

Patent Cooperation Treaty (PCT) Working Group

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WIPO FEE TRANSFER SERVICE

Document prepared by the International Bureau

SUMMARY

1. The WIPO Fee Transfer Service (“the Service”) is used for most transfers of fees between Offices¹ where a fee is collected by one Office for the benefit of a different Office. The Service has brought significant benefits to participating Offices. In order to enable full participation, this document makes proposals to remove remaining legal barriers to the use of the Service.

BACKGROUND

2. The Service formally began operation for PCT purposes in July 2020 following a successful trial with a number of national and regional Offices. In accordance with Rule 96.2 and Annex G of the Administrative Instructions, it allows for payments made to one Office for the benefit of a second Office to be transferred via the International Bureau (IB). The main fees currently involved are:

- (a) international filing fees paid to receiving Offices (ROs) for the benefit of the IB;
- (b) search fees paid to ROs for the benefit of other Offices as International Searching Authority (ISA); and
- (c) handling fees paid to International Preliminary Examining Authorities (IPEAs) for the benefit of the IB.

¹ In this document, Offices refer to national Offices and intergovernmental organizations responsible for international phase processing, including receiving Offices, International Searching and Preliminary Examining Authorities and the International Bureau.

3. The Service is particularly useful for ROs that have specified several ISAs as competent for searching international applications filed at their Office, and for ISAs that are competent for searching international applications filed at many ROs. Moreover, it simplifies arrangements for all parties since every RO needs to make payments to the IB and an ISA can receive payments from a single source instead of several different ROs. Using the Service means that Offices only need to transfer funds to and receive them from the IB.

4. For additional simplification, payments may be consolidated and "netted", allowing all required fee transfers for a month concerning a particular Office to be combined into a single transaction. All the monies that the IB would be required to transfer to an Office (irrespective of the number of other Offices that had made payments to the IB for the benefit of that Office) would be subtracted from the monies that the Office would be required to transfer to the IB, producing a net amount to be transferred either from or to the IB. However, this is not mandatory; the transfers can be made as separate payments per party (the other Office to or from which the fees are being transferred) and per purpose (separating international filing, search and handling fees) where this is required by Office practice or national financial regulations.

MANDATORY USE OF THE WIPO FEE TRANSFER SERVICE

5. A few Offices have legal issues with joining the Service because their financial regulations prohibit making payments through an intermediary. It is understood that amending the PCT Regulations to require the transfer of fees to the IB (other than the fees that an Office receives for its own benefit) will allow these Offices to join the Service.

6. To this end, it is proposed to amend Rule 96.2(c) to specify that all fees collected by an Office (other than the IB) for the benefit of another Office shall be transferred to the IB, other than in exceptional circumstances as described in paragraph 10, below.

7. Rule 16.1(e) would be deleted because it would no longer be required after use of the Service became mandatory. The IB pays search fees through the Service to ISAs in the fixed currency. Consequently, once all search fees are paid through the Service, there can no longer be any differences in the amounts received by the Authority due to differences in exchange rates between the prescribed currency and fixed currency.

8. The Annex to this document contains draft amendments to the PCT Regulations to make this change.

9. The same proposal was considered by the PCT Working Group at its fifteenth session (see Annex I to document PCT/WG/15/17). Discussions of the proposal are summarized in paragraphs 29 and 30 of document PCT/WG/15/19 as follows:

"29. Delegations expressed satisfaction with the WIPO Fee Transfer Service, appreciating the benefits of the improvements in administrative efficiency that it delivers. Most delegations broadly supported the first proposal in Annex I, aimed at making use of the service mandatory for transfer of fees collected by one Office for the benefit of a different Office. One delegation indicated the wish for the proposals to go further to ensure that International Searching Authorities could safely rely on transfers occurring in the month following the delivery of a search copy. However, some delegations had not had time to complete consultations and analysis. Furthermore, other delegations considered that it was an important part of the current arrangements that Offices were free to choose whether to use it and suggested that mandatory use of the Service might not be compatible with national laws, or that it might be difficult for Offices to change their financial systems in time for the new requirements.

"30. The Secretariat clarified that the proposal related only to fees collected by one Office for the benefit of a different Office and that it would result in no changes at all for Offices already participating in the Fee Transfer Service. It understood that the Offices not currently participating in the system were not against the principle of participating but were prevented by the fact that the Rules stated that the fees were to be transferred to the beneficiary Office (in general, the International Searching Authority) and that present Rule 96.2(c) was not considered a sufficient legal basis for them to pay to the International Bureau. It was understood that introducing an explicit requirement in the Regulations that fees were to be transferred to the International Bureau should overcome this difficulty."

10. The International Bureau suggests to overcome outstanding concerns by providing for the possibility of variations in exceptional cases. Draft Rule 96.2(c) therefore allows for the possibility of making agreements between a collecting Office and the IB to deviate from the normal processes. Such agreements could cover exceptional circumstances, such as where use of the Service becomes impossible for an Office but an alternative is practical, or unusual situations such as the provisional specification of an ISA by an RO on a trial basis. Any such agreement would be in consultation with the relevant beneficiary Office and take into account issues such as those covered by present Rule 16.1(e) (ensuring that the ISA receives the full value of the fee according to the fixed currency).

CENTRALIZED PAYMENT

11. Document PCT/WG/15/17 also contained indicative draft amendments to the PCT Regulations showing how a system of centralized payment might be implemented. This issue is being studied further with a view to preparing more detailed proposals and small scale pilots. The results and any concrete proposals will be presented to the Working Group at a later session.

12. *The Working Group is invited to consider the proposals set out in the Annex to this document.*

[Annex follows]

PROPOSED AMENDMENTS TO THE PCT REGULATIONS
CONCERNING MANDATORY USE OF THE WIPO FEE TRANSFER SERVICE²

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² Proposed additions and deletions are indicated, respectively, by underlining and striking through the text concerned.

Rule 16
The Search Fee

16.1 *Right to Ask for a Fee*

(a) to (d) *[No change]*

~~(e) Where, in respect of the payment of the search fee in a prescribed currency, other than the fixed currency, the amount actually received under paragraph (d)(i) of this Rule by the International Searching Authority in the prescribed currency is, when converted by it into the fixed currency, less than that fixed by it, the difference will be paid to the International Searching Authority by the International Bureau, whereas, if the amount actually received is more, the difference will belong to the International Bureau.~~

(f) *[No change]*

16.2 and 16.3 *[No change]*

Rule 45bis
Supplementary International Searches

45bis.1 and 2 [No change]

45bis.3 *Supplementary Search Fee*

(a) [No change] Each International Searching Authority carrying out supplementary international searches may require that the applicant pay a fee (“supplementary search fee”) for its own benefit for carrying out such a search.

(b) The supplementary search fee shall be collected by the International Bureau.
Rules 16.1(b) to (ed) shall apply *mutatis mutandis*.

(c) to (e) [No change]

45bis.4 to 9 [No change]

Rule 96

The Schedule of Fees; Receipt and Transfer of Fees

96.1 *Schedule of Fees Annexed to Regulations*

[No change] The amounts of the fees referred to in Rules 15, 45bis.2 and 57 shall be expressed in Swiss currency. They shall be specified in the Schedule of Fees which is annexed to these Regulations and forms an integral part thereof.

96.2 *Notification of Receipt of Fees; Transfer of Fees*

(a) *[No change]* For the purposes of this Rule, "Office" shall mean the receiving Office (including the International Bureau acting as receiving Office), the International Searching Authority, an Authority specified for supplementary international search, the International Preliminary Examining Authority or the International Bureau.

(b) *[No change]* Where, in accordance with these Regulations or the Administrative Instructions, a fee is collected by one Office ("collecting Office") for the benefit of another Office ("beneficiary Office"), the collecting Office shall promptly notify the receipt of each such fee in accordance with the Administrative Instructions. Upon receipt of the notification, the beneficiary Office shall proceed as if it had received the fee on the date on which the fee was received by the collecting Office.

(c) The collecting Office, if not the International Bureau, shall transfer any fees collected for the benefit of a any other Office as beneficiary Office to ~~that Office~~ the International Bureau in accordance with the Administrative Instructions, unless the collecting Office and the International Bureau agree to the transfer of any of these fees to the beneficiary Office by another means.

(d) The International Bureau shall transfer fees received by it for any other Office as beneficiary Office to that Office in the fixed currency in accordance with the Administrative Instructions.

[End of Annex and of document]