INTELLECTUAL PROPERTY RIGHTS

RELATED PROVISIONS: COUNCIL REGULATION (EU) No 269/2014; COUNCIL REGULATION (EU) No 833/2014
FREQUENTLY ASKED QUESTIONS – AS OF 6 JULY 2023

1. Do EU sanctions provided for in Council Regulation (EU) No 269/2014 apply to intellectual property rights?

Last update: 8 September 2022

EU sanctions apply to intellectual property rights (e.g. trademarks, designs, patents, plant variety rights; collectively IPRs). Under Council Regulation (EU) No 269/2014, the EU has designated a number of individuals and legal persons as subject to sanctions.

Being a "designated person" means that all funds and economic resources, directly or indirectly belonging to, held or controlled by a designated person must be frozen. In practice, any EU legal and private person and EU Member State's public institution doing business in the EU must prevent any transfer of, alteration of, access to, use of or other dealings with those funds or economic resources.

The freezing of economic resources of a designated person means that any asset of a designated person, whether tangible or intangible, cannot be used by anyone to obtain other funds or assets. IPRs can qualify as intangible 'economic resources'. Hence, they are also subject to this restriction.

This means that public institutions (e.g. a trademark register) must not enable the use of IPRs of a designated person, or of a person owned or controlled by a designated person (e.g. no IPR property transfer should be registered).

EU sanctions also prohibit making further funds or economic resources available to designated persons or persons owned/controlled by them. By way of example, this means that in principle no further transactions with those persons are possible as of the moment of the application of the prohibition (e.g. payment of license fees for an IPR by an EU person to a designated person) (see however in this respect Question 5 and 8).

By the same token, EU economic operators should not make IPRs available to designated persons (e.g. by means of licensing agreements).

2. Should EU and Member State intellectual property offices suspend the registration or the registration of transfer of IPRs held by persons and entities designated under Annex I to Council Regulation (EU) 269/2014?

Last update: 21 March 2023

Economic resources of persons and entities designated under Annex I to Council Regulation (EU) 269/2014 (designated persons) must be frozen. The use of economic resources to obtain funds, goods or services in any way must be prevented. Moreover, it is prohibited to make available economic resources to or for the benefit of designated persons.

This means, inter alia, that EU and Member States intellectual property offices must not grant a new registration for an IPR, whose application has already been submitted before the designation, and they must not register transfers of already granted IPRs, if they belong to a designated person or entity or if they belong to persons owned or controlled by designated persons or entities. This is because, if the designated person/entity is deemed to own or control a non-designated entity, it can be presumed that the control also extends to the assets of that entity, and that any funds or economic resources made available to that entity would reach the designated person. The assessment of control is to be made on a case-by-case basis. See on this the <u>FAQs</u> on Russia sanctions concerning Asset freezes and the prohibition to make funds and economic resources available. See on this also FAQs, Section B. Individual Financial Measures. See also Question 3.

3. Should applications for registration of new IPRs by persons listed in Annex I to Council Regulation (EU) No 269/2014, or persons owned or controlled by them, be accepted by intellectual property offices?

Last update: 21 March 2023

No. Applications for registrations of new IPRs entail the creation of new rights for the benefit of the applicant. Hence, they qualify as making economic resources available to listed persons, or persons owned/controlled by them. As such, they should be rejected.

4. How can EU and Member States intellectual property offices verify whether an IPR applicant/owner, or a party in opposition or invalidity proceedings is designated under Annex I to Council Regulation 269/2014?

Last update: 8 September 2022

EU and Member States intellectual property offices are subject to the same obligations concerning compliance with sanctions than any other individual and legal persons that fall under the scope of application of Article 17, Council Regulation 269/2014.

In respect to what sanctions compliance entails, see this FAQs Section A.2. Circumvention and Due Diligence, in particular questions 1, 2 and 4. EU and Member State intellectual property offices should first and foremost verify the names of owners/applicants of IPR, as well as

applicants in opposition or invalidity proceedings, against the entries in Annex I to Council Regulation 269/2014; a non-official consolidated list of those entries is also available on the EU sanctions map¹ and in the financial sanctions database².

EU and Member State intellectual property offices should also ensure that owners and applicants of IPRs as well as applicants in opposition or invalidity proceedings are not owned or controlled by persons and entities in Annex I to Council Regulation 269/2014. In this case, EU and national Member State Offices should not rely solely on the information submitted by the IPR applicant/owner or party in the afore-said proceedings (see Section B.1 Asset freeze and prohibition to make funds and economic resources available). Rather, they should do further investigations in the public domain and in relevant registries (see this FAQs, Section A.2. Circumvention and Due Diligence, question 2).

EU and Member State intellectual property offices can also seek the advice and support of the relevant National Competent Authority ("NCA") (e.g. the NCA in the Member State where the intellectual property office is based) when they are unable to verify whether a legal persons is owned or controlled by a designated person.

5. Should EU and Member State intellectual property offices remove from their online databases (e.g. TMView, DesignView, etc.) the entries of IPRs held by persons and entities designated under Annex I to Council Regulation (EU) 269/2014? If so, what would be the adequate cut-off date and should they remove from the databases IPRs of non-designated Russian or Belorussian persons?

Last update: 26 April 2022

The asset freeze and the prohibition to make funds available apply as of the date of entry into force of the Council Implementing Regulation including the person or entity in Annex I to Council Regulation 269/2014. Please note that the list in Annex I is a dynamic one; persons and entities are included and removed periodically. The updated list and the relevant date of entry into force can be consulted in the Annex I to the non-official consolidated versions of Council Regulation (EU) 269/2014 in the section Ukraine of the EU sanctions map, available at the following hyperlink: https://www.sanctionsmap.eu/

EU and Member States' intellectual property offices can display a reference/sign/indication that a given Russian and Belorussian mark, related to Annex I designated persons and entities as well as person and entities owned or controlled by them, is frozen due to the EU sanctions. This means that a frozen mark should still be displayed in the online IPR databases used by EU and Member States' intellectual property offices.

¹ https://www.sanctionsmap.eu/#. For the list, it is necessary to click on the map on Ukraine, and tick the box Lists of persons, entities and items.

² https://webgate.ec.europa.eu/fsd/fsf#!/files

6. With regard to applications for IPR registration filed by designated persons or entities before the date of inclusion in Annex I to Council Regulation 269/2014, should EU and Member State intellectual property offices complete the examination phase and not register the IPR, or should the examination phase be suspended immediately? In the case of patents, can the search report and written opinion be forwarded to the applicant? In the case of trademarks, is it possible to publish trademark applications for the purpose of opposition proceedings?

Last update: 21 March 2023

Once the IPR applicant is identified as one of the sanctioned individuals or entities listed in Annex I of Council Regulation (EU) No 269/2014, all steps of the procedure of the examination should be immediately suspended to guarantee that no economic resources are made available to, or for the benefit or persons or entity and the type of IPR involved (patent, trademark, etc.).

This is to prevent that through an IPR application the designated individual or entity obtains funds or economic resources (goods or services or any other intangible asset). Patents search reports and written opinions must not be forwarded to the applicant. Publication of trademarks applications should be withheld as long as the applicant is designated or owned/controlled by a designated person. See also Question 3 regarding applications for IPRs filed after the person has been designated.

For already registered IP rights, EU and Member States' intellectual property offices can display a reference/sign/indication that a given application by a designated person or entities as well as persons and entities owned or controlled by them, is frozen pursuant to the EU sanctions (see question 4).

7. Should EU and Member State intellectual property offices suspend requests from designated entities/persons for formal modifications, e.g., change of address of an IPR owner or change of name of its representative?

Last update: 8 September 2022

If such requests can be considered as use in the sense of Article 1(e) of Regulation (EU) No 269/2014, i.e. aiming at obtaining funds, goods or services, in any way, they should be suspended.

8. Should EU and Member State intellectual property office suspend the renewal of, invalidate or revoke registered IPRs owned or controlled by persons and entities designated under Annex I to Council Regulation (EU) 269/2014?

Last update: 21 March 2023

IPRs can be renewed, provided they remain frozen (see Question 1). They do not have to be invalidated or revoked, unless so required according to the procedures provided for in the EU or Member State law (e.g. cancellation procedure under Article 29 of Regulation (EU) 2017/1001

of the European Parliament and of the Council of 14 June 2017 (EU Trademark Regulation). See also Question 8.

9. Could EU and Member State intellectual property offices continue to receive payments of fees from designated persons or entities or persons/entities owned or controlled by designated persons, with regard to suspended proceedings? Should renewal fees be accepted?

Last update: 8 September 2022

According to Article 2(1) of Council Regulation (EU) No 269/2014, all funds and economic resources of designated persons and entities must be frozen and no funds or economic resources can be made available to them or for their benefit.

However, Council Regulation (EU) No 269/2014 provides for exceptions to these obligations. For instance, NCAs are allowed to authorise the release of frozen funds or the provision of funds or economic resource if they are necessary to satisfy the basic needs of natural or legal persons (Article 4(1)(a)) or intended exclusively for payment of fees or service charges for routine holding or maintenance of economic resources (Articles 4(1)(c)).

In practice, the designated owner of an IPR could consider applying pursuant to the above provisions, if the conditions are met, to the relevant NCA, to allow the release of funds that have been frozen by a bank in a Member State to pay the renewal fees, and allow the EU or Member State IP office to register the renewal. In this context, it has to be noted that sanctions are not punitive; the purpose of sanctions is not to deprive the designated person of its rights. If an IPR is not renewed, the owner would lose its rights on it.

Hence, if the conditions are met and subject to the discretion of the NCA, a derogation under Article 4(1)(a) or (c), lodged for the purpose of renewing a frozen IPR appears legitimate. As noted, it is the person interested in the renewal that should apply for the derogation (i.e. the designated person).

The application should be filed with the NCA with which there are the closest links (e.g. the NCA in the Member State where the IP office is based). In the interest of the economy of the proceedings, in the same decision granting a derogation, the NCA could (i) authorise the bank in a Member State to release the frozen funds of the designated person necessary to pay the renewal fees and (ii) the EU or Member State IP office to renew the IPR.

10. How should EU and Member State intellectual property offices process requests for extension of deadlines from designated entities/persons?

Last update: 8 September 2022

Requests from designated entities/persons for extension of deadlines should only be accepted if the related procedure for which the extension is sought is necessary to preserve an IPR or an application for an IPR.

11. Does it make a difference whether the IPRs was applied for or registered on the basis of EU secondary law (e.g. Trade Mark Regulation) or through international agreements (e.g. Madrid trade mark registration system, European Patent Convention, Patent Cooperation Treaty)?

Last update: 26 April 2022

No, it does not make any difference. IPRs included in registers of EU and Member State intellectual property offices must be frozen.

12. How should an EU or Member State intellectual property office proceed in case a designated entity/person files an application for an international trademark (Madrid Protocol) through the International Bureau of the World Intellectual Property Organisation?

Last update: 8 September 2022

If the intellectual property office only freezes the proceedings with the application, then within 12 months (or within the extended period of 18 months) the trademark will become valid in its territory. As a result, the intellectual property office should refuse to grant protection within the time period applying under Art 5(2) of the Madrid Protocol.

13. Could frozen IPRs still be enforced before EU courts?

Last update: 8 September 2022

Enforcing IPRs before EU courts should be permitted, insofar as the judicial proceeding is necessary to preserve the right. Restrictions concerning the asset freeze and the prohibition to make funds available to designated persons remain applicable.

14. Could a designated persons or entity initiate, participate in or continue opposition/invalidity procedures, acting as applicant?

Last update: 21 March 2023

EU and Member States intellectual property offices should suspend the initiation of new opposition procedures by a designated person or entity, the participation therein or the

continuation of pending opposition/invalidity proceeding, unless these proceedings are necessary to preserve an already granted right³.

However, a distinction should be made between opposition and invalidity proceedings. EU and Member States intellectual property offices should not suspend the registration of the IPR of other than designated persons after the application has been filed and an opposition has been launched by a designated person; if, at the end of the timeframe for filing an opposition, the opposition procedure cannot be resumed (i.e. because the designated opponent has not be delisted), the EU or Member States intellectual property office should proceed with the registration. This is because the non-designated applicant for an IPR registration should not bear the consequence of the designation of the opponent that would stem from keeping the registration of the IPR suspended until the opposition proceedings can be resumed.

Invalidity proceedings lodged by a designated person should remain suspended as long as the person is designated.

15. Could a designated person or entity defend its right against in opposition proceedings?

Last update: 8 September 2022

Defending an IPR against an opposition should be permitted, to the extent necessary to preserve the right. Restrictions concerning the asset freeze and the prohibition to make funds available to designated persons remain applicable. This for instance could apply in the case of patents, in which case opposition takes place once the registration is granted.

16. Would EU persons breach the obligations envisaged in Council Regulation (EU) 269/2014 if they continue paying renewal fees for trademarks, patents or other IPRs registered to the Russian and Belorussian intellectual property offices?

Last update: 26 April 2022

The restrictions provided for in Council Regulation (EU) 269/2014 only apply to persons and entities included in Annex I to Council Regulation 269/2014, as well persons and entities owned or controlled by them. As long as the Russian and Belorussian intellectual property offices are not designated and they are not controlled by a designated person, they are not subject to the restrictions provided for in Council Regulation (EU) 269/2014, in which case EU persons are allowed to continue paying renewal fees for trademarks, patents or other IPRs registered to the Russian and Belorussian intellectual property offices.

³ That could be the case for instance if the EU and Member States intellectual property offices believe that the registration of the IPR applied for will lead to dilution of listed-person' IPR.

17. How should "payments" received by EU IP law firms to lodge/represent a Russian or Belorussian IPR's owner be treated? Does it make a difference if the IPR's owner is designated under Annex I to Council Regulation (EU) 269/2014? Should the EU and Member State intellectual property office refuse fee payments for registration or renewal?

Last update: 21 March 2023

Council Regulation (EU) No 269/2014 prohibits EU operators from making any funds or economic resources available to persons designated under Annex I to it, directly or indirectly. In principle, and by way of example, an EU business is not allowed to sell or deliver products or services to those persons, even if in exchange for adequate payment. There are a number of exceptions (derogations) to this prohibition, including for prior contracts where a payment by a listed person is due under a contract or agreement concluded, or an obligation that arose before the date on which that person was included in Annex I, and provided that the funds or economic resources will be used for a payment by the designated person and that the payment is not made to or for the benefit of a designated person (Article 6). However, this is subject to prior authorisation by the relevant national competent authority. The contact details of Member State competent authorities are included in Annex I to Council Regulation No 269/2014.

As already mentioned, in principle persons non-designated or non-owned/controlled by designated persons are not subject to asset freeze restrictions. However, the Russian government and legal persons established in Russia are subject to relevant sectoral restrictions. Article 5n(1) of Council Regulation 833/2014, which was introduced on 3 June 2022⁴, prohibits, inter alia, the provision, directly or indirectly, of business and management consulting services to legal persons, entities or bodies established in Russia. According to the answer to Question 1, Section G.8 (provision of services) of this Russia sanctions FAQs, such prohibition covers management consulting, guidance and operational assistance services provided to businesses for business policy and strategy and the overall planning, market management and project management consulting, advisory. It is for the economic operator to assess, on a case-by-case basis, if its representation services fall within the scope of the restriction. If that is the case, the EU representative of legal persons, entities or bodies established in Russia should discontinue its services. Since sanctions enforcement is part of the remit of Member States, economic operators can seek further guidance on their specific case to National Competent Authorities.

18. Is the provision of legal advisory services to Russian companies for the purpose of assisting in administrative or judiciary court proceedings on IPRs permitted pursuant to Article 5n(6) of Council Regulation (EU) 833/2014?

Last update: 21 March 2023

_

Council Regulation (EU) 2022/879 of 3 June 2022 amending Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine.

The provision of legal advisory services to Russian companies is permitted under Article 5n(6) of Council Regulation (EU) 833/2014 if this is strictly necessary to ensure the access to judicial proceedings, as well as administrative proceedings such as those initiated or pending before the EUIPO, EPO or Member States' Intellectual Property Offices, under the conditions indicated in this Section and Section G.8, Provision of Services.

19. Is the sale, licensing or transfer in any other way of IPRs or trade secrets as well as granting rights to access or re-use any material or information protected by means of IPRs or constituting trade secrets allowed for the use in relation to goods or technology that are subject to certain restrictions under Council Regulation 833/2014?

Last update: 6 July 2023

No, unless an exception applies. Articles 2(2)(c), 2a(2)(c), 2aa(2)(c), 3(2)(c), 3b(2)(c), 3c(4)(c), 3f(2)(c), 3h(2)(c) and 3k(2)(c) of Council Regulation 833/2014 prohibit the sale, licensing or transfer in any other way of IPRs or trade secrets as well as granting rights to access or re-use any material or information protected by means of IPRs or constituting trade secrets, if used in relation to goods and technology referred to in those Articles.

These restrictions apply irrespective of whether the IPR or the trade secret is registered before an intellectual property office in the EU, in a Member State or in a third country or otherwise protected under EU law, a Member State's law or a third country's law. This is because the sale, licensing or transfer in any other way, as well as the granting of rights to access or re-use *per se* is prohibited.

Similarly, the above also applies in cases of IPRs or trade secrets being sold, licensed or transferred in any other way, as well as rights being granted access or re-use them outside the territory of the EU or being granted to a person who is not required to comply with Council Regulation 833/2014 as per Article 13⁵, whenever that is related to the relevant goods and technology and to the provision, manufacture, maintenance and use of those goods and technology, directly or indirectly to any natural or legal person, entity or body in Russia or for use in Russia.

By way of example, the restrictions at hand encompass the following situations:

- selling trade marks or patents⁶ as well as sharing a trade secret with a third country operator while knowing, suspecting or accepting the risk⁷ that those IPRs or trade secrets

By way of example, that is the case of a company incorporated under the law of a third country, which trades the goods/technology entirely outside the EU territory.

⁶ Depending on the circumstances, licensing of patents can also qualify as provision of technical assistance.

⁷ See also FAQ 20 in this section.

will be used to manufacture restricted goods destined for Russia or to be affixed on restricted technology or goods that will be exported to Russia;

- granting access to data covered by copyright to obtain regulatory registrations or any other licenses, including in third countries, to manufacture restricted technology or goods which will be used in Russia⁸.

The terms 'intellectual property rights' in Articles 2(2)(c), 2a(2)(c), 2a(2)(c), 3(2)(c), 3b(2)(c), 3c(4)(c), 3f(2)(c), 3h(2)(c), 3k(2)(c), Council Regulation 833/2014 must be understood in a broad sense, in particular encompassing trademarks, designs, patents, copyrights, or utility models.

The terms 'trade secrets' in Articles 2(2)(c), 2a(2)(c), 2aa(2)(c), 3(2)(c), 3b(2)(c), 3c(4)(c), 3f(2)(c), 3h(2)(c), 3k(2)(c) of Council Regulation 833/2014 must be understood as per the definition of Article 2(1) of Directive (EU) 2016/943. In essence, trade secrets are valuable pieces of information for an enterprise that is treated as confidential and that gives that enterprise a competitive advantage because it is secret. That includes a wide range of know-how and business information, such as early-stage inventions, manufacturing processes, precise tonnages manufactured, links between manufacturers or importers and their distributors or downstream users including lists of suppliers and clients, the precise use, function or application of a chemical, details of full compositions of mixtures (recipes or chemical compounds), insofar as the criteria of Article 2(1) of Directive (EU) 2016/943 are met.

Subsidiaries of EU parent companies incorporated under the law of a third country are not bound by the restriction at hand. However, EU parent companies cannot use those subsidiaries to circumvent the obligations that apply to the EU parent, for instance by transferring IPRs to them so that they can transfer them in violation of the aforementioned provisions.

Last, it is to be noted that Article 10 of Council Regulation 833/2014 establishes that actions by natural or legal persons, entities or bodies shall not give rise to liability of any kind on their part, if they did not know, and had no reasonable cause to suspect, that their actions would infringe the measures set out in that Regulation.

20. What is the responsibility of a person required to comply with Articles 2(2)(c), 2a(2)(c), 2a(2)(c), 3(2)(c), 3b(2)(c), 3c(4)(c), 3f(2)(c), 3h(2)(c), 3k(2)(c) of Council Regulation 833/2014 if the buyer, the licensee or the person that whatsoever benefits from/received the relevant IPRs or trade secrets, uses them on goods or technology in breach of Council Regulation (EU) 833/2014?

Last update: 6 July 2023

This can be the case of grating rights to refer to IPRs over scientific studies that allow the beneficiary to obtain regulatory permissions to manufacture chemicals included in Annex VII, Council Regulation 833/2014, which will be exported to Russia. By way of example, this can occur in third countries which have legislation mirroring Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH).

According to Answer to Q.24, Section D.2 of the Russia Sanctions FAQs "it is for the EU Company to ensure that the provision of services in question is not related to the sanctioned good or to the provision, manufacture, maintenance and use of this sanctioned good."

In the event that a company required to comply with Council Regulation (EU) 833/2014 as per Article 13 thereof ('obliged person'), sells, licenses or transfers in any other way IPRs or trade secrets, or grants rights to access or re-use any material or information protected by means of IPRs or constituting trade secrets to a person, including in a third country, that uses them in relation to goods or technology sold, transferred, exported or supplied in breach of Council Regulation (EU) 833/2014, the relevant NCA should assess the company's responsibility in lights of Article 10 of Council Regulation (EU) 833/2014, whereby actions by natural or legal persons, entities or bodies shall not give rise to liability of any kind on their part if they did not know, and had no reasonable cause to suspect, that their actions would infringe the measures set out in this Regulation. This entails that the obliged person has to take appropriate actions to ensure that the buyer, the licensee or the persons that whatsoever benefits from/received the relevant IPRs or trade secrets will not use them in relation to the restricted goods or technology for prohibited actions. This may include contractual arrangements, verifications on the use of the IPRs or trade secrets by the licensee, investigations and due diligence on the reliability of the latter (including online). It is for the obliged person to assess whether and what type of due diligence is necessary on the basis of the risk assessment and risk management (e.g. high risk or low risk that the licensee might, willingly or negligently use the IPRs or trade secrets in breach of Council Regulation (EU) 833/2014). The obliged person must also comply with Article 12 of Council Regulation (EU) No 833/2014, which provides that it is prohibited to participate, knowingly and intentionally, in activities the object or effect of which is to circumvent prohibitions of that Regulation. See also section A.2 of these FAQs, Circumvention and Due Diligence.

21. What is the impact of Article 5aa of Council Regulation 833/2014 on IPRs and IPR holders?

Last update: 21 March 2023

First and foremost, see in this respect Section G.5 of these Russia Sanctions FAQs. Article 5aa prohibits to directly or indirectly engage in any transaction with:

- a legal person, entity or body established in Russia, which is publicly controlled or with over 50 % public ownership, or in which Russia, its Government or Central Bank has the right to participate in profits, or with which Russia, its Government or Central Bank has other substantial economic relationship, as listed in Annex XIX;
- a legal person, entity or body established outside the Union whose proprietary rights are directly or indirectly owned for more than 50 % by an entity listed in Annex XIX; or

- a legal person, entity or body acting on behalf or at the direction of an entity referred to in point (a) or (b) of this paragraph.

The term *transactions* must be interpreted broadly and encompasses the prohibition to engage in any trade with the targeted persons, such as paying licensing fees and grant new or renewal of licences of IPRs. It also prohibits for intellectual property offices to accept new applications, register transfer of property or licenses, register new IPRs, accept any applications for cancellation or opposition.

22. Can applications for Geographical Indications (GIs) be granted if one or more applicants are designated under Annex I to Council Regulation (EU) No 269/2014 or owned/controlled by them?

Last update: 21 March 2023

No. As confirmed by the Court's recent case law (judgment of 14 July 2022, *Commission v Denmark*, Case C-159/20, ECLI:EU:C:2022:561, paragraph 54), protected designations of origin (PDOs) and protected geographical indications (PGIs) are protected as an intellectual property right by the relevant EU legislation, according to which a scheme for PDOs and PGIs is established in order to help producers of products linked to a geographical area by ensuring uniform protection of the names as an intellectual property right in the territory of the European Union.

The Advocate General has clarified that geographical names (PDOs and PGIs) are industrial property rights, even if they are covered by sui generis rules, of which the public-law aspects prevail over the private-law aspects; he also added that GIs confer exclusive rights on the proprietor, even if not individual (Opinion of 17 September 2020, *Syndicat interprofessionnel de défense du fromage Morbier V Société Fromagère du Livradois SAS*, Case C-490/19, ECLI:EU:C:2020:730, paragraph 29).

It follows from that that even if GIs are linked to a specific geographic area rather than a producer, a successful GI application would bring about an economic advantage and financial benefit to the person or entity applying for it.

This would thus violate the prohibition to make funds and economic resources available, directly or indirectly, to or for the benefit of designated natural or legal persons, entities or bodies, or those associated with them, as specified in Article 2(2) of Council Regulation (EU) No 269/2014.

Hence, GI applied for by persons designated in Annex I to Council Regulation (EU) No 269/2014 cannot be granted. In this vein, pending applications in that case should be frozen (e.g. suspended).