



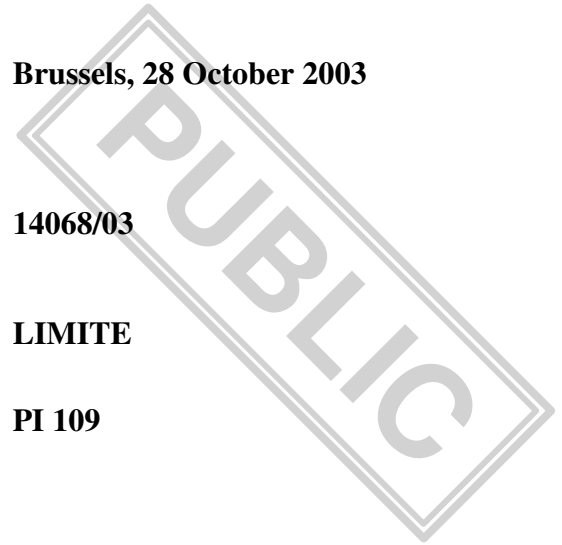
**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 28 October 2003

14068/03

LIMITE

PI 109



NOTE

from: General Secretariat of the Council
to: Working Party on Intellectual Property (Patents)

No. prev. doc. : 13696/03 PI 101

Subject : Revision of the European Patent Convention
- Articles 153 to 178 and proposed new Article
- Protocol on Centralisation

1. At its meeting on 23 October 2003, the Working Party on Intellectual Property (Patents) continued its examination of the proposed amendments to the European Patent Convention and to the Protocol on Centralisation on the basis of the consolidated/annotated text set out in 12705/03 PI 85, also taking into account meeting documents submitted by the Belgian and Spanish delegations.

Articles 153, 166, 175, 178 and proposed new Article of the European Patent Convention

2. The Working Party approved these Articles as set out in 12705/03, deleting footnote 33.

Annex

3. The Working Party noted that it had already been agreed to delete the Annex set out on page 23 of 12705/03 (see 13696/03) PI 101, page 14.

Protocol on Centralisation

4. The Working Party held an exchange of views on the proposals made by the Belgian delegation in a discussion paper relating to the Protocol on Centralisation and a number of other provisions of the European Patent Convention; this discussion paper is reproduced in Annex I to this Note.

The Working Party considered that these proposals constituted a serious attempt to address real problems relating in particular to quality assurance. However, it considered that the Community's proposals for amending the European Patent Convention and the Protocol on Centralisation did not constitute the appropriate forum for resolving these problems, particularly with the degree of detail proposed by the Belgian delegation. In the view of the Working Party, the proper forum would be the Administrative Council of the European Patent Organisation.

5. The Working Party then considered the proposed new Section IVA of the Protocol on Centralisation on the basis of the text in 12705/03 and the amendments to paragraph 1 of this Section proposed by the Spanish delegation (see Annex II to this Note).

In the light of the discussion, the Chairman proposed a compromise solution whereby the text of Section IVA in 12705/03 would be aligned as closely as possible on paragraphs 3.4, 3.5, 3.6 and 3.7 of the common political approach adopted by the Council on 3 March 2003 (7159/03 PI 24), with the addition of provision for preventive or corrective measures to be taken where appropriate, as well as of a paragraph making clear that the competence for concluding partnership agreements would lie with the Administrative Council of the European Patent Organisation. A text to this effect would be examined by the Working Party at its next meeting.

**DISCUSSION PAPER OF THE BELGIAN DELEGATION
TO THE WORKING PARTY ON INTELLECTUAL PROPERTY (PATENTS)**

Proposals for the revision of the European Patent Convention and the Protocol on centralisation

I. Creation of a quality control division

Comments : The political common approach of March 3rd 2003 mentions in § 3.6 that « *The relationship between NPO's carrying out tasks referred to in paragraphs 3.4 and 3.5 above and the EPO will be based on partnership agreements, containing inter alia common criteria for quality assurance. These criteria (covering documentation, staff training and qualifications and working tools) would aim to guarantee a comparable quality and uniformity of the Community Patent. The implementation of these partnership agreements, i.e. the compliance with these objective quality standards, will be subject to independent periodic review.* ». The Council of the European Union thus agreed on the principle of the application of quality standards to the national patent offices as well as on the control of compliance with these criteria.

If the idea to set up a quality control of the work of the European Patent Office and national offices which intervene in the procedure of processing of european and community patent applications is taken into account as suggested by the above mentioned common political approach, the Belgian delegation estimates that it is advisable to entrust this control to an authority which shall be independent from the Administrative council, without depriving this one of an important role in this matter. It is thus proposed to create a new structure, inside the EPO but having a total independence of appreciation. A new « quality control division » could be charged to examine, on its own initiative or on request, the quality of the work carried out by the European Patent Office and the national patent offices.

This new body would also be qualified to deliver opinions on all questions relating to the development of an assurance scheme for a uniform quality of work related with the processing of patent applications, in particular the fixing of the minimum qualifications for recruitment and training of the examiners, the development and the use of adequate tools and search methods, the organization of regular evaluations of the relevance, the adequacy, and the effectiveness of quality control system based on uniform criteria and taking into account the needs of all interested parties in the processing of grant of the patents.

Current text of the Convention (EPC 2000)

Text proposed in document 10958/03

New text proposed

Article 15
The departments charged
with the procedure

To carry out the procedures laid down in this Convention, the following shall be set up within the European Patent Office:

- a) a receiving section;
- b) search divisions;
- c) examining divisions;
- d) opposition divisions;
- e) a legal division;
- f) boards of appeal;
- g) an Enlarged Board of Appeal

Article 15
The departments charged
with the procedure

For implementing the procedures laid down in this Convention, there shall be set up within the European Patent Office:

- a) a receiving section;
- b) search divisions;
- c) examining divisions;
- d) *an administration division for the Community patent;*
- e) opposition divisions;
- f) a legal division;
- g) boards of appeal;
- h) an Enlarged Board of Appeal.

Article 15
The departments charged
with the procedure

To carry out the procedures laid down in this Convention, the following shall be set up within the European Patent Office:

- a) a receiving section;
- b) search divisions;
- c) examining divisions;
- d) an administration division for the Community patent;
- e) *a quality control division*
- f) opposition divisions;
- g) a legal division;
- h) boards of appeal;
- i) an Enlarged Board of Appeal.

no corresponding provision

no corresponding provision

Article 18a

Quality control division

(1) The quality control division shall be responsible for :

- a) examining, on its own initiative or upon request, the quality of the work being undertaken by the European Patent Office and by the central industrial property offices which intervene in the granting procedure of european patent applications, including european patent applications designating the European Community ;
- b) giving recommandations on all questions relating to the definition of an assurance scheme for a uniform quality of the work in respect of the processing of patent applications ;
- c) implementing the assurance scheme for a uniform quality with the cooperation of the European Patent Office and the national industrial property offices concerned.

The quality control division shall consist of independent members. These members shall be appointed for a term of five years by decision of the Administrative council on a proposal from the President of the European Patent Office. They cannot be removed from their functions during this period,

except if there are serious grounds and if the Administrative council, on a proposal from his president, takes a decision to this effect.

The members of the quality control division may not be members of the Receiving Section, Examining Divisions, Opposition Divisions, Administration Division for the Community patent, Boards of Appeal, Enlarged Board of Appeal or of the Legal Division.

In their decisions and reports, the members of the quality control division shall not be bound by any instructions and shall comply only with the provisions of this Convention.

(2) Every year, the quality control division reports to the Administrative council on the execution of its mission and on the results of the quality controls which it carried out or made carry out. It can recommend the Administrative council to adopt preventive or corrective measures in order to guarantee a uniform quality of the patents granted by the European Patent Office. The Administrative council examines in all cases these recommendations and takes if necessary a decision pursuant to section IVb of the Protocol on centralization.

(3) At the occasion of the presentation of the annual report referred to in the preceding paragraph, the quality control division can present to the Administrative council a proposal for preventive or corrective measures. The Administrative council

decides on this proposal at the qualified majority, after having heard the European Patent Office or the central industrial property office concerned. The Administrative council may propose amendments to the proposal presented.

If the quality control division approves the amendments suggested by the Administrative council, this last adopts the measures proposed.

In other cases, the proposal is submitted to a conciliation committee whose mission is to reach, within a period of time set by the administrative council, a common agreement on preventive or corrective measures. If the conciliation committee does not present a common proposal, the administrative council takes note of the proposal of the quality control division but this one does not produce any effect.

(4) The quality control division can, however, if it considers it necessary for the proper functioning of the European patent system based on the Convention, and after consultation of the Administrative council, impose preventive or corrective measures on any interested party if the results of the controls carried out with regard to this interested party are similar for a three consecutive years period of time and if the proposals relating to such measures have not been the subject of an agreement within the Administrative council under the terms of the preceding paragraph.

II. Revision of the Protocol on the centralization of the European patent system and on its introduction (Protocol on centralization)

- Comments :

The Belgian delegation proposes here an alternate text to the one which appears in document 10958/03. It is about amending the Protocol on centralization in order to associate the national patent offices which are willing to do so to intervene in the grant procedure of european and community patents, as envisaged in §§ 3.1 to 3.7 of the common political approach. Details are brought concerning the nature of the activities entrusted to the national offices, the volume of work concerned, the control of the costs, the respect of the deadlines, the control of the quality and uniformity of the community patent as well as the free choice of applicant to ask for their applications to be treated according to a centralized procedure by the European Patent Office. Some proposals coming out from the working paper of the Commission's services 8604/01 were taken into account on this occasion.

A new section IVa is created in order to allow the central industrial property offices of a EPC contracting State, member of the European Community, to carry out search tasks relating to patent applications.

A section IVb organizes the legal framework to set up an assurance scheme for a uniform quality of work related with the processing of patents applications, applicable to the European Patent Office and the central industrial property offices willing and able to take part in the grant procedure of european patents. Are successively mentionned : the role of the Administrative council, the quality standards criteria and the control of the respect of these criteria.

Section IVa

(1) (a) At the request of the applicant of a european patent, the central industrial property office of a contracting State which is member of the European Community, having an official language other than the official languages of the European Patent Office, can carry out, in this language, search tasks relating to European patent applications designating the territory of the European Community, filed in this language by a national of such contracting State or by a person having its residence in this State [or in another State sharing the same official language].

The central industrial property office of a contracting State which is a member of the European Community, having as its official language one of the official languages of the European Patent Office and which has a previous experience of cooperation with the European Patent Office, may also carry out search tasks as mentioned in the last subparagraph when this is necessary to maintain a critical mass of activity.

Such tasks shall be carried out in the name and on behalf of the European Patent Office, within the framework of the proceedings for grant laid down in the Convention.

(b) To ensure the execution of the tasks mentioned in the preceding paragraph, the central industrial property office of a contracting State referred to in paragraph 1 will have to be authorized by the Administrative council, which will decide on favorable opinion of the Select Committee referred to in article 149k. On proposal from the President of the European Patent Office, the Administrative council will decide upon the nature, origin and number of european or community patent applications the instruction of which shall be entrusted to the central industrial property office of one of the contracting States mentioned before. The aspects relating to the respect of the deadlines, in particular that of article 93 of the convention, and to the cost/efficiency ratio will be duly taken into account when justifying and extending any measure aiming at entrusting tasks in accordance with the present section.

(c) In order to preserve a central role for the European Patent Office in the operation of the patent system in Europe, the tasks entrusted under the terms of the letter (a) shall not be in respect of more than twenty percent of the total number of the european or community patent applications filed annually before the European Patent Office. The work entrusted to a central industrial property office of a contracting State will not exceed a fifth of the total number of the european or community patent applications entrusted to central industrial property offices pursuant to the present section.

(d) Without prejudice to the application of the section IVb, paragraph (1), letter (b), the central industrial property office of one of the contracting States referred to above shall be able to provide evidence, at any time, that it ensures the completion of the search tasks which are entrusted to it pursuant to paragraph (a) in accordance with the provisions of the partnerships agreements referred to in paragraph 4 of this section.

(2) In carrying out such work, the central industrial property offices concerned shall adhere to the guidelines applicable to the drawing up of the european search report.

(3) As soon as the search report will be available and notified to the applicant pursuant to article 92 of the convention, the central industrial property office of a contracting

State referred to above will address the file to the European Patent Office in order to resume the procedure in one of its official languages.

(4) The participation methods of a central industrial property office in the procedure applicable to European and community patent application, pursuant to paragraph (1), of this section will be the subject of a partnership agreement between the central industrial property office of the State concerned and the European Patent Organization, approved by the Administrative Council at the majority mentioned under article 35(2) of the Convention. Any such agreement will include provisions requiring that the entrusted tasks are performed to a standard of quality equal to that of the European Patent Office, specifying the standards of required technical expertise, the deadlines for completion of tasks entrusted as well as the conditions necessary to implement an effective quality control under section IVb. Such an agreement will also contain provisions stipulating that the aforementioned agreement could be suspended or revoked by the administrative council if its terms are not respected.

The criteria of quality assurance will relate notably to documentation, staff training and qualifications, working tools as well as search methods and procedures.

(5) At the request of the Council of the European Union, acting on a proposal from the European Commission and after consultation with the European Patent Office, the Administrative Council may extend the participation of the central industrial property office of any Member State of the European Community to search activities mentioned in paragraph (1) in order to meet any severe problem of capacity in delivering community patents. Such arrangements must not lead to any reduction of quality of community patents.

Section IVb

(1) (a) An assurance scheme for a uniform quality of work related with the handling of patent applications shall be created and will be applicable to the European Patent Office and to central industrial property offices willing and capable to take part in the proceedings for grant of European and community patents pursuant to section IVa of this protocol.

(b) Before taking any decision to entrust tasks in accordance with the provisions of section IVa, the Administrative Council shall satisfy itself that all adequate arrangements are in place for monitoring the quality of work done in connection with tasks so entrusted as measured against the standards set for work done in the European Patent Office. Every year, the quality control division shall prepare for the attention of the Administrative Council a report on the operation of such arrangements, including an assessment of the effectiveness of the monitoring, a detailed summary of the results obtained and, if necessary, recommendations of preventive or corrective measures to ensure a uniform quality of the granted patents. The Administrative Council will also satisfy itself that the participation of central industrial property offices in the procedure applicable to European and community patent applications does not involve any delay in the course of the European procedure and does not cause additional expenses for the European Patent Organization.

(c) The minimal criteria of quality set by the Administrative Council shall be identical for all central industrial property offices taking part in the procedure. They will concern notably the qualifications and training of examiners, including the organization of exchanges of staff, the databases, the documentation, the working tools as well as the search procedures and methods, which shall be uniform and comparable with those of the European Patent Office. The staff of the central industrial property offices participating in the procedure pursuant to section IVa shall be in a sufficient number in order to ensure specialization in the relevant areas of the technology and to create the conditions so that examiners work on patent applications relating to fields of technology to which they are perfectly familiarized.

(d) Compliance with these standards of quality shall be regularly monitored by internal and external procedures, with the intervention of the central industrial property office concerned, the quality control division, if necessary, the Administrative council. An a posteriori random spot-check mechanism shall also be set up and a remediation system will be established when it appears that some prior art has not been noted in the search report.

(e) When the Administrative council is requested to intervene under the terms of article 18a of the Convention, and after the deposit of the report mentioned with the letter b of this paragraph, a motion may be presented, stipulating that the results of the quality control of the work concerning the handling of european or community patent applications carried out by a central industrial property office of a contracting State are not in conformity with the standards and directives stipulated in the partnership agreement. This motion shall be justified and signed by at least a quarter of the Contracting States of the Convention. The motion, after being considered to be admissible by the chairman of the council, will be immediately submitted to a committee composed of the President of the European Patent Office, the chairman of the Administrative council, a representative of the contracting State concerned and a representative of a contracting State signatory of the motion. The resolution of the Administrative council is then suspended. The committee shall present in a thirty days period of time an reasoned opinion on the motion and invites the Administrative council to draw conclusions both from this opinion and from the recommendations it may contains.

(2) The Administrative council shall carry out or make periodically carry out an evaluation of the financial implications of the participation of central industrial property offices in the procedure of proprocessing of european and community patent applications, pursuant to section IVa of this protocol.

(3) Notwithstanding the provisions of section IVa, the applicant shall have the right to specify, from the very beginning of the procedure, his preference to see his european patent application be processed exclusively and in a centralized manner by the European Patent Office. This right will not be affected by any limitation.

Proposal by the Spanish delegation

Protocol on Centralisation

Section IV A. Paragraph (1)

The Common Approach recognises the right of the NPOs of Contracting States which official language is not one of the official languages of the Office to carry out certain tasks at the request of the applicant. The Presidency's proposal for the Protocol on Centralisation makes this possibility conditional to the authorisation of the Administrative Council. By submitting the participation of NPOs to the previous acquiescence of the Administrative Council the spirit of the Common Approach is clearly ignored. In other words, whilst the Common approach set up a right that was approved by unanimity, Doc. 10958/03 lay down a mere possibility that could be rejected by a majority the Administrative Council. In consequence, we propose to adopt a wording following Protocol's Section III, amending the Presidency's proposal for paragraph (1) of Section IV A on the following terms:

“(1)(a) On behalf of the Office, the central industrial property offices of those Contracting States [Members of the European Union] in which the official language is not one of the official languages of the Office, shall be authorised to carry out, at the request of the applicant, the processing up to and including the drawing up of the search report of those applications which comply with the following requirements:

- (i) To be European patent applications designating the territory of the Community.*
- (ii) To have been filed by a national of such State or by a person having its residence in such State.*
- (iii) To have been filed in the official language of such State.*

These tasks shall be carried out within the frame of the procedure for the grant referred to in the Convention and in the official language of such Contracting State.

(b) Once the search report has been drawn up and notified to the applicant pursuant to Article 92 of the EPC, the central industrial property office referred to in sub-paragraph (a) will send the dossier to the Office to continue the proceedings, and will notify it to the applicant.

(c) The Administrative Council will set up the requirements to be met by the central industrial property services referred to in sub-paragraph (a). Those requirements shall not be stricter than the ones required to act as an International Searching Authority according to the provisions of the Patent Cooperation Treaty.

(d) The Office shall pay to the central industrial property offices referred in sub-paragraph (a) of this Section an amount equivalent to the fees established for the relevant tasks.

(e) The Administrative Council may decide to authorise the central industrial property office of any Contracting State referred to in sub-paragraph (a) to extend such activities to cover such international applications as may be filed by nationals or residents of any Contracting States having the same official language as the Contracting state in question and drawn up in that language.”