

COMMENTS PURSUANT TO THE DECISION OF THE STANDING COMMITTEE ON THE LAW OF PATENTS (SCP) DOCUMENT SCP/19/7 IN RELATION TO THE ZAMBIA NATIONAL LAW

The law that provides for protection of inventions in Zambia is Chapter 400 of the laws of Zambia and therefore, the comments made are mainly based on this piece of legislation.

1. EXCEPTIONS AND LIMITATIONS TO PATENT RIGHTS

(I) Private and /or non-commercial use:

The current Patent Act, Cap 400 of the Laws of Zambia does not provide for this private and /or non-commercial exception. In this regard, the term “Commercial scale” is not even defined in the Act and, therefore, the phrase should be given the ordinary grammatical meaning. The proposed Bill for this piece of legislation has incorporated this exception and therefore it will be part of the exceptions in the new law to be enacted. The section in the proposed Bill reads:

(1) “The rights under the patent shall extend only to acts done for industrial or commercial purposes and in particular not to acts done for scientific research”.

(II) Experimental use and /or scientific research:

This exception is not provided for in the current Act. However, the proposed Bill for this piece of legislation has incorporated this exception and therefore it will be part of the exceptions in the new law to be enacted. The section in the proposed Bill reads:

1.” It shall not be an infringement of a patent to use the patented invention without the authorization of the patent holder in any of the following circumstances”:

(a) carrying out acts related to the experimental use of the patented invention, whether for scientific or commercial purposes;

(b) to make use of the patented invention for teaching purposes;

(c) to carry out acts, including testing, using, making or selling a patented invention, solely for the purposes of development and submission of information required under any law of the country or a third country;

(d) to make use of the patented invention in relation to the preparation for individual cases, in accordance with a medical prescription; or

(e) to manufacture and export to a third country a patented healthcare invention where the export of the invention addresses a health need identified by the third country, provided that: -

(i) the product is not patented in the third country; or

(ii) the government of the third country has authorized use of the patent without consent of the patent owner, and that the production for export of the invention is intended only for the market of the third country”.

As a country, the above provision is meant to be a limitation on data protection. It will allow the country to have some flexibility which if properly applied, could help improve access to medicines. This is in conformity with Article 30 of the TRIPS Agreement and will allow generic competitors to work the invention prior to the expiration of the patent in order to prepare for obtaining regulatory approval.

(III) Preparation of medicines:

This exception is not provided for in the current Act. However, the proposed Bill for this piece of legislation has incorporated this exception and therefore it will be part of the exceptions in the new law to be enacted. The section in the proposed Bill reads:

“It shall not be an infringement of a patent to use the patented invention without the authorization of the patent holder in any of the following circumstance:

d) to make use of the patented invention in relation to the preparation for individual cases, in a pharmacy or by a medical doctor, of a medicine in accordance with a medical prescription;

(e) to manufacture and export to a third country a patented healthcare invention where the export of the invention addresses a health need identified by the third country, provided that: -

(i) the product is not patented in the third country; or

(ii) the government of the third country has authorized use of the patent without consent of the patent owner, and that the production for export of the invention is intended only for the market of the third country”.

(IV) Prior use:

This provision is provided for under the current piece of legislation and has been maintained in the proposed Bill.

Section 53 (4) provides exception for acts of non-infringement where the third party had started making the product before the date of filing the patent application for the invention embodied in the product; and Section 8 provide for (convention applications), Zambia being part to the Paris Convention.

However, it is important to mention that the above exception only apply to the inventor/applicant/ predecessor in title and not to third parties. Any use thereof before filing the application in the Patent Office would destroy the novelty requirement.

Further, this exception also apply in situations where a third party has been using the patented invention or has made serious preparations for such use after the invalidation or refusal of the patent, but before the restoration or grant of the patent.

Section 34 provides that “in every order restoring a lapsed patent made under section thirty-three, there shall be inserted for the protection of persons who may have availed themselves of the subject-matter of the patent after a lapse of a period of three months from the date on which the renewal fee was due, the following provisions, namely, that the patentee shall not commence or prosecute any action or other proceedings or recover damages”:

(a) in respect of any infringement of the patent which has taken place after the lapse of the said period and before the date of the order.

(V) Use of articles on foreign vessels, aircrafts and land vehicles:

This provision is provided for under the current piece of legislation and has been maintained in the proposed Bill. Section 9 of the Act provides that:

(1) “where a vessel or aircraft registered in a convention country or a land vehicle owned by a person ordinarily resident in such a country comes into Zambia

temporarily or accidentally only, the rights conferred by a patent for an invention shall not be deemed to be infringed by the use of the invention-

(a) in the body of the vessel or in the machinery, tackle, apparatus or other accessories thereof, so far as the invention is used on board the vessel and for its actual needs only; or

(b) in the construction or working of the aircraft or land vehicle or of the accessories thereof; as the case may be.

The applicable law provide for any restrictions on the use of the patented product on the body of the foreign vessels, aircrafts, land vehicles and spacecraft for the exception to apply (for example, the devices to be used exclusively for the needs of the vessel, aircraft, land vehicle and/or spacecraft , *if invention is used-*

(a) in the body of the vessel or in the machinery, tackle, apparatus or other accessories thereof, so far as the invention is used on board the vessel and for its actual needs only; or

(b) in the construction or working of the aircraft or land vehicle or of the accessories thereof”.

The exceptions are generally useful to be included in the national law as long as they are applied in accordance with that law.

2. QUALITY OF PATENTS

The issue on the quality of patents is premised on the proposals by Canada-UK document (SCP/18/, the document of Denmark SCP 17/7 and document of United States SCP 17/10). The issue of quality of patents is very critical and has been one of the difficulty issues to address in many fora in the sense that there has been no agreed understanding on the term or what is meant by **‘quality of patents’**. And in order to advance discussions on this critical subject there is need to have a common understanding on what it is sought.

Quality of patents should be viewed in the contest of referring to the ability of the patent office to apply the domestic patent law effectively, as the criteria for patentability may be defined and applied differently depending on their national patent legislation. It must be stated that the issue of improvement on quality of patents efforts cannot be achieved by simply adopting the practices of developed patent offices, as this could lead to norm setting or harmonization of patent law thereby undermining the flexibilities existing in national patent laws. We need to bear in mind the fact that countries are at different levels of development and therefore there is nothing like ‘one-size’ fits all. This should not the spirit in

understanding this issue. The spirit of work-sharing programs among patent offices and on the utilization of external information for search and examination and use of various external databases for retrieving information relevant to search and examination, such as prior art from foreign applications is very progressive as long as it does not lead to norm setting . Perhaps, the patent system should be device a systemic checks or criteria of ensuring that patent applications received by patent offices provide adequate disclosure of the invention and be determined by the kind of claims admissible for examination.

It should stressed here that the issue of quality of patent standard is not only due to inadequate infrastructure, but other factors such as the criteria of determining patentability, quality patent examination practices and the capacity of examiners. In addition there is need to have strong and effective patent opposition system which play a critical role in ensuring a high quality patent. The issue therefore requires a holistic approach taking into account all factors that could lead to achieving the intended goal once the common understanding is reached on what quality of patent is. Over and above, there is need to draw attention to the link between the proposals and the mandate of the Development Agenda recommendations, in particular recommendation 10, 11, 19 and 29.

3. CONFIDENTIALITY OF COMMUNICATIONS BETWEEN CLIENTS AND THEIR PATENT ADVISORS

The client-attorney privilege refers to the right to resist request from authorities or other parties, e.g. courts, arbitration proceedings and administration bodies to disclose IP advice rendered by patent attorneys to their clients in their professional capacity. The rationale behind this is to ensure the enforcement of IP rights by owner and third parties so that they are able to communicate freely with IP advisers on matters pertaining to patent applications

According to earlier discussions on this topic and the preliminary study done so far, it has been noted that the concept of client privilege is generally found in common law systems to counterbalance the discovery of evidential documents in possession of the parties to litigation. It is an aspect of privilege between the client and lawyer or attorney and whether to waive the privilege or not. In contrast, in civil law systems professional secrecy obligations restrain professionals from disclosing information obtained from the client. Hence, this does not depend on the waiver of any privilege by the client.

As a country, we have the law, Chapter 30 -Legal Practitioners Act, which governs the client-attorney privileges and rights. This is notwithstanding the fact that there are certain common rules that apply or recognized in any legal system. This law provides for who is entitled to practice, privileges, restrictions and offences in connection with practice. Further, the Patent Act under Part X provides for the Patent Agent and their function, qualifications, privileges of legal practitioners as well as entitlement to practice as patent agent. One important element critical and which is clear and must be noted is that a person wishing to practice in Zambia as an attorney must be a resident and registered in accordance with the Legal Practitioners Act.

In view of the above, my country notes that there is no anniversary applied system on the issue of cross-border aspect of confidentiality of communication between clients and patent advisors. The topic has divergence approaches depending on national legislation of the country and as such it is an aspect which borders on the national sovereignty. For instance, in some countries privileges apply only to lawyers and not IP professionals, while in other jurisdictions the privilege is extended to non-lawyer IP advisers who are officially recognized. That being the case, setting minimum standards on this issue may not work in the sense that the subject cuts across IP issues. Therefore, the topic should be removed on the future agenda of this Committee.

4. TRANSFER OF TECHNOLOGY

The first preliminary study on this topic SCP. 14.4 Rev acknowledged that technology transfer acts as catalyst for national economic development by building the local technological base and creating local industries, especially in LDCs and developing countries. There are various factors that may be considered as patent – related incentives and impediments to transfer of technology. Apparently the study pointed to two fundamental conditions for effective technology transfer, namely availability of information about the needs of technology holders and recipients; and capacity of the recipient to absorb the technology. Indeed, these two conditions are required as well as skilled lawyers and IP experts to negotiate technology transfer licenses, involvement of public funded research institutions, universities, SMEs and traditional knowledge holders in knowledge transactions. However, the two factors must not be considered in isolation, but also take into account the following other factors:

- (1) Weak linkages between R & D and industry; most research institutions and universities do not have Institutional IP Policies to guide research and increase Intellectual Property out put

- (2) Lack of capacity on the part of the recipients to absorb and adapt the technology to suit their needs
- (3) Lack of resources by inventors to develop their technologies; most institutions that provide further development of technologies do it on commercial level thereby making it difficult for many inventors especially in LDCs
- (4) Lack of capacity or experts to assist inventors in drafting patent applications, thus making the whole process of transfer of technology very difficult.
- (5) As regard foreign technology, FDI transactions mostly do not expressly state the licensing agreements, research agreements, etc.
- (6) Lack of knowledge on IP protection and its benefits to the national economy

Taking into account the differences in the levels of development between the developed nations and LDCs and developing countries, it is inevitable that the patent system should have a mechanism that provides for licensing agreements which are flexible enough to allow LDCs and developing countries to do reverse engineering on technologies without necessarily infringing on patent holders' rights. Perhaps, this will help people not to misunderstand that patents are an impediment to transfer of technology.

However, despite the various impediments, the nation has put in place a National IP policy which provides for licensing, commercialization and marketing of IP assets as an incentive including the Patent Act itself. In addition to this, the Zambia Development Agency (ZDA), also provides for tax incentives in relation to machinery brought in the country.

Over and above, my country strongly feels that it is long over due that developed nations fulfilled their commitments under article 66.2 of the TRIPS Agreement on this issue.

