Geographical Indications Regulation in Indonesian National Law

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Abstract

Geographical indications are protected by law as a sign indicating the origin of a good, which due to geographic environmental factors including natural factors, human factors, or a combination of both factors, provide certain characteristics and quality of the goods produced. Similar to the legal protection of Trademarks in Indonesia, legal protection of Geographical Indications also requires the existence of a registration application process. It's just that Geographical Indication registration is done by interested parties specified in Brand Law and Geographical Indication. An application of Geographical Indication may be rejected by the Directorate General of Intellectual Property Rights of the Ministry of Law and Human Rights of the Republic of Indonesia if it is contrary to religious morality, decency, public order, or may deceive or mislead the public about the nature, characteristics, quality, source of origin, process of manufacture, and/or usefulness. It may also be rejected if it does not qualify to be listed as a Geographical Indication, for example not having the characteristics and quality of a product produced.

Keywords: geographical indication, regulation, national law, Indonesia.

I. Introduction

Indonesia is an archipelagic country with knowledge, tradition, and culture, as well as tropical climate that produces various goods that have economic potential. In everyday life people recognize or mention the name of an item followed by the name of place or area of origin of goods as Geographical Indication. Geographical Indication is a sign that is unwittingly long existed and can indirectly indicate the existence of specificity on an item produced from a certain area. The mark may then be used to indicate the origin of an item, whether in the form of agricultural products, foodstuffs, handicrafts, or other goods, including raw materials and processed products, whether derived from agricultural products or derived from mining products.

The Geographical Indication Owner is a community and government group in the area where a particular good is competent to maintain, maintain and use Geographical Indications in trading. Whereas the producer is the owner of Geographical Indication which may produce the goods in accordance with the provisions disclosed in the Book of Terms and is willing to comply always to apply the provisions as set out in the book.

Legal protection of Geographical Indication in Intellectual Property Rights regime through the approval of Trade-Related Aspects of Intellectual Property Rights (TRIPs). The application of TRIPs approval in the world trade system, in addition to applying to the normative standards expressly contained in relevant international conventions, and by member states is also required to apply the principles of the General Agreement on Tariff and Trade (GATT) on which the World Trade Organization (WTO). International agreements are essential for the creation of legal order.

Legal protection of Geographical Indications is new in Indonesia, although it has long been developed in European countries, particularly those incorporated in the European Union (EU) and is known as the Indication of Origin. For example, in France, since the beginning of the 20th century has provided legal protection for local Roquefort and Champagne cheese products that have certain geographical criteria and special criteria with Appellation d'Origine Contrôlée. The act of producing the goods without rights in the Paris

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2 OK. Saidin, Aspek Hukum Hak Kekayaan Intelektual (Intellectual Property Rights), RajaGrafindo Persada, Jakarta, 2015, p. 65-66; The liberalization of law occurs through the efforts of legal standardization, among others, through international agreements. for example GATT 1994 / WTO, includes some provisions that must be met by member countries which later became the substance of the national regulations of member countries. Almusawir Nansa, Globalisasi dan Perdagangan Bebas dalam Perspektif Hukum Internasional, Jurnal Hukum Internasional Volume I Nomor 3, Maret 2014, p. 312
3 Birkah Latif and Kadarudin, Hukum Perjanjian Internasional, Pustaka Pena Press, Makassar, 2013, p. 55
Convention for Protection of the Industrial Property (Paris Convention) is one of the fraudulent modes, and is categorized as unfair competition as opposed to fair trade principles. Legal protection of products with features and qualities determined by geographical factors is part of a new global agreement in the international trading system through the approval of the WTO.

The era of increasingly modern globalization makes international relations between countries become more intense. In the opening of the WTO establishment agreement, it was explained that GATT is a multilateral agreement basically aimed at improving living standards and income, maintaining full employment, expanding production and trade, and using the world’s optimal resources. The inclusion of approval on aspects of intellectual property related to TRIPs as part of the WTO package is a clear proof of the increasing importance of the role of IPR in trade. The existence of TRIPs can be regarded as very important in the efforts of international trade liberalization and legal protection of Geographical Indication and become one of the central topics to be accommodated in the provisions of TRIPs.

Through the legal protection system of good and adequate Geographical Indication, it is expected that the potential can be developed and utilized to improve the welfare of the Indonesian nation. However, in the case of Toraja arabica coffee and Kalosi arabica coffee the phenomenon that occurs is that the word Toraja, Toraja custom house and Kalosi word currently used also by Key Coffee, Inc. Corporation Japan, with Toraja brand word with the image of Toraja custom house to Brand Toarco Toraja Registration Number 75884722 and Brand Arabica Kalosi with Toraja custom house image for arabica coffee product from Toraja region. Brand Sulatco Kalosi Toraja Coffee Registration Number 74547036 and Sulatco Kalosi Toraja Coffee with picture of Toraja house Registration Number 74547000, owned by IFES Inc. Corporation California United States. Though Toraja word, Toraja custom house and Kalosi word is Geographical Indication of Toraja society, as well as Kalosi, Geographical Indication of Enrekang society and has been used as a sign for arabica coffee product with typical characteristic and already famous since 17th century . . . recognized as one of the best coffees in the world, grows in the highlands of Enrekang . . .

Based on the phenomenon mentioned above, the important legal issue in the legal protection of Rightsholder of Geographical Indication in the perspective of IPR law is that the certification of Indicated Geographical Indication products has not been implemented in accordance with the intended objectives, both at the level of the rule of law and at the level of its implementation in the community. In terms of legal protection, the laws and regulations of the Geographical Indication currently contain weaknesses, and have implications for inadequate legal protection of Rightsholder of registered Geographical Indication. Whereas the meaning of legal protection of Geographical Indication is that unauthorized parties, not allowed to use regional names, symbols, drawings of origin of goods that have been certified by Geographical Indication. Thus, the legal protection of Geographical Indications not only provides legal certainty, but should also ensure that Rightsholders of Geographical Indication will derive maximum benefit from Geographical Indications as the result of their intellectual work. Therefore, in the absence of legal protection of adequate Geographical Indication, the Right Holder of Geographical Indication as a party seeking product specifications from a particular location will not

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1 H.L.M.S. Kartadjoemena, Op Cit., p. 269
3 Kadarudin, Menakar Peran Lembaga Arbitrase dalam Penyelesaian Sengketa Internasional, Jurnal Ilmu Hukum Umel Mandiri, Volume 11 Nomor 11, Juli 2015, p. 49
5 Ahmad M. Ramli, e-tutorial HKI, Direktorat Jenderal Kekayaan Intelektual (DJKI), (online), see http://www.dgip.go.id/indikasi-geografis/ accessed on September 10 2014.
7 Ministry of Justice and Human Rights of the Republic of Indonesia, (Online), http://www.kemenkumham.go.id/ accessed on August 29 2016, the legal protection is sought for a geographical indication originating from a certain region, having specificity and not yet registered, Ibnu Munzir, Perlindungan Hukum Internasional Terhadap Kopi Toraja Sebagai Indication of Source Product Milik Indonesia, Jurnal Hukum Internasional Volume I Nomor 3, Mare 2014, p. 278
8 Buku Persyaratan Sertifikat Indikasi Geografis Kopi Arabika Toraja, Directorate General of Intellectual Property Rights, Ministry of Justice and Human Rights of the Republic of Indonesia, 2016, p. 6; See also Ibnu Munzir, Akitat Hukum Terhadap Kpi Toraja yang Terdaftar Sebagai Merek Dagang di Indonesia dan Jepang, Jurnal Hukum Justitia, Volume I Nomor 2, Mare 2014, p. 129
obtain the economic benefits of such Geographical Indications. And ultimately the reputation of a Geographical Indication will only be enjoyed by others who should not be entitled. The problem to be discussed in this paper is what is the essence of geographical indication? and how geographical indication regulation in Indonesia?

II. Research Method

The type of research used is the type of normative legal research, using a legal and conceptual approach. Data collection techniques are conducted through library research by studying and reviewing a number of national legal rules and international agreements, textbooks, research papers, legal journals, legal dictionaries, and then analyzed descriptively.

III. Results and Discussion

A. The Essence of Geographical Indications

Geographical indications are part of the IPR regime, many explanations of geographical indications, but legally the essence of geographical indications can be seen from the following elements:

1. Indications which identify

In this regard, experts agree that these indications have a wide range. It can, of course, mean the name of the place of origin, but it could also mean mentioning a product that only implies the origin of the product. For example, Indian Basmati rice, originated from Haryana located on the border of India and Pakistan. Basmati is not a place name, but it is the traditional name of rice products in Haryana area which means the queen of fragrant rice. The traditional name or the use of traditional Indian language is related to this aromatic rice product with its original place of Haryana in India, Coto is typical food from South Sulawesi. These products do not specify the names of their geographic origin, but by their name implies that they originate from a certain geographic origin.

The Indication Elements may also be objects, unique symbols that are directly associated with the place of origin. The symbol referred to is a symbol that can indicate that an item originates from a certain geographical origin without specifying the name of the geographical origin of the good. Given the symbol on the goods, indirectly leads the community that the goods come from a certain geographical origin. Examples of Geographical Indications in this form are Eiffel towers to indicate from France, Taj Mahal to indicate from India, Monas to indicate from Indonesia.

When compared between Article 22 of the 1994 TRIPs Agreement with the 1958 Lisbon Treaty, said Indications... is one of the distinguishing elements between the Geographical Indication and Appellation of Origins formulation, it indicates that the Original Appellation has a limited scope compared to the indication element in the TRIPs agreement. The Original Appellation in Article 2 Paragraph (1) of the Lisbon Treaty 1958, interpreted as the geographical name of a particular country, region or place indicating a product originating there, characteristically exclusively or essentially related to the geographical environment including natural or human factors or both.

2. A goods

The object of protection of Original Appellation in the Lisbon agreement is the product, ie goods and services. While the TRIPs Agreement uses the term goods for the object of legal protection of Geographical Indications. Selection of the term Goods is to limit that the service does not include the object of legal protection upon Indication. The term goods can be more easily recognized in relation to a particular region or geographic area, not so with services. This is the reason why the TRIPs Agreement prefers to use the term goods rather than products in the Geographical Indication formulation. In relation to stock protection, TRIPs approval divides it into two levels of protection, i.e.: First level safeguards are based on Article 22 paragraph (2) points a and b of the TRIPs agreement, requiring member states to prevent the use of faulty Geographic Indications and potentially misleading consumers and preventing fraudulent competition. Second-level protection is based on Article 23 paragraphs (1), (2), (3), and (4) TRIPs approval which provides additional legal protection for Geographical Indications, especially for beverages Wine and spirits. This second-level legal protection is very strong, as it prohibits the use of any indication related to goods other than products produced by the Rightsholder.

1 Peter Mahmud Marzuki, 2005, Penelitian Hukum, Prenadamedia Group Jakarta, p. 35
of Geographical Indication even if the use is done in good faith and calls the place of origin of the goods, for example the name of Champagne.

3. Originating in the territory of a Member, or a region or locality in that territory

   This element also conforms to the Indications of Source formulation used in the 1967 Paris Convention. Source Indication is defined as any expression or mark used to indicate a product or service originating in a particular country, region or place. This indicates that the Geographical Indication always has a relationship or a special relationship with the origin region of the goods. Thus, assuring the consumer that the authenticity of an item can essentially be attributed to the place of origin. However, the meaning of the link itself varies, depending on the application of legal protection to the Geographical Indication adopted by the member countries of the TRIPS agreement. Some require that the linkage to a specific natural aspect, the human aspect of the maker, to the historical, cultural, and inheritance of the traditional method has been preserved for generations to determine the reputation of the goods, such as the protection of the law of the Original Appellation in the Paris Convention. But there is also a requirement that the link is only meaningful pointer, that a product is true derived from the geographical name of the indication. The existence of the relationship between goods with a particular place or region, so that goods with Geographical Indications are different from other similar goods that are marketed.

4. Quality, reputation or another characteristic

   A certain element of quality, reputation or characteristic is an important element of Geographical Indication. In Indonesian Dictionary, Quality is defined as the level of goodness, grade, or quality. Reputation is defined as the cause of getting a good name, or good name itself. While the characteristics is defined as having a characteristic in accordance with a particular character. When compared between the formulation of Geographical Indication in TRIPS agreement with Original Appellation in Lisbon Agreement 1958, seen there are two differences, that is . . . quality, reputation or other characteristic . . . in the TRIPS Agreement with quality and characteristic in the Lisbon treaty 1958. The first important difference is in the use of the word or in Geographical Indications and the use of the word and in the Original Appellation. Word or in Geographical Indication means that elements of quality, reputation and other characteristics are three independent elements which are option. This means that any one of these elements is possible to be fulfilled, and does not require that all three must be met in Geographical Indications. It is different from the word and used in the Original Appellation which must be interpreted that the element of quality and characteristics are the two elements that must be met in the Original Appellation.

   The second difference is that the use of reputation elements in Geographical Indications is an optional element, but experts say this element is very important in practice. While in the 1958 Lisbon agreement, no reputation word was found. This Agreement only lists the elements of quality and characteristics in formulating Original Appellations.

5. Essentially attributable to its geographical origin

   The essentially attributable element to its geographical origin means that the geographic elements attached to the item can be found in the region or region from which the goods originate. it and the region or region is very influential on the elements of the goods. By including names or implying geographical origin in goods name, indicating the relationship or relation between the goods and the geographical origin must be clear. Therefore, if the elements of the goods are not essentially related to their geographic origin or fail to express a clear relationship between the goods and their original place, then the validity as a Geographical Indication item becomes incorrect. Geographical Indications are closely related to the group of people in a given geographic area and are used to identify an item that is specifically related to the geographical area. Ownership of Geographical Indication is communal, because it is owned by a community group that seeks goods Geographical Indication. Therefore. Legal protection of Geographical Indication shall aim to provide legal protection to

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2 Lisbon Agreement 1958
4 Laode Rudita, 2011. Hak Kekayaan Intelektual & Perlindungan Konsumen (Studi Tentang Indikasi Geografis Dari Perspektif Kepentingan Konsumen), Universitas Indonesia, p. 77
5 Miranda Risang Ayu, Loc., Cit., p.172
6 Article 22 TRIPS
8 Agus Sardjono, Membunyikan HKI di Indonesia, Bandung: CV. Nuansa Aulia, 2009, p. 178
Rightsholders of Geographical Indication of misuse of Geographical Indications by other unauthorized parties. In line with that objective, Frederick Abbott, et.al., said that Geographical Indication has two functions, namely:

1. The promotional function of a product that has a certain character that brings regional benefits to which the product is manufactured or marketed. Geographical Indication thus protects the Rightsholder of Geographical Indication (producer) in the territory against unauthorized use of the goodwill created by the product’s quality by its competitor.

2. Geographical indications are an important source of information for consumers in a very diverse market in terms of the origin, quality, or reputation of the product concerned. In this regard, the protection of Geographical Indication is aimed at protecting consumers from the misuse of Geographical Indication which results in the misleading of misleading consumer information on the goods circulating in the market.

In the TRIPs Agreement Geographical and Brand Indications are independent IPR regimes, having the same purpose and function. The aim is to protect the public from the misdirection of traded products. While its function is as a sign of differentiation between similar products. Such equations make a difference of opinion about the existence of Geographical Indication and Brand in legal protection. The first opinion prioritizes Geographic Indication rather than Brand. Consequently, Geographical Indications which obtain legal protection through registration under the same name as a registered Mark, such Mark may only be used in good faith for a maximum of 2 years commencing since Geographical Indication obtains legal protection. In contrast, the second view views Geographical Indications and Trademarks as strong. If there is overlap in the protection of Geographical Indication and Trademark, both can be determined by the first in time first in right principle. This principle, in accordance with Article 24 paragraph (5) of the TRIPs agreement that determines that:

If a Mark has been used and registered in good faith, or if a set of rights associated with a brand has been obtained through good-faith use . . . Before any Geographic Indication is protected in its home country, steps taken to implement this protection shall not threaten the existence or freedom of the registered mark, on the grounds that the Mark is identical or similar to the corresponding Geographical Indication.

The aforementioned provision gives the authority of TRIPs member countries to take action on the revocation of a registered Mark and refusal of a renewal application of a registered Mark if a registered Mark is identical or equal to Geographical Indication in accordance with applicable laws and regulations. Approval of TRIPs expressly uses the concept of Geographical Indication, which is a sign indicating a territory or region from which goods are produced, in which the goods have a reputation, quality and characteristics are determined by the geographical location. Such marks are used in the trading of Geographical Indication products as a means of legal protection of Rightsholders of Geographical Indication of the perpetrators of the use of Geographical Indication by unauthorized parties. The concept is identical to the concept of the Original Appellation of the Lisbon Convention.

Based on the elements on which the legal protection of the Apelation Origin, there are some fairly basic differences with Geographical Indications. According to Sergio Escudero, that there are five things that distinguish between Apelation Origin and Geographical Indications, namely:

1. If an Apelation Origin must be a place name, be it a particular country, region or locality, such as Tequila, Porto, and Jerez, whereas Geographical Indications may be geographical names or other signs, as long as they can clearly identify places the origin of the product,

2. Apelation Origin serves as the main sign of distinguishing a product, while Geographical Indications more function to signify the origin of a product. That is, the Apelation Origin must be exactly the same as the product name. While Geographical Indications have a broader meaning than just the name of the place. Geographical Indications not only include place names, but also

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2 Ibid., p. 37; hal tersebut juga diatur agar tidak menimbulkan konflik atau sengketa. Birkah Latif and Kadarudin, Pengantar Hukum Internasional, Pustaka Pena Press, Makassar, 2013, p. 89
3 Miranda Risang Ayu, Loc.,Cit., p. 46.
other signs that directly lead consumers to associate to the geographical place that produces the product.

c. Apelation Origin only protects the original name of a product, while Geographic Indication also protects the symbol. As has been previously described that experts agree “indications” or signs have a wide range. It can mean the name of the place of origin, but it could also mean mentioning a product that simply “implies” the origin of the product. Even the “indication . . .” element, furthermore it is said to be also a unique object or symbol that is directly associated with the place of origin.

d. The Apelation Origin relates only to the quality and character of a product, whereas Geographic Indications also refers to the reputation of the product, although the element of reputation is an optional element. The Apelation Origin only considers the geographical environment, including natural and human factor, while Geographical Indications also consider the geographical origin of the product more generally. This means that a Geographical Indication is not just limited to what is meant by the element of natural and human factor. A product does not necessarily fulfill any element of nature or human element, provided that the product has certain qualities, reputations or characteristics associated with the product's geographic origin.

Furthermore, according to Adrian Sutedi, that Apelation Origin and Geographical Indications that have differences because:

a. The Apelation Origin shall be the name of the place of a country, region or locality, whereas Geographical Indications may be in the name of a geographical or other sign as long as the mark clearly identifies the mark,

b. The Apelation Origin must also be a distinguishing mark of a product. Apelation Origin exactly matches the product name. Geographical Indication signifies the origin of place of an item. Geographical indication has a broader meaning than just a place name, so it can also be a symbol,

c. The Apelation Origin only relates to the quality and character of a product, while Geographic Indication also points to the reputation of the related product.

B. Geographical Indication Regulation in Indonesia

In the Indonesian national legal system, there are at least 2 rules that specifically regulate the geographical indications, namely:

1. Law of the Republic of Indonesia Number 20 Year 2016 on Brand and Geographical Indication

   Geographical indications are protected by law as a sign indicating the origin of a good, which due to geographic environmental factors including natural factors, human factors, or a combination of both factors, provide certain characteristics and quality of the goods produced. Similar to the legal protection of Trademarks in Indonesia, legal protection of Geographical Indications also requires the existence of a registration application process. It's just that geographical Indication registration is done by interested parties specified in Brand Law and Geographical Indication.

2. Government Regulation of the Republic of Indonesia Number 51 Year 2007 on Geographical Indications

   In the Brand Law and Geographical Indication, it is explained that the procedure of registration of Geographical Indication will be regulated further by Ministerial Regulation. However, until now the Ministerial Regulation has not existed so that the Government Regulation on Geographical Indication is still valid as long as it is not contradictory to the provisions in the Brand Law and Geographical Indication for a maximum of two

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1 Adrian Sutedi, Hak Atas Kekayaan Intelektual, Sinar Grafika, Jakarta, 2009, p.168
2 Article 1 number 6 and Article 53 Brand Law and Geographical Indication, See also Ibnu Munzir and Kadarudin, Perlindungan Hak Kekayaan Intelektual Terhadap Produk Indikasi Asal, Suatu Kajian Terhadap Kopi Toraja yang Terdaftar Sebagai Merek Dagang di Indonesia dan Jepang, Pustaka Pena Press, Makassar, 2014, p. 29
The First Stage: Submitting an Application
The Second Stage: Administrative Examination
The Third Stage: Substance Examination
The Fourth Stage: Announcement
The Sixth Stage: Registration
The Seventh Stage: Monitoring the Use of Geographical Indications
The Eight Stage: Appeal

An application of Geographical Indication may be rejected by the Directorate General of Intellectual Property Rights of the Ministry of Law and Human Rights of the Republic of Indonesia if it is contrary to religious morality, decency, public order, or may deceive or mislead the public about the nature, characteristics, quality, source of origin, process of manufacture, and/or usefulness. It may also be rejected if it does not qualify to be listed as a Geographical Indication, for example not having the characteristics and quality of a product produced.

IV. Conclusions

The essence of geographical indications according to the law can be seen from its elements such as: indications which identify, a goods, originating in the territory of a Member, or a region or locality in that territory, quality, reputation or another characteristic, and essentially attributable to its geographical origin. In the Indonesian national legal system, there are at least 2 rules that specifically regulate the geographical indications, namely Law of the Republic of Indonesia Number 20 Year 2016 on Brand and Geographical Indication and Government Regulation of the Republic of Indonesia Number 51 Year 2007 on Geographical Indications. However, an application of Geographical Indication may be rejected by the Directorate General of Intellectual Property Rights of the Ministry of Law and Human Rights of the Republic of Indonesia if it is contrary to religious morality, decency, public order, or may deceive or mislead the public about the nature, characteristics, quality, source of origin, process of manufacture, and/or usefulness. It may also be rejected if it does not qualify to be listed as a Geographical Indication, for example not having the characteristics and quality of a product produced.

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1 Article 106 and Article 108
2 Article 106
4 Ibnu Munzir, Urgensi Perlindungan Hukum Nasional Terhadap Kopi Toraja Sebagai Produk Indikasi Asal Milik Indonesia, Jurnal Hukum Justitia, Volume II Nomor 2, Maret 2015, p. 200


Hendra Djaja, Perlindungan Indikasi Geografis pada Produk Lokal dalam Sistem Perdagangan Internasional, Jurnal Cakrawala Hukum, Vol.18, No. 2 Desember 2013.


Ibnu Munzir, Urgensi Perlindungan Hukum Nasional Terhadap Kopi Toraja Sebagai Produk Indikasi Asal Milik Indonesia, Jurnal Hukum Justitia, Volume II Nomor 2, Maret 2015.


Perjanjian Lisbon 1958.
