ (CHAIRPERSON)

HON. ROHIT SHARMA (DEPUTY CHAIRPERSON)

HÓN. RATU SULIANO MATANITOBUA (MEMBER)

HON. DR. SALIK GOVIND (MEMBER)

HON. MOSESE BULITAVU (MEMBER)

DATE: <u>16 AUGUST 2021</u>