



PCT/A/50/1
ORIGINAL: ENGLISH
DATE: JULY 23, 2018

International Patent Cooperation Union (PCT Union)

Assembly

Fiftieth (29th Extraordinary) Session
Geneva, September 24 to October 2, 2018

REPORT ON THE PCT WORKING GROUP

prepared by the International Bureau

1. Since the previous session of the Assembly, the Patent Cooperation Treaty (PCT) Working Group (“the Working Group”) held its eleventh session from June 18 to 22, 2018. Delegations exchanged views on issues related to the functioning of the PCT, as described in the Summary by the Chair (document PCT/WG/11/26, annexed), which was noted by the Working Group.
2. Among the subjects discussed at the session, the Working Group provided comments in support of the four main areas of work proposed in a Memorandum by the Director General published on February 2, 2017, at the time of publication of the 3 millionth international patent application under the PCT, titled “The PCT System – Overview and Possible Future Directions and Priorities”, namely: legal and institution issues, technical (IT) environment, financial issues and quality.
3. The Working Group further discussed recommendations to WIPO and to Member States with respect to certain actions that should be taken regarding patent applications related to persons or technologies that are the subject of United Nations Security Council sanctions on the Democratic People’s Republic of Korea. Those recommendations were contained in a report by

the Panel of Experts established pursuant to United Nations Security Council resolution 1874 (2009) on its work pursuant to resolution 2345 (2017), which the Panel had submitted to the United Nations Security Council Committee established pursuant to resolution 1718 (2006).

4. Two workshops took place during the session, one on the subject of PCT fee reductions for universities, and the other on erroneously-filed elements and parts of international applications. With regard to fee reductions for universities, the Working Group invited the Secretariat to begin a consultation to identify issues and solutions, risks and mitigations which might be relevant to the discussions on possible fee reductions for universities, which would serve as a basis for a document to be prepared by the International Bureau for consideration by the Working Group at its next session. With regard to erroneously-filed elements or parts, the Working Group invited the International Bureau to prepare draft amendments to the Regulations relating to incorporation by reference of missing elements and parts of an international application, also for consideration by the Working Group at its next session.

5. The Working Group noted various reports, including the Summary by the Chair of the twenty-fifth session of the Meeting of International Authorities under the PCT and the eighth informal meeting of its Quality Subgroup that took place in February 2018, documents related to the development of PCT online services, and a progress report relating to possible measures to reduce exposure of PCT fee income to movements in currency exchange rates through netting.

6. The Working Group also agreed to recommend to the Assembly the adoption of amendments to the PCT Regulations, as set out in the proposals contained in document PCT/A/50/2.

7. The Working Group further agreed that the International Bureau prepare a proposal for consideration by the Assembly in relation to introducing an application form for appointment as an International Searching and Preliminary Examining Authority, as contained in document PCT/A/50/3.

8. Finally, the Working Group agreed to recommend to the Assembly that, subject to the availability of sufficient funds, one session of the Working Group should be convened between the current and the autumn 2019 sessions of the Assembly, and that the same financial assistance that had been made available to enable attendance of certain delegations at the eleventh session of the Working Group should be made available at the next session.

9. *The Assembly of the PCT Union is invited:*

(a) *to take note of the "Report on the PCT Working Group" (document PCT/A/50/1); and*

(b) *to approve the convening of a session of the PCT Working Group, as set out in paragraph 8 of that document.*

[Document PCT/WG/11/26 follows]



PCT/WG/11/26
ORIGINAL: ENGLISH
DATE: JUNE 22, 2018

PATENT COOPERATION TREATY (PCT)

Working Group

Eleventh Session
Geneva, June 18 to 22, 2018

SUMMARY BY THE CHAIR

AGENDA ITEM 1: OPENING OF THE SESSION

1. Mr. Francis Gurry, Director General of WIPO, opened the session and welcomed the participants. Mr. Michael Richardson (WIPO) acted as Secretary to the Working Group.

AGENDA ITEM 2: ELECTION OF A CHAIR AND TWO VICE-CHAIRS

2. The Working Group unanimously elected Mr. Victor Portelli (Australia) as Chair for the session. There were no nominations for Vice-Chairs.

AGENDA ITEM 3: ADOPTION OF THE AGENDA

3. The Working Group adopted the revised draft agenda as proposed in document PCT/WG/11/1 Prov. 3.

AGENDA ITEM 4: PCT STATISTICS

4. The Working Group noted a presentation by the International Bureau on the most recent PCT statistics¹.
5. The Delegation of the United States of America informed the Working Group that the United States Patent and Trademark Office would issue U.S. patent number 10 million that day (June 19, 2018). This patent was also the first to receive a new patent cover design.

AGENDA ITEM 5: PCT USER SURVEY

6. The Working Group noted a presentation by the International Bureau on the results of the PCT User Survey 2017².

AGENDA ITEM 6: MEETING OF INTERNATIONAL AUTHORITIES UNDER THE PCT: REPORT ON THE TWENTY-FIFTH SESSION

7. Discussions were based on document PCT/WG/11/2.
8. One delegation stated that it was vital that quality in the international phase was maintained and welcomed the continuing discussions by the Quality Subgroup of the Meeting of International Authorities. As an effective way of raising quality, information and best practices in quality management needed to be shared between Offices. The delegation therefore supported the continuation of the paired review exercise. As the Meeting of International Authorities had concluded their work in the area of feedback mechanisms from designated Offices, the delegation suggested that feedback on international work products should become a work stream taken forward together with designated Offices in the context of the “future development of the PCT”. The delegation acknowledged the different approaches to the sharing of search strategies and supported efforts to share these strategies to the fullest extent, pointing out that it was working to overcome IT constraints at its IP Office to enable sharing of its own strategies in the future. The delegation also offered to share its experiences with ISO 9001 with interested Offices.
9. The representative of a user group agreed with a comment expressed at the meeting of the Quality Subgroup that a strict interpretation of unity of invention by International Authorities could make the PCT less attractive to users. The user group had made comments on all the examples in Chapter 10 of the PCT International Search and Preliminary Examination Guidelines, and the representative invited the Task Force led by IP Australia to consider these comments when reviewing these examples.
10. The Working Group noted the report of the twenty-fifth session of the Meeting of International Authorities, based on a Summary by the Chair of that session contained in document PCT/MIA/25/13 and reproduced in the Annex to document PCT/WG/11/2.

AGENDA ITEM 7: PCT ONLINE SERVICES

11. Discussions were based on document PCT/WG/11/9.
12. All delegations which took the floor expressed appreciation for the functionality for applicants and Offices made available by the International Bureau through its various services, including ePCT. The ePCT system was now widely used by many Offices and was being

¹ The presentation is available on the WIPO website at: http://www.wipo.int/meetings/en/pct_wg_11_statistics.

² The presentation is available on the WIPO website at: http://www.wipo.int/meetings/en/pct_wg_11_user_survey.

considered as a complete replacement for locally maintained PCT systems by a number of Offices in their role as receiving Office or International Authority. Decisions on the use of ePCT would, however, depend on the development of new or improved services and on confirmation that the arrangements would fit properly in the context of the broader IT plans of the Offices. In that context, representatives of some Offices thanked the International Bureau for the efforts which had been made to integrate ePCT services into their national or regional IT systems. However, while in some countries ePCT was now the means used to file a majority of applications, in others applicants continued to favor PCT-SAFE or similar software and further incentives might be needed to encourage change.

13. Many delegations welcomed the increased use of eSearchCopy, noting that this offered Offices benefits in their roles both as receiving Offices and as International Searching Authorities. It also offered benefits to applicants by reducing delays. The transition to the service from paper had generally been found to work smoothly. Many delegations noted that they had either joined, or were in the process of joining the WIPO Digital Access Service for Priority Documents (DAS) or WIPO CASE (Centralized Access to Search and Examination). This was important because the systems became increasingly beneficial with the number of participants. One delegation noted that its Office had begun sending information as part of the netting pilot and looked forward to extending this arrangement soon.

14. Delegations broadly supported the directions for further development proposed in the document. Towards this end, effective communication was needed between Offices and the International Bureau to ensure that Offices were able to take advantage of new developments and ensure compatibility between the International Bureau's services and national systems, taking into account national laws and user interests. In the context of the Global Intellectual Property Platform, it was important to ensure that development of new systems did not come at the cost of loss or reduced stability of services which were relied on by national Offices. In particular, it was important to ensure that the development of new APIs was well coordinated to avoid creating interoperability problems. It was also important to ensure that security standards were met and that new systems had due regard to the needs of users in different languages.

15. Development of improved standards and systems for the use of XML was considered a high priority by many Offices, particularly for application bodies, international search reports and written opinions. Several Offices also highlighted the importance of color drawings, sequence listings and assisting national phase entry.

16. One representative of an Office noted that systems now worked well, allowing applicants to send documents and data electronically to Offices – it was now necessary to consider allowing documents to be sent to applicants electronically without sending paper copies in parallel. In addition, some Offices noted the importance of discussions which they had begun with the International Bureau concerning exchange of XML data, including structured citation information, using WIPO CASE.

17. Representatives of some user groups indicated their concern about the proposed withdrawal of fax services at the International Bureau and encouraged the International Bureau to seek technical solutions to maintain this option.

18. The Working Group noted the contents of document PCT/WG/11/9.

AGENDA ITEM 8: THIRD PARTY OBSERVATIONS

19. Discussions were based on document PCT/WG/11/11.

20. All delegations which took the floor emphasized the fact that the third party observation system was a valuable contribution to the work on seeking higher quality of granted patents,

despite the relatively small number of observations which were made. Some Offices noted that their national third party observation systems were used in a significantly larger proportion of cases, perhaps reflecting the fact that national observations would cause a more direct response. Several delegations indicated that their national Offices already reminded users of the benefits of using this system, or else supported the importance of better advertising it.

21. Delegations supported the technical work proposed to make the content of the observations available more effectively, by providing streams of data combining the citations from observations with those from international search reports, and by offering machine translation to make the content accessible in a wide range of languages. In response to a question, the International Bureau indicated that the suggestion of attempting to provide links to non-patent literature where possible was aspirational – there were many challenges to address in seeking to do more than simply forwarding links which had been provided within the observations. In addition, it was noted that there were no plans for the International Bureau to provide data concerning citations from international search reports other than those which were transmitted in XML format by the International Searching Authority. One delegation noted that, while it was desirable to use XML where possible to assist machine translation, it was important to continue to support the use of PDF in view of the difficulty of converting prior art documents to other formats.

22. A majority of delegations agreed that it was not appropriate to seek to change the timing or content of third party observations at this time. It was better first to seek better evaluation of the effect of third party observations in the national phase. However, it was noted that this would be difficult, both because few Offices had the capability to do this on the basis of anything other than a detailed case-by-case analysis and because many Offices had not received enough observations to be statistically significant. Some delegations nevertheless continued to express their interest in extending the system to cover issues such as clarity and industrial applicability, noting that these were commonly permitted in national observations. Several delegations stated that they did not support extension to cover issues such as inventorship or ownership, noting that these were not issues for which their Offices were competent to take any action, save in some cases as *inter partes* actions.

23. In response to a request for targeted delivery of third party observations for international applications which had entered the national phase, the International Bureau observed that the improved national phase entry information now being received had made it possible to consider this. However, this development needed to be part of a wider decision on whether to push information based on national phase entry or to encourage national Offices to pull the information using technology such as web services.

24. A representative of a user group noted that it would be a significant benefit to those making observations if the results were more reliably pushed to the relevant designated Offices and to applicants if the transmission of the observations by the International Bureau relieved the applicant of the obligation to notify the cited documents to designated Offices in disclosure statements.

25. The Working Group endorsed the proposed further work set out in paragraphs 19 to 24 of document PCT/WG/11/11.

AGENDA ITEM 9: SYSTEMS TO ASSIST NATIONAL PHASE ENTRY

26. Discussions were based on document PCT/WG/11/25.

27. All delegations which took the floor supported the development of systems to assist national phase entry. Most were particularly interested in the option of using web services to permit appropriate interactions with third party patent management software as part of the

process. Other delegations were interested in developing ePCT browser-based services further to allow adding, sharing and reviewing documents and data directly in ePCT, thus making the service available to agents irrespective of what patent management software they might use. This could potentially be done in parallel with the development of web services. There were a variety of technical, legal, security and financial issues which would need to be carefully studied before a working system was adopted. Effective data standards would be essential. Some delegations considered that web services for use by applicants' systems would likely face fewer legal barriers and allow users to work with familiar tools.

28. Representatives of user groups thanked the International Bureau for noting their concerns in earlier discussions on this subject, and expressed interest in the proposals as being helpful for reducing errors. User groups also offered to analyze the relevant platforms which were available.

29. The Working Group invited the International Bureau to work together with designated Offices and other interested parties towards developing requirements and proposals for systems to assist national phase entry by the more effective use of documents and data from the international phase.

AGENDA ITEM 10: INFORMATION CONCERNING NATIONAL PHASE ENTRY

30. Discussions were based on document PCT/WG/11/10.

31. The Secretariat gave an update on the status of the delivery and making available of national phase entry information, indicating that the availability of national phase data was not perfect, but had significantly improved. Data was now available for 63 national Offices, with 36 being within one year of being up to date, among which 10 were within one month of being up to date and a number of other Offices were supplying data regularly, but needed to wait until national publication had taken place before transmitting the data. More importantly, effective cooperation was under way with numerous Offices to further improve the quality and timeliness of the data.

32. All delegations which took the floor expressed satisfaction with the greater sharing of national phase entry data by designated/elected Offices since the introduction of the requirement to submit such data to the International Bureau under Rule 95.1 on July 1, 2017, and supported the recommendations made to Offices to improve the completeness and quality of transmitted data. Some delegations gave updates on their transmission of data from their IP Offices. The enhancements to PATENTSCOPE to make this information more accessible to users were also appreciated. One Office noted the need to consider data security issues in relation to links provided to national phase documents and data. Several delegations looked forward to future developments to facilitate transmission and improve accessibility of data on PATENTSCOPE, particularly the automated process for transmitting national phase entry data for Offices using the WIPO Industrial Property Administration System (IPAS), and the possibility to download incremental datasets.

33. A representative of a user group supported efforts to improve the accuracy and timeliness of national phase entry data and underlined its importance for users, for example, in freedom to operate searches.

34. The Working Group noted the developments in PCT national phase entry information set out in document PCT/WG/11/10.

AGENDA ITEM 11: FUTURE DEVELOPMENT OF THE PCT SYSTEM

35. Discussions were based on document PCT/WG/11/5.

36. All delegations which took the floor supported the four main areas of work in the future development of the PCT System set out in the document. Delegations were also in broad agreement that key issues identified within these areas of work should be priorities for future work by the International Bureau, Member States and Offices acting in their various capacities under the PCT. Work over recent years in the context of the PCT Roadmap had significantly improved the quality and usefulness of the PCT System. There had been considerable changes in the use of the system and the reasons for and effects of this needed to be understood and taken into account for the future.

37. In terms of the priorities identified in the document, additional remarks included the following:

Legal and Institutional Issues

- (a) While fundamental reforms were not needed, it was important to remain open to legal changes necessary to support developing requirements.
- (b) The ability to see and, in accordance with national laws and procedures, make use of work products from other Offices was important.
- (c) Some delegations expressed support for the formal integration of the Patent Prosecution Highway (PPH) into the PCT, which could provide an incentive for applicants to amend applications in the national phase. One delegation reiterated its concerns with this idea, which it believed would hinder the implementation of the technical assistance-related recommendations of the PCT Roadmap and the WIPO Development Agenda to eliminate differences in search and examination capacities between Offices, and instead harmonize patent procedures between Offices by imposing examination practices on Offices in developing countries.

Technical (IT) Environment

- (d) The recent Meeting of Intellectual Property Offices on ICT Strategies and Artificial Intelligence for IP Administration had emphasized the importance and increased appetite for effective cooperation in the development of IT tools and standards.
- (e) Increased use of standardized XML was important, both for application bodies and for Office communications, such as international search reports and written opinions.
- (f) Improving tools for assisting Offices and sharing information, such as ePCT and WIPO CASE, was essential.
- (g) Take up of XML filing was low at some IP Offices – the International Bureau and IP Offices might undertake further awareness raising of ePCT filing using DOCX and converting documents to XML format.

Financial Issues

- (h) It may be appropriate to consider whether certain fees remained appropriate in the digital environment. This included the concept of page fees, incentives for filing in preferred formats and whether fees such as the transmittal fee still made sense in view of more automated processing at receiving Offices.

- (i) Receiving Offices might consider a waiver of the transmittal fee for universities.
- (j) International Authorities might consider fee reductions for applicants from developing countries.
- (k) Further measures might be considered for avoiding abuse of fee reductions.
- (l) Measures such as netting to simplify and reduce the costs and burdens of fee exchange were important.
- (m) One delegation emphasized the importance of PCT fee income towards the funding of the activities undertaken by WIPO and stated that reductions in PCT fees should not have an impact on the fee levels in the other global IP systems provided by WIPO.

Quality

- (n) Quality of search and examination was of paramount importance.
- (o) Work should proceed on developing metrics and means for feedback from users and designated Offices.
- (p) Designated Offices needed effective examiners; issues concerning training included both ensuring that examiners were able to make best use of work products from elsewhere and that they were fully trained and competent in the application of individual national laws.
- (q) A single organized training program for patent examiners at different levels might be beneficial, replacing the numerous training programs that are conducted globally.

38. One delegation requested the International Bureau to undertake a review with a scope beyond the PCT Roadmap recommendations by considering the other proposals that Member States and Offices had made since the adoption of the Roadmap. In this regard, the delegation referred to the paper titled "Review of PCT Improvement Plans", submitted to the twenty-second session of the Meeting of International Authorities under the PCT in 2015.

39. The Working Group noted the priorities and directions for the major lines of work proposed in document PCT/WG/11/5.

AGENDA ITEM 12: INTERNATIONAL APPLICATIONS LINKED TO UNITED NATIONS SECURITY COUNCIL SANCTIONS

40. Discussions were based on document PCT/WG/11/14.

41. The Director General introduced the document, explaining the relationship between the Panel of Experts, the "1718 Committee" and the United Nations Security Council. The document sought to bring to the attention of Member States recommendations which had been made by the Panel of Experts in a report to the 1718 Committee and invited the Working Group to give advice on the appropriate action to be taken with regard to those recommendations, noting that they had not, at this stage, been adopted or endorsed by the 1718 Committee.

42. Delegations appreciated the efforts of the International Bureau to consult with Member States and seek their advice on the appropriate actions to be taken consistent with the PCT and United Nations Security Council sanctions. While emphasizing the importance of fully implementing the sanctions, delegations agreed that the International Bureau had acted in accordance with the PCT in its handling of the relevant international applications. Moreover, its

actions had been an appropriate response more generally to the relevant sanctions. Any future actions that might be considered to address the recommendations of the Panel of Experts had to be implemented in accordance with the PCT and should avoid any significant impact on the PCT System, recalling the mandate of WIPO, in the context of the PCT, to provide an effective international intellectual property system.

43. Questions were raised as to the applicability of the relevant sanctions measures to the patent application process, and consequently as to the need for Member States to consider the Panel's recommendations, noting the International Bureau's indication that the words "the minimum necessary information for patent application" had the purpose and effect of specifically excluding the patent application process from the sanctions. Thus, some delegations raised concerns about going beyond the requirements of the sanctions to implement further measures that were not required, particularly where they would be either ineffective or introduce costs and burdens disproportionate to any policy aim they sought to achieve. It was essential that the patent system was able to continue to operate effectively. Several delegations noted that the International Bureau's two-level monitoring for activities by designated individuals and entities had so far only shown "false positives". Further checks would be time-consuming and costly to implement, particularly for national and regional Offices, yet could be easily bypassed in practice by individuals wishing to hide their connections to a designated individual or entity. Delegations encouraged WIPO to continue all possible cooperation with the UN sanctions Committee.

44. The Chair concluded that:

(a) There was no support for amending the PCT Regulations to change the processing of applications in the international phase. Information contained in patent applications was technical in nature, distinct from any later use to potentially develop and manufacture the materials that were the subject of sanctions. With regard to the question of the technological content of applications, the International Bureau and Offices in their functions under the PCT should therefore process the information in accordance with the provisions of the Treaty, including maintaining the confidentiality of the contents of international applications in accordance with PCT Article 30.

(b) Delegations noted both the International Bureau's extensive contacts with the relevant UN bodies in recent months and its ongoing efforts in monitoring PCT filings for compliance with UN financial sanctions on designated individuals or entities, and welcomed continued coordination and communication between the International Bureau and the United Nations bodies responsible for sanctions in order to ensure an effective and timely dialogue on relevant events.

(c) Delegations supported the subject of UN sanctions remaining on the agenda of the PCT Working Group, with the International Bureau providing a report to Member States of any relevant events at the next session of the Working Group. Such reports should not include details of applications that were not open to public inspection, which would be contrary to PCT Article 30 concerning the confidential nature of an international application before international publication.

(d) Delegations also supported the notion that the legal framework should remain coordinated between the PCT and national and regional patent systems.

45. The Delegation of the Democratic People's Republic of Korea (DPRK) in a statement that was read into the record after discussions on the matter were closed, stated that United Nations Security Council resolutions on sanctions against the DPRK had no legal basis and that the recommendations by the Panel of Experts were illogical. Noting that the international

environment had recently been improving and voices to end United Nations Security Council sanctions against the DPRK had been increasing, the Delegation found it surprising that the illegal and illogical Panel recommendations had been on the agenda of the Working Group. Patents were intended to solely protect the intellectual property of human beings; United Nations Security Council sanctions should not be applied in the area of intellectual property, including patent protection.

AGENDA ITEM 13: PROGRESS REPORT: POSSIBLE MEASURES TO REDUCE EXPOSURE OF PCT FEE INCOME TO MOVEMENTS IN CURRENCY EXCHANGE RATES THROUGH NETTING

46. Discussions were based on document PCT/WG/11/4.
47. All delegations which took the floor supported the ongoing pilot project with a number of receiving Offices and International Authorities for the netting of certain PCT fees, in particular, search fees and international filing fees.
48. Several delegations whose Offices already participated in the pilot as receiving Offices and/or International Authorities reported on their positive first experiences with the netting arrangements and encouraged other Offices to join the pilot in the near future.
49. Comments by delegations included the following:
 - (a) the netting system and envisaged centralized future payment system required changes to IT systems and work procedures at national Offices; thus there was a need to leave sufficient time to review the proposed netting structure prior to its implementation, especially for Offices acting as International Searching Authorities;
 - (b) the envisaged structure needed to be voluntary for Offices;
 - (c) transparency of all transactions was essential;
 - (d) the netting project should eventually be linked more closely with the eSearchCopy project;
 - (e) the International Bureau should transmit the necessary search fee information to an International Searching Authority for all participating receiving Offices in one consistent file, rather than, as at present, in separate files for each individual participating Office, often in different formats and file types;
 - (f) some Offices would need to align current national currency management policies to future netting arrangements before being able to join the pilot;
 - (g) national legal or financial provisions and practices might prevent Offices from expanding the netting arrangements to fees other than PCT fees (such as fees collected under the Madrid or Hague Systems); and
 - (h) further improvements to ePCT should be considered, such as possibilities for applicants to pay certain fees directly to the beneficiary Offices (be that the receiving Office, the International Searching Authority, the International Preliminary Examining Authority or the International Bureau) in the required currency and the required amount at the time of the action before the Office, removing the risk of exchange rate fluctuations between the action and the time of making the payment.
50. The Chair, in summarizing the discussions, highlighted the strong support for the netting pilot and encouragement to Offices to join the pilot in the near future.

51. The Working Group noted the contents of document PCT/WG/11/4.

AGENDA ITEM 14: FEE REDUCTIONS FOR CERTAIN APPLICANTS FROM CERTAIN COUNTRIES, NOTABLY DEVELOPING AND LEAST DEVELOPED COUNTRIES

(A) PCT FEE POLICY TO STIMULATE PATENT FILING BY UNIVERSITIES

52. Discussions were based on document PCT/WG/11/18 Rev. (in English) and PCT/WG/11/18 (all other languages).

53. Mr. John Sandage, Deputy Director General, Chair of the Workshop on PCT Fee Reductions for Universities which had been held on June 18, 2018, recalled the rich discussion which had been had in the workshop, including eight eminent speakers from a wide variety of backgrounds. These speakers had mirrored the diversity of views among delegations on the issue, expressing a variety of views on the likely benefits of a fee reduction, which had not been split on simple developing country–developed country lines. The speakers had emphasized a variety of different issues concerning national strategies for supporting and benefitting from the use of the patent system by universities. All had emphasized that this was a situation where a “one-size-fits-all” solution did not work. Delegations had come away from the workshop with a fuller, more sophisticated understanding of the challenges to be faced in encouraging universities and national research institutions to expand their national innovation ecosystems.

54. Most delegations which took the floor agreed on the importance of fee reductions. Many delegations, including those representing regional groups, strongly supported the proposal, considering that the key concerns that had been expressed by some delegations at previous sessions had been met by the revisions that had been made to the proposal presented to the tenth session of the Working Group. Those delegations also expressed the view that the proposal would be a relevant tool to support innovation by universities, especially in developing countries. Those delegations were of the view that costs in foregone revenue, which were limited by the quotas for individual universities and represented only a very small proportion of PCT revenue or of the overall surplus for WIPO, were appropriate to the benefits which would be accrued in making the PCT more accessible and increasing the geographical diversity of applications.

55. Other delegations continued to express concerns about the proposal and raised the question whether different measures might be more appropriate responses to the goal of supporting patent applications by universities. Fundamentally, there were concerns over whether the limited number of additional applications which were expected to be generated would represent good value for money, whether additional applications would be of good quality, and whether it was appropriate to provide different levels of support for universities from developing countries compared to those from developed countries. Some delegations outlined measures which had been taken nationally to support universities. Several delegations considered that fee reductions to reduce the budget surplus should be to the benefit of all applicants, rather than only to a targeted group. Moreover, several delegations considered that, if a reduction specific to universities were to be agreed, it should be for a limited period. A “sunset clause” should end the reduction unless it were explicitly renewed after proper evaluation of its effects in a pilot, based on hard evidence. In addition, a variety of concerns remained over details of implementation, including: the definition of a university; the eligibility for reductions in the case of multiple applicants; the difficulty of monitoring the numbers of applications by a university across multiple receiving Offices and variations of applicant name; and what action should be taken in the case of an applicant exceeding the quotas. Some delegations were thus concerned about the additional burden on receiving Offices that could result from activities envisioned in the proposal.

56. The Delegation of Brazil noted that delegations and groups representing 105 of the 152 Contracting States had strongly supported the proposal and that a number of others were open to the principle of fee reductions for universities. The proposal already addressed many of the concerns which had been expressed; issues of implementation mainly concerned details which could either be solved easily or in respect of which a compromise could be found. Notably, the differentiation between universities from developing and developed countries had been proposed in response to concerns over the overall cost to WIPO, but the delegation would be open to a proposal offering the same level and quota of reductions to all universities. Definitions and listings of universities already existed for most States and did not need to be revisited by WIPO, which was not a body expert in that field. There was little risk of abuse of the system, given the institutional nature of universities and the fact that universities relied on their reputation and would not deliberately tarnish it. The delegation was also open to a sunset clause with proper assessment of the effects, but it was not possible to assess the effects before a trial period had begun. The alternative policies which had been discussed were interesting and potentially useful, but outside the competence of the PCT.

57. The Working Group invited the Secretariat to begin a consultation, through a Circular, amongst Member States and other stakeholders before the end of 2018 to identify issues and solutions, risks and mitigations which might be relevant to the discussions on possible fee reductions for universities. The consultation might, if practical, include examples of concrete measures which could be considered to address the issues referred to in paragraphs 54 to 56, above, without prejudice to alternative suggestions which might be proposed by Member States. The feedback received during those consultations would serve as the basis for a document prepared by the International Bureau setting out possible options as to how to address the various implementation issues which had been identified during the discussions at the present session, including, where appropriate, proposals for necessary amendments to the PCT Regulations, for consideration by the Working Group at its next session.

(B) UPDATE TO PROGRESS REPORT ON IMPLEMENTATION OF FEE REDUCTION CHANGES

58. Discussions were based on document PCT/WG/11/23.

59. The Delegation of Brazil observed that the information in the document demonstrated the effects of targeted fee reductions on filing behavior. Sharp decreases in filings by natural persons (larger than the overall decrease in applications) were seen from the two countries whose nationals and residents had lost entitlement to the reduction in July 2015. By contrast, there was an increase on average in filings from natural persons from those countries which had gained entitlement.

60. The Working Group noted the contents of document PCT/WG/11/23.

AGENDA ITEM 15: COORDINATION OF TECHNICAL ASSISTANCE UNDER THE PCT

61. Discussions were based on document PCT/WG/11/22.

62. One delegation underlined the importance of technical assistance as a tool to enable the use of intellectual property towards development. In line with Recommendation 1 of the WIPO Development Agenda, technical assistance needed to be development-oriented, demand-driven and transparent, taking into account the priorities and special needs of developing countries. In the PCT, technical assistance was the subject of Article 51, which set out the establishment of a Committee for Technical Assistance. These elements needed to provide the basis for activities of the area of the PCT Secretariat working in technical assistance. Referring to document CDIP/21/4, which compiled WIPO's existing practices, methodologies and tools for providing

technical assistance, the PCT was extensively mentioned as an area of activity, underlining the importance of the system for users of WIPO services and other stakeholders. The delegation called for WIPO's efforts to provide technical assistance to be strengthened and supported by Member States, respecting the specific national characteristics of each country. An important area for additional work was the facilitation of access to patent and other scientific databases by Offices in developing countries to enhance their examining capacities. The Working Group could also help to strengthen technical cooperation to empower countries to use the PCT System as contributing factor for achieving the development goals and increasing the level of innovation in the global economy.

63. The Working Group noted the contents of document PCT/WG/11/22.

AGENDA ITEM 16: TRAINING OF EXAMINERS

(A) SURVEY OF PATENT EXAMINER TRAINING

64. Discussions were based on document PCT/WG/11/16.

65. All delegations which took the floor welcomed the evaluation of the survey, including the updated compilation of e-learning resources for patent examiners which had been made available³. Several delegations provided details of the examiner training that their IP Offices had delivered as a donor Office or benefitted from as a recipient Office. Two delegations which had set up Funds-in-Trust arrangements with WIPO gave information on examiner training activities that had taken place supported under these arrangements. One IP Office emphasized the importance of coordination and early planning in the training activities that it provided together with the International Bureau. A representative of a user group thanked the International Bureau and IP Offices for their work in the training of examiners, and was confident that the quality of examination would improve with these efforts.

66. The Working Group noted the contents of document PCT/WG/11/16.

(B) COORDINATION OF PATENT EXAMINER TRAINING

67. Discussions were based on document PCT/WG/11/17.

68. All delegations which took the floor supported the work of the International Bureau in the development of a framework for technical competences for substantive examiners and a learning management system. Coordination of examiner training involving the International Bureau was necessary to bring about effective training that provided access to relevant training opportunities for patent examiners, supervision between donor and recipient Offices and assessment of the outcomes.

69. The Working Group noted the contents of document PCT/WG/11/17.

AGENDA ITEM 17: INCORPORATION BY REFERENCE OF MISSING ELEMENTS OR PARTS

70. Discussions were based on document PCT/WG/11/21.

71. Mr. Paul Harrison, Chair of the Workshop on Erroneously Filed Elements and Parts, held on June 19, 2018, summarized the main findings of the workshop by stating that there had been agreement among all speakers at the workshop, representing the views of users of the PCT System, that there was a need for a safety net where an applicant made a mistake and

³ This compilation is available on the WIPO website at: http://www.wipo.int/meetings/en/pct_wg_11_e_learning.

erroneously filed a wrong description or a wrong set of claims. While the actual number of such mistakes might indeed be low, each of these cases could have significant impact on the fate of the application and thus the applicant and/or the agent. There had been agreement that, in the case of erroneously filed elements or parts of an application, incorporation by reference of the correct elements or parts, if completely contained in the priority application, should be allowed, within the strict time limits set out in present Rule 20.7. As to the “how”, that is, the details governing the correction process, there had been minor differences among the users as to whether the erroneously filed element or part should remain in the application, in addition to the correct element or part, or whether the correct element or part should replace the erroneously filed element or part; whether receiving Offices should be permitted to charge a fee for any request for correction, or whether the applicant should be required to submit an explanation as to why the mistake had occurred. However, those differences appeared negligible, as long as there was agreement to address the “what” by introducing a new correction procedure for the incorporation of correct elements or parts.

72. Subsequent discussions were based on document PCT/WG/11/21, in particular paragraph 30, setting out five proposed conditions for the correction of an international application in the case of erroneously filed elements and parts.

73. All delegations which took the floor on the matter generally supported the proposals set out in document PCT/WG/11/21 as a good basis for further discussions. Issues discussed included, in particular:

- (a) the need to find a balance between the interest of the applicant, third parties and Offices' workload;
- (b) the need to limit the scope of the possible new correction procedure so as to avoid possible abuse;
- (c) the questions as to whether applicants should be required to submit an explanation for the erroneous filing of elements or parts, to be assessed by receiving Offices against certain criteria, and whether receiving Offices should be entitled to request a fee for the processing of requests for correction of such mistakes;
- (d) the need for the possibility for receiving Offices to submit notifications of incompatibility versus the aim of providing uniform procedures for applicants across receiving Offices during the international phase; and
- (e) whether the erroneously filed elements or parts should remain in the application, in addition to the correct element or part, notably so as to enable an assessment of “added matter” as part of the international search or preliminary examination procedure and during national phase processing, or whether the correct element or part should replace the erroneously filed element or part, which should be removed from the application.

74. In summarizing the discussions, the Chair concluded:

- (a) that there was general agreement that, should a new Rule allowing for the incorporation by reference of correct elements or parts be added to the Regulations, the Receiving Office Guidelines should be modified to clarify that Rule 20.5 only covered “truly” missing parts;
- (b) that there was significant but not unanimous support not to allow the “replacement” of the erroneous element or part from the application, but further discussion appeared to be needed on this matter;

(c) that there was general agreement that any incorporation by reference of correct elements or parts should only be permitted within the time limits provided for in present Rule 20.7;

(d) that there was agreement that the International Searching Authority should be entitled to charge an additional fee for the search of the international application including the correct elements or parts incorporated by reference where that Authority had already started the search on the basis of the erroneously filed element or part, as long as such a fee was not otherwise precluded by Article 17; and

(e) that further discussion appeared to be needed on whether receiving Offices should be given the opportunity to submit a notification of incompatibility in respect of any new provision allowing for the incorporation of correct elements or parts.

75. With reference to the question whether receiving Offices should be given the opportunity to submit a notice of incompatibility, the Secretariat suggested that, in case that no agreement was reached among Member States to not allow such notifications, Member States might consider the adoption of an Understanding that any receiving Office which submitted such a notification should commit to transmitting the application to the International Bureau in its capacity as a receiving Office under Rule 19.4(a)(iii), if so requested by the applicant.

76. The Working Group invited the International Bureau to prepare draft amendments to the Regulations for the next session of the Working Group, taking into account the discussions at the present session and further consultations with interested stakeholders, as required.

AGENDA ITEM 18: DELEGATION OF DESIGNATED OR ELECTED OFFICE FUNCTIONS

77. Discussions were based on document PCT/WG/11/7.

78. Several delegations supported the proposal, noting that it was aimed at clarifying that a Contracting State that so wished could enter into an agreement with another Contracting State or intergovernmental authority to undertake national phase processing and carry out designated Office functions on behalf of such a State, thereby in effect “closing the national route”. It addressed a practical problem faced by small IP Offices with limited examination capacity which were not members of a regional patent treaty but had taken the decision, under applicable national laws, to enter into such agreements so as to be able to focus their resources on other areas instead, such as issues of national IP policy.

79. Several delegations stated that they strongly opposed the proposal. The proposal was seen as an attempt to supplant the rights of a Contracting State to determine substantive conditions of patentability and thus interfere in its sovereign rights. The proposed new Rule would be *ultra vires* and thus required an amendment to the Treaty itself. Attempts aimed at harmonization of substantive patent law were neither desirable nor acceptable; undermining the flexibilities provided in the TRIPS Agreement was not within the mandate of the PCT. Every State had to decide its policies on the basis of its development and needs. The proposal would facilitate and weaken national capacities to examine patents and thus the independence of national IP Offices.

80. Several delegations requested clarifications from the Secretariat with regard to the purpose of the proposal, since the existing PCT legal framework already allowed for the “closure of the national route” by a Contracting State that is not a member of a regional patent treaty. While the interpretation of the PCT and its Regulations was a matter for Contracting States, the Secretariat clarified that one could interpret the existing PCT legal framework as already today allowing for the “closure of the national route” by Contracting States which were not members of

a regional patent treaty. This interpretation had been the basis under which one Contracting State several years ago had amended its national law to close the national route. The Secretariat explained that the aim of the proposal had been to put it beyond doubt that such a “closure of the national route” was indeed possible under the PCT, however some delegations strongly disagreed with this interpretation. Following the Secretariat’s clarification, several delegations stated that the proposed amendment of the Regulations was not necessary. Some delegations requested the International Bureau to provide information to the public, in the *PCT Applicant’s Guide* or otherwise, of the applicable national law regarding the entry into the national phase of PCT Contracting States, including when they had decided to close their national route.

81. The Chair concluded that there was no consensus to proceed with the proposal.

AGENDA ITEM 19: SAFEGUARDS IN CASE OF OUTAGES AFFECTING OFFICES

82. Discussions were based on document PCT/WG/11/19.

83. In introducing the document, the Delegation of the European Patent Office recognized that some delegations might not consider Rule 80.5 to be the ideal place in the Regulations to include the relevant provision and emphasized that it was open to moving it to a different location. The key factor was to have the issue addressed clearly, consistently and transparently within the PCT.

84. All delegations which took the floor recognized the importance of ensuring appropriate safeguards for applicants in case of outages in electronic services. While some felt that they were able to deal with the relevant issues within their available legal framework, most agreed in principle that there was a need for further measures to address the specific issues referred to in the document, or that it would be desirable to make the practice of Offices more consistent by providing a specific PCT Rule which would be applied by all. However, many delegations were unable to support the proposal as it stood. Key concerns included:

- (a) that it was not appropriate to provide an automatic excuse for delays in cases where other options were available to the applicant;
- (b) in cases where the lack of availability was not a universal one due to a complete failure at the Office, a case-by-case approach may be more appropriate;
- (c) it was important for transparency for third parties that the fact and reason of a modification of a time limit should be clear in any particular case;
- (d) it was important to consider carefully the extent to which safeguards ought to apply in case of outages which covered only a part of the relevant day; and
- (e) it was necessary to consider whether there would be effects in relation to services provided by parties other than the Office, notably including ePCT.

85. Representatives of user groups welcomed the proposal, noting the increasing reliance on electronic services. It was not easy to change to an alternative means of filing at the last moment. Outages might be particularly common for users from some emerging economies.

86. The Working Group noted the intention of the European Patent Office to consult further with interested parties, taking into account the comments made, with a view to submitting a revised proposal to the next session of the Working Group.

AGENDA ITEM 20: EARLIER START OF PCT CHAPTER II

87. Discussions were based on document PCT/WG/11/20.

88. All delegations and representatives of user groups which took the floor welcomed the proposal, which should improve quality by increasing the time typically available for the international preliminary examination process, potentially allowing an additional written opinion to be established or more time for consideration by the applicant of a written opinion. The applicant would, nevertheless, be able to wait until the expiration of the applicable time limit under Rule 54*bis*.1(a) where necessary, for example, in order to prepare appropriate amendments. Delegations expressed the hope that this might make the Chapter II procedure more attractive.

89. The Working Group approved the proposed amendments to Rule 69 of the Regulations as set out in the Annex to document PCT/WG/11/20 with a view to their submission to the Assembly for consideration at its next session in September/October 2018.

AGENDA ITEM 21: PCT COLLABORATIVE SEARCH AND EXAMINATION PILOT: PROGRESS REPORT

90. Discussions were based on document PCT/WG/11/15.

91. The Delegation of the European Patent Office informed the Working Group that all IP5 Offices had published official notices concerning the commencement of the PCT Collaborative Search and Examination (CS&E) pilot project and detailing the requirements for participation in the pilot, which would begin on July 1, 2018. While the initial pilot only covered international applications filed in English, the European Patent Office intended to open the pilot to applications filed in French and German early next year.

92. The representative of a user group welcomed the start of the CS&E pilot project and hoped it would soon be available for international applications filed in languages other than English, especially Japanese. The representative further underlined that any collaborative search and examination framework available to applicants after the pilot should be offered at a reasonable cost.

93. The Working Group noted the contents of document PCT/WG/11/15.

AGENDA ITEM 22: PCT MINIMUM DOCUMENTATION: STATUS REPORT

94. Discussions were based on document PCT/WG/11/12.

95. The Delegation of the European Patent Office, as leader of the PCT Minimum Documentation Task Force, informed the Working Group that discussions had started on Objectives B and C described in paragraph 7 of the document, and that the Task Force was also tackling two issues emerging from the discussions of Objective A, namely, the exact scope of patent collections belonging to the PCT minimum documentation and the coverage of utility model collections.

96. The Delegation of the United States of America, as leader of Objective D described in paragraph 7 of the document, informed the Working Group that the United States Patent and Trademark Office had prepared a survey for International Searching Authorities on the use of non-patent literature and traditional-knowledge based prior art, including databases. The International Bureau would make this survey available through a questionnaire in July for completion by early September in order to prepare for discussion at the next session of the

Meeting of International Authorities under the PCT, due to take place in early 2019. The Delegation stated that the goals of the survey were to learn what sources were used by the International Searching Authorities, and how Authorities ascertained the accuracy and trustworthiness of new sources and effective dates. This would enlighten the PCT Minimum Documentation Task Force on the requirements for a database to be useful as a source of prior art. This would be the first step in discussions leading to the development of criteria and standards for the review, addition and maintenance of non-patent literature and traditional knowledge-based prior art in the PCT minimum documentation.

97. All delegations taking the floor underlined the importance of the work of the PCT Minimum Documentation Task Force. One delegation stated that it was necessary to conduct adequate studies of the contribution of utility models to prior art searching before deciding whether these should be included in the PCT minimum documentation. Another delegation, whose national IP Office received a significant number of requests for utility model protection at both a national level and through the PCT, believed that it was necessary to include utility model databases from all countries that provided for this type of protection, which would be a significant source of prior art for searching by examiners.

98. The Working Group noted the contents of document PCT/WG/11/12.

AGENDA ITEM 23: APPLICATION FORM FOR APPOINTMENT AS AN INTERNATIONAL SEARCHING AND PRELIMINARY EXAMINING AUTHORITY UNDER THE PCT

99. Discussions were based on document PCT/WG/11/6.

100. All delegations which took the floor considered that the use of a standard application form for appointment had benefits for both the Office seeking appointment and for the members of the PCT Committee for Technical Cooperation reviewing the application. Differences remained on whether it was appropriate to include mandatory questions going beyond the minimum requirements set out in PCT Rules 36 and 63. However, there was a willingness to move ahead with a form based on that set out in the Annex to document PCT/WG/11/6, on the understanding that it would be mandatory to provide the information requested in Sections 1 and 2 of the form and the completion of Sections 3 to 7 would be "strongly recommended". Delegations were content for the proposals indicated in paragraph 14 of document PCT/WG/11/6 to be incorporated into the form, most likely into the (non-mandatory) Section 6, concerning the profile of patent applications at the applicant Office.

101. Delegations agreed with the proposed means of implementing the requirement of using the application form, save that one delegation suggested that the Understanding should include text in paragraph (e) to make clear that it was necessary to complete at least certain sections of the form.

102. The Working Group invited the International Bureau to prepare a document for consideration by the PCT Assembly at its next session in September/October 2018 setting out a proposal for introducing an application form for appointment, based on the proposal in document PCT/WG/11/6, taking into account the comments summarized in paragraphs 100 and 101, above, as well as seeking improvements to the presentation and layout of the form.

AGENDA ITEM 24: PCT SEQUENCE LISTING STANDARD

(A) SEQUENCE LISTINGS TASK FORCE: STATUS REPORT

103. Discussions were based on document PCT/WG/11/13.

104. The Working Group noted the contents of document PCT/WG/11/13.

(B) IMPLEMENTATION OF WIPO STANDARD ST.26 IN THE PCT

105. Discussions were based on documents PCT/WG/11/24 and 24 Cor.

106. Delegations noted that a number of issues remained to be finalized in relation to the introduction of WIPO Standard ST.26. Offices would need time to complete their preparations. Legal implications needed to be assessed for cases where sequence listings were submitted in ST.25 format for an earlier application but needed to be submitted in ST.26 format for a later application claiming priority; the software tool would also need to assist applicants and Offices with such cases. Issues of added and deleted sequences also needed to be further explored. The software tool needed to be accessible to users in multiple languages. The practical and legal implications of expecting sequence listings for paper filings to be submitted on physical media needed to be assessed. Consideration should be given to the question whether the normal provisions concerning changing the filing date or incorporation by reference would work as intended for cases where a sequence listing was omitted from an international application at the time of filing. Issues concerning translation of language-dependent free text and the assistance which might be given by the IT tool remained. It was noted that a variety of drafting improvements would be required to ensure that all provisions reliably achieved their intended aims.

107. The Working Group noted the contents of document PCT/WG/11/24 and 24 Cor. and invited the International Bureau to continue working towards an implementation of WIPO Standard ST.26 in the PCT, which would be effective and consistent with the needs of national Offices.

AGENDA ITEM 25: USE OF NATIONAL CLASSIFICATION SYMBOLS IN INTERNATIONAL APPLICATIONS

108. Discussions were based on document PCT/WG/11/8.

109. All delegations and representatives of user groups which took the floor supported the way forward on giving access to national classification symbols – and in particular the Cooperative Patent Classification, which was applied by 22 Offices and used for search by more than 45 Offices. It was in particular considered useful that two options would be offered for transmitting the symbols, making it easier for International Searching Authorities to begin to offer the service. Some delegations stated that they would have preferred the classifications to appear on the front page of international applications, in addition to being available through PATENTSCOPE; however the proposal was still considered to be a good way forward. One delegation observed that it may be useful to consider what was meant for an Office to “have experience” in applying the classification.

110. In response to a query, the International Bureau indicated that it intended to make the classification symbols available to all types of user, including those interested in machine-readable data and those using PATENTSCOPE in a web browser. It was important that Offices read the forthcoming consultation circulars and responded to ensure that their interests would be properly covered.

111. The PCT Working Group endorsed the proposal in document PCT/WG/11/8 to continue consultations, by means of PCT Circulars, on technical changes required to receive national classification symbols from International Searching Authorities.

AGENDA ITEM 26: LANGUAGES OF INTERPRETATION IN THE PCT WORKING GROUP

112. Discussions were based on document PCT/WG/11/3.

113. All delegations which took the floor supported the proposal, noting the importance for delegations to be able to fully engage in the discussions of agenda items under discussion in the Working Group.

114. One delegation stated that it was concerned that the provision of interpretation in all six official United Nations languages was dependent on the availability of funds and expressed the hope that the Program and Budget Committee would ensure that funds were made available not only for the forthcoming meeting but, as a matter of principle, for all future sessions of the Working Group.

115. The Working Group decided that future sessions of the Working Group will be provided with interpretation in the six official languages of the United Nations, subject to the availability of funding.

AGENDA ITEM 27: OTHER MATTERS

116. The Working Group agreed to recommend to the Assembly that, subject to the availability of sufficient funds, one session of the Working Group should be convened between the September/October 2018 and September/October 2019 sessions of the Assembly, and that the same financial assistance that was made available to enable attendance of certain delegations at this session should be made available at the next session.

117. The International Bureau indicated that the twelfth session of the Working Group was tentatively scheduled to be held in Geneva in May/June 2019.

AGENDA ITEM 28: SUMMARY BY THE CHAIR

118. The Working Group noted that the present document was a summary established under the responsibility of the Chair and that the official record would be contained in the report of the session.

AGENDA ITEM 29: CLOSING OF THE SESSION

119. The Chair closed the session on June 22, 2018.

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