

Patent Cooperation Treaty (PCT) Committee for Technical Cooperation

**Thirtieth Session
Geneva, May 8 to 12, 2017**

EXTENSION OF APPOINTMENT OF THE VISEGRAD PATENT INSTITUTE AS AN INTERNATIONAL SEARCHING AND PRELIMINARY EXAMINING AUTHORITY UNDER THE PCT

Document prepared by the International Bureau

1. All of the existing International Authorities were appointed by the PCT Assembly for a period ending on December 31, 2017. In 2017, the Assembly will therefore need to make a decision on the extension of the appointment of each existing International Authority that wishes to seek an extension of its appointment, having first sought the advice of this Committee (see PCT Articles 16(3)(e) and 32(3)). Information concerning this process and the role of the Committee is set out in document PCT/CTC/30/INF/1.

2. On March 8, 2017, the Visegrad Patent Institute submitted its application to extend its appointment as an International Searching Authority and International Preliminary Examining Authority under the PCT. This application is reproduced in the Annex to this document.

3. *The Committee is invited to give its advice on this matter.*

[Annex follows]

APPLICATION OF THE VISEGRAD PATENT INSTITUTE
FOR EXTENSION OF APPOINTMENT
AS AN INTERNATIONAL SEARCHING AND
PRELIMINARY EXAMINING AUTHORITY UNDER THE PCT

I. PRESENTATION OF THE VISEGRAD PATENT INSTITUTE

1.1. The Main Goals of the Visegrad Patent Institute

1. The Visegrad Patent Institute (hereinafter referred to as “VPI”) is an intergovernmental organization for cooperation in the field of patents established by the four Visegrad countries: the Czech Republic, Hungary, the Republic of Poland and the Slovak Republic (hereinafter also referred to as the “V4 countries”).

2. The VPI seeks the reappointment of the VPI as an International Searching Authority (ISA) and International Preliminary Examining Authority (IPEA) under the Patent Cooperation Treaty (PCT) in order to attain a wide range of important objectives at various (global, European, regional and national) levels.

3. The patent system is a fundamental factor in promoting economic development through innovation. While patents are primarily legal instruments, they do have a vital economic purpose to serve, namely, to stimulate innovation and economic growth. There is also a direct correlation between the innovation level of a country (or region) and the quality of the national (or regional) framework conditions for patenting, and national IP offices and PCT authorities constitute an important part of these framework conditions.

4. Patent protection on a global scale has become increasingly important in the knowledge-based economy and the information society of the 21st century, characterized by leading-edge technology, heightened competition and the need for enhanced competitiveness. Consequently, there is an ever-growing need for an efficient patent system offering high quality products and services. The PCT offers an excellent platform for creating and maintaining such a global patent system, and it is already a highly efficient provider of international patent protection.

5. The VPI fills a territorial gap within the global system of the PCT through acting as an International Authority for Central and Eastern Europe. It is noteworthy that the VPI is the only functioning International Authority under the PCT within the Group of Central European and Baltic States. The VPI makes up for the missing link in the network of European PCT authorities as well. Therefore, the VPI supports the development and usefulness of the PCT system by adding further competent resources to those already available, especially in respect of a region currently not having other own International Authority in place. Through completing the global coverage of International Authorities, the VPI contributes to a better understanding and wider use of the PCT in the Central and Eastern European region, which will also lead to an improvement in the quality of international applications originating from this region. Based on the long-established traditions and expertise of the national offices participating in the VPI cooperation as well as on their existing, and the VPI’s expected, good record on quality management, the VPI seeks to become a reliable, efficient and constructive partner in the efforts to further improve the quality and the efficiency of the functioning of the global patent system. The VPI intends to remain open to, and, if possible, actively participate in, other international initiatives and projects aiming at workload-sharing, quality improvements, further harmonization and better, tailor-made services for the benefit of users such as the Global Patent Prosecution Highway (GPPH) or bilateral cooperation agreements on search and examination activities.

6. In addition, the reappointment of the VPI fits in with the concept of the European Patent Network within the European Patent Organisation and will also ensure a smooth interaction with the newly emerging regime of the European Union's unitary patent protection. Thus, another important objective of the VPI is to contribute positively to the development of a coherent and efficient European patent system based on the European Patent Convention (EPC) as well as on the well-established cooperation between the European Patent Office (EPO) and national offices, and to offer Central and Eastern European users the best platform possible for taking advantage of such European cooperation.

7. The VPI serves the goals of fostering innovation and creativity as well as promoting economic growth and competitiveness in the Central and Eastern European region. To achieve these goals, the VPI is intended:

- to offer applicants a favorable and efficient option for entering the PCT system (through the possibility of using local languages and with proximity to users, in particular, SMEs, individual inventors and the like); and
- to maintain, and further develop, the patent-related expertise of the participating national offices at the service of their inventors and industries.

1.2. The results achieved by the VPI

8. The VPI started its operation as international authority on the July 1, 2016. In the first six months of operation the VPI was selected by applicants as ISA in 70 cases. About three quarters of these applications have been filed in a national language (Czech, Hungarian, Polish or Slovak) and only about one fourth of them are in English, which confirms the need for an international authority in the Central and Eastern European region.

9. The VPI has issued 14 International Search Reports until the end of 2016, all within the prescribed time limit and complying with all relevant PCT regulations.

10. The first demand for International Preliminary Examination Report (IPER) was received in January 2017 by the VPI.

1.3. The Role of the VPI in the Context of the Visegrad Group

11. The Visegrad countries are well-placed to play a greater role in the international patent system. They represent emerging economies with growing economic output, intensifying participation in European and global trade, ever improving competitiveness and a sharpening focus on innovation. In addition, the establishment of the VPI and its request for appointment as an ISA and IPEA do follow the overall and high-level political objectives of the Visegrad cooperation.

12. The Visegrad Group (also known as the "Visegrad Four" or simply "V4") reflects the efforts of the countries of the Central European region to work together in a number of fields of common interest within the all-European integration. The Czech Republic, Hungary, the Republic of Poland and the Slovak Republic have always been part of a single civilization sharing cultural and intellectual values and common roots, which they wish to preserve and further strengthen.

13. All the V4 countries aspired to become members of the European Union, perceiving their integration in the EU as another step forward in the process of overcoming artificial dividing lines in Europe through mutual support. They reached this aim in 2004 when they all became members of the EU.

14. The Visegrad Group aims at encouraging optimum cooperation with all countries, in particular its neighbors, its ultimate interest being the democratic development in all parts of Europe.

15. Membership of the Visegrad Group:

- Hungary (since 1991)
- the Republic of Poland (since 1991)
- Czechoslovakia (1991-1993) replaced by the following successor states:
 - o the Slovak Republic (since 1993)
 - o the Czech Republic (since 1993)

16. The V4 cooperation can currently be referred to as the most clearly profiled initiative in Central Europe. The backbone of this cooperation consists of periodical meetings of its representatives held at various levels – from the highest-level political summits to expert consultations and diplomatic meetings, to activities of the non-governmental associations in the region, think-tanks and research bodies, cultural institutions or numerous networks of individuals.

17. The well-established examples of such regular meetings are the official summits of the V4 prime ministers, which take place on an annual basis. Between these summits, one of the V4 countries holds the presidency, part of which is the responsibility for drafting a one-year plan of action. In addition, an important part of the activities within the V4 framework is shaped by the cooperation between the respective V4 ministries, whether at the level of the ministers or in the form of joint expert teams. A number of joint projects are currently being implemented particularly in the fields of culture, environment, internal security, defense, science and education. At the same time, cooperation in the fields of justice, transportation, tourism, energy or information technologies is also intensifying.

18. This regional cooperation was further strengthened and institutionalized by the V4 countries in June 2000 through the creation of an International Visegrad Fund with its seat in Bratislava. The purpose of this international organization is to facilitate and promote the development of closer cooperation among citizens and institutions in the region as well as between the V4 region and other countries, especially the Western Balkans and countries of the Eastern Partnership. The Fund strives to achieve this goal by granting support to common cultural, scientific and educational projects, youth exchanges, cross-border projects and tourism promotion, and through individual mobility programs (scholarships, residencies).

19. The Visegrad Group has its own IP dimension as well. Heads of the V4 industrial property offices have been holding annual meetings since 1992. These meetings provide an opportunity to exchange views on current IP issues and to evaluate new regional, European and worldwide developments. Such discussions have frequently resulted in common positions expressed at various global and European fora on issues of strategic importance. The V4 cooperation of national IP offices has also been extended to Austria, Croatia, Romania and Slovenia in the form of the so-called “V4 + Friends” meetings held back-to-back with the yearly V4 Heads of IP offices meetings.

20. The cooperation of the Visegrad Group countries in the field of IP has been gradually crossing the regional borders and has taken on an even more international dimension. One example of this trend is a series of events entitled “Visegrad Group (V4) – China forum on IP and business” jointly organized by the State Intellectual Property Office of the People’s Republic of China (SIPO) and the Patent Office of the Republic of Poland, in partnership with the V4 IP offices. These fora were held in Warsaw (in 2012 and 2014) and Beijing (in 2013 and 2015), with the participation of entrepreneurs, business support institutions as well as the representatives of the embassies and the IP offices of China and the V4. The main goal of this initiative is to significantly contribute to increasing the scale of investment and cooperation between business entities from China and the V4, and to intensify their IPR activities.

21. Another example is provided by the Memorandum of Cooperation between the national industrial property offices of the V4 and the Japan Patent Office (JPO) on cooperation in the field of intellectual property. This Memorandum, which was signed on September 23, 2014, envisages, among other fields, cooperation in relation to the future ISA/IPEA role of the VPI, and provides that the JPO will share its experience and knowledge of acting as an International Authority with the V4 offices and, later on, with the VPI itself. One of the goals of this kind of cooperation is to jointly ensure timeliness in the establishment of International Search Reports and enhance their quality. A *de facto* cooperation following similar goals has been taking shape between the Nordic Patent Institute (NPI) and the VPI, and the V4 intend to propose further deepening and formalizing their collaboration with the NPI.

22. The national industrial property offices of the Visegrad 4 Countries (V4) and the Korean Intellectual Property Office (KIPO) have also concluded the Memorandum of Cooperation in the field of intellectual property. This Memorandum was signed on October 5, 2016. Its objective is to further enhance cooperation between the Offices, including cooperation related to acting as an ISA/IPEA.

23. The Visegrad countries have a huge potential for boosting innovation, stimulating R&D, improving competitiveness and encouraging growth in patenting within the region they represent. The goals to be achieved by the VPI and the establishment of the VPI itself are important elements of the Contracting States' national economic, innovation and IP strategies.

24. A further strength and common feature of the V4 are the deeply rooted traditions of IP laws and institutions as well as their intensive and wide-ranging participation in global cooperation under the aegis of WIPO. The history of their patent legislation and national offices goes back to 1918-19 in the case of the Czech Republic, the Republic of Poland and the Slovak Republic, while in Hungary the first patent law was adopted and the office was founded in 1895-96. All these national offices are full-fledged industrial property offices responsible for a wide range of IP titles and carrying out patent search and examination as part of their public authority functions (and also in the form of providing patent-related services). They are responsible for, and very active in, raising public awareness of IP, disseminating patent information and stimulating innovation and creativity through various IP tools. All of the Visegrad countries are parties to the major international instruments administered by WIPO, the TRIPS Agreement of WTO and the EPC. Their participation in the PCT and in other forms of international cooperation in the field of patents is dealt with in some more detail in the next chapter.

1.4. Participation of the Visegrad countries in the PCT system and in other patent-related international initiatives

25. The former Czechoslovakia became a contracting party to the PCT on June 20, 1991. The Czech Republic as a successor has continued to apply the PCT on its territory as from January 1, 1993. The Industrial Property Office of the Czech Republic (IPO CZ) fulfils the tasks under the PCT as a Receiving Office in the Czech Republic. There is a positive trend in PCT applications filed by Czech applicants. The number of international patent applications filed with IPO CZ as Receiving Office increased from 132 to 180 in the years 2007 to 2016.

26. Hungary became party to the PCT on June 27, 1980. In addition to acting as a PCT Receiving Office, since 2006 the Hungarian Intellectual Property Office (HIPO) has been carrying out search and preliminary examination for the Austrian Patent Office (APO) as a PCT Authority under a bilateral agreement concluded with the APO. In carrying out search and preliminary examination under that agreement, the HIPO has been following the Guidelines for International Search and for International Preliminary Examination to be carried out under the PCT. The agreement was in effect until the end of December 2014. In the framework of this agreement the HIPO delegated patent experts, in an observer status, to the Permanent Committee on the Harmonisation of Search Activities (PCHSA) and its Working Groups responsible for cooperation and harmonization between PCT Authorities in Europe. HIPO

delegates have participated in the work of the PCHSA and its working groups since 2009. The number of PCT applications originating from Hungary ranged between 142 and 173 in the years 2007 to 2016.

27. The Republic of Poland acceded to the PCT on December 25, 1990 and since then the Patent Office of the Republic of Poland (PPO) has served as a Receiving Office, and Poland has become a designated country in PCT applications. Between 2007 and 2016, the number of PCT applications originating from the Republic of Poland grew from 107 to 277.

28. The Slovak Republic, as well as the Czech Republic, are the successor states of the former Czechoslovakia that acceded to the PCT in 1991. The Slovak Republic has been a contracting state of the PCT since January 1, 1993, and since this date the Industrial Property Office of the Slovak Republic (IPO SR) has been fulfilling its tasks within the PCT system as a Receiving Office. The number of PCT applications originating from Slovakia are ranged between 33 and 65 in the years 2007 to 2016.

29. All the V4 national offices also act as designated and elected offices under the PCT, although the number of international applications entering the national phase has significantly declined since the accession of the Visegrad countries to the EPC in 2002-04.

30. The national offices of the Visegrad countries play an increasingly active role in patent-related cooperation aiming at work-sharing and harmonization of search and examination. The HIPO and the PPO are members of the GPPH. Once ISO 9001 certified, the VPI is also expected to seek participation in that global network. Moreover, all V4 offices take part in PPH programs (inter alia with the United States Patent and Trademark Office (USPTO), National Board of Patents and Registration of Finland, JPO and SIPO) or other forms of cooperation on a bilateral basis in the field of patent search and examination. Since 2009, the HIPO has been providing search and patent examination services for the Intellectual Property Office of Singapore (IPOS), preparing 2500-3000 search reports and/or examination reports per annum for the IPOS. Furthermore, the HIPO have bilateral agreements with the Slovenian Intellectual Property Office (SIPO), the Macedonian Patent Office (SOIP) and the Brunei Darussalam on providing patent search and examination services. Last but not least, reference is made in this context to the cooperation the V4 have established with the SIPO, JPO and NPI as described in the previous chapter.

1.5. Structure, principles and tasks of the VPI

31. The Agreement on the Visegrad Patent Institute (VPI Agreement) was signed in Bratislava on February 26, 2015 by the heads of the V4 national IP offices as the duly authorized representatives of their governments. The VPI Agreement is ratified in accordance with the respective constitutional requirements of the Contracting States.

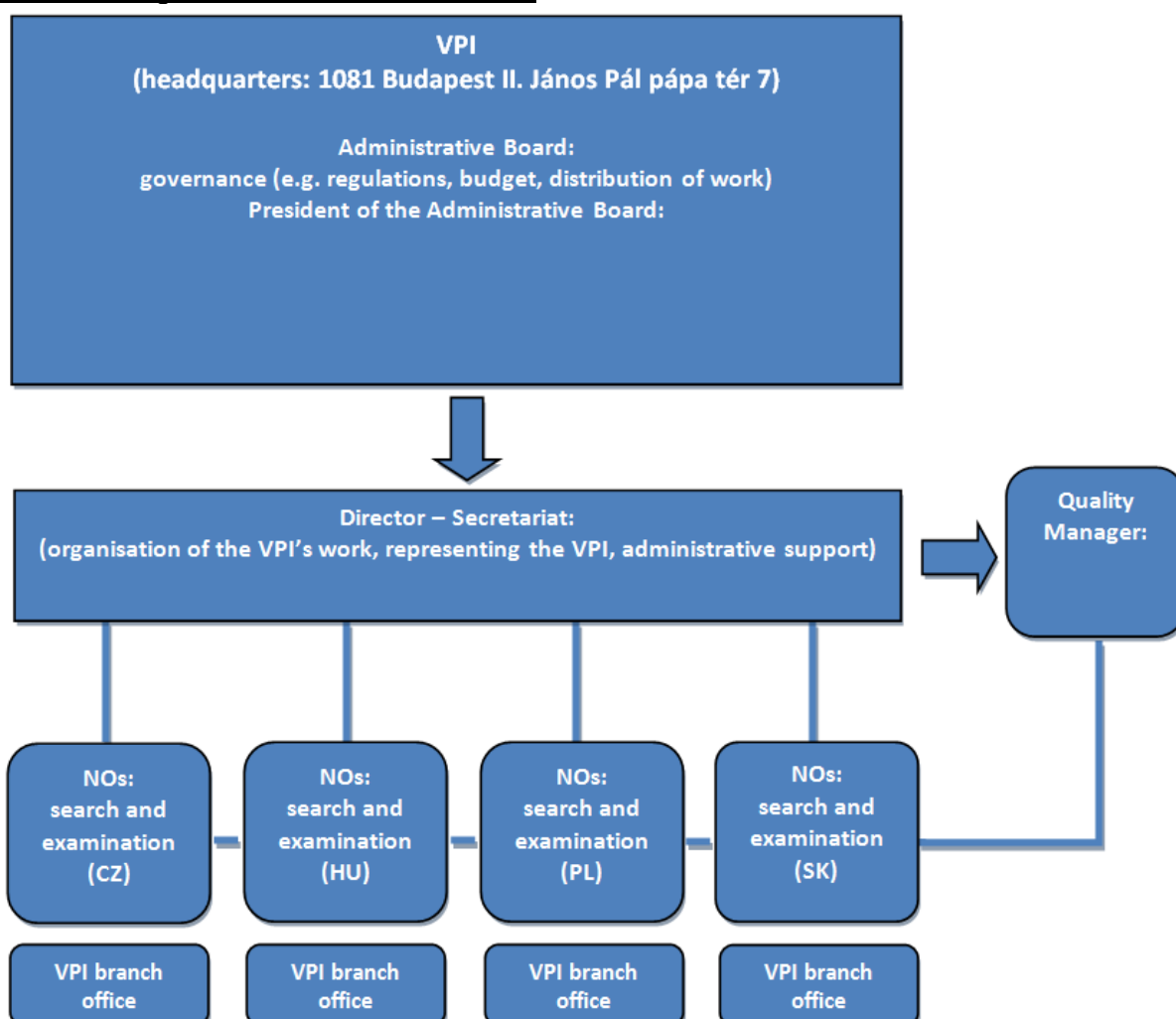
32. The VPI is an intergovernmental organization within the meaning of Article 16 of the PCT and PCT Rule 36. It has legal personality and an extensive legal capacity necessary for the fulfilment of its tasks, including the possibility of acting on its own through the Director as its representative in matters concerning its role as a PCT authority. The VPI is intended to remain open in two directions. Firstly, it will be open to accession by any European state at the invitation of the VPI's Administrative Board, subject to that state's international obligations, including those under the EPC and its Protocol on Centralisation. Secondly, it is envisaged that the VPI will act as an ISA and IPEA for international applications filed not only with the V4 offices but also the Receiving Offices of EPC Contracting States adjacent to the V4 countries (namely, Croatia, Lithuania, Romania, Serbia and Slovenia) provided that the latter specify the VPI for that purpose.

33. When setting up the VPI, the Visegrad countries acted in full compliance with their obligations under the EPC. They made use of the authorization under Section III, paragraph (1) of the Protocol on Centralisation to the EPC as none of them has an official language in

common with those of the EPO. Moreover, they undertook to comply with their obligations under the EPC and the Protocol on Centralisation when concluding and implementing the agreement with the International Bureau of WIPO in relation to the VPI's functioning as an ISA and IPEA.

The governance of the VPI as an intergovernmental organization is ensured by its Administrative Board composed of the representatives of the Contracting States, while the VPI's Secretariat headed by the Director is responsible for the organization, day-to-day management and administrative support of the VPI's work. The Secretariat and the Director act as the VPI's interface to all external parties, including the International Bureau of WIPO, national offices acting as Receiving Offices and, possibly, other international partners and users of the VPI's patent-related services. Under the umbrella of this intergovernmental layer of the VPI, it is the national offices of the Contracting States that perform the tasks of international search and examination on behalf of the VPI. Through harmonization of search and examination tools and practices, and through rigorous quality management at each stage of the procedure, it is ensured that applicants always receive a uniform VPI service of consistently high quality. The VPI's organizational chart is reproduced in Table 1.

Table 1 – Organizational Chart of the VPI¹



¹ Under Article 5 of the VPI Agreement, the VPI shall have its headquarters in Budapest, while the VPI shall have a branch office in each of the other Contracting States.

34. The main task of the VPI is to act as an ISA and IPEA within the meaning of the PCT. The VPI also offers supplementary international searches and it is planned to offer international-type searches as well. Moreover, the Administrative Board may decide to entrust the VPI with other similar tasks in the field of patents and may also authorize the Director to conclude agreements to that effect on behalf of the VPI.

35. The operation of the VPI is based on cooperation between the national industrial property offices of the Contracting States, which ensures the smooth performance of all its inherent tasks. Through pooling their search and examination resources under the aegis of the VPI, the participating offices expect to achieve significant synergies and deepening of specialization within the fields of technology to be searched and examined. Within this structure, all activities of the VPI as an ISA/IPEA and in relation to any other task entrusted to it is carried out by the national IP offices of the Contracting States on behalf of, and under the full control of, the VPI in accordance with the terms and conditions laid down by the Administrative Board of the VPI.

36. The total workload of the VPI as an ISA/IPEA consists of PCT applications from the Central European region (CZ, HU, PL, SK, and, subject to their respective decisions, HR, LT, RO, RS, SI).

37. The Administrative Board of the VPI laid down the criteria for distributing the work to be carried out by the participating national offices. The parties agreed that the criteria for distribution should be fair, equitable and relevant, ensuring a balanced distribution. When distributing search and examination requests received by the VPI among the participating offices - be they PCT or business requests - the following main criteria applied: technical expertise, language of the documents submitted and the free capacity available in the given technical field. Assignment of the tasks related to the in-coming requests and documents is performed taking into account the above-mentioned criteria. To this end, the VPI made an assessment of the technical fields covered by the patent examiners of each participating office (i.e. draw up a 'competence map' of its examiners). This assessment was performed in respect of each examiner, using the IPC symbols of the technical fields pertaining to their technical knowledge. The VPI has interchangeable capacities in most of the technical fields due to the number of examiners available and due to the fact that some examiners even have formal qualifications in more than one technical field. This also goes for the linguistic aspect of the VPI's activities as the examiners' language skills enable such interchanges as well (e.g. knowledge of the Hungarian language at the IPO SR or that of the Slovak language at the IPO CZ, HIPO and the PPO). These inherent flexibilities significantly facilitate an optimal distribution of the VPI's workload, for which the Director and the Secretariat of the VPI is responsible.

II. ISA AND IPEA APPOINTMENT REQUIREMENTS

2.1. Compliance with ISA and IPEA Appointment Requirements

38. Under Article 16(3)(c) of the PCT, in respect of ISAs "[t]he Regulations prescribe the minimum requirements, particularly as to manpower and documentation, which any Office or organization must satisfy before it can be appointed and must continue to satisfy while it remains appointed." Those minimum requirements are set out in PCT Rule 36.1. They are as follows:

- An ISA must have at least 100 full-time employees with sufficient technical qualifications to carry out searches.
- An ISA must have in its possession, or have access to, at least the minimum documentation referred to in PCT Rule 34, properly arranged for search purposes, on paper, in microform or stored on electronic media.

- An ISA must have a staff which is capable of searching the required technical fields and which has the language facilities to understand at least those languages in which the minimum documentation is written or is translated.
- An ISA must have in place a quality management system and internal review arrangements in accordance with the common rules of international search.
- The ISA must hold an appointment as an IPEA.

39. The minimum requirements for an IPEA defined under PCT Rule 63.1 correspond to those applying to ISAs.

40. As already outlined in the previous chapter, the VPI exploits the synergy of drawing upon the joined resources of the participating national offices. This enables the VPI to fully meet all the criteria for being appointed as an ISA and IPEA, and to perform the role of such an authority in full compliance with those requirements. The supporting information below sets out the VPI's

- search and examination resources and the qualifications of its examiners;
- access to documentation for search and examination purposes;
- quality management system and internal review arrangements, including those applied at the participating national offices.

2.2. *Examiners and Tools*

41. The key input to quality search and examination is highly technically-qualified and trained people. This chapter provides information on the number of examiners available for the VPI as an ISA and IPEA as well as on their qualifications, experience, language skills and training programs.

42. The VPI as an ISA and IPEA has altogether 189 examiners (counted as full-time equivalent) at its disposal capable of searching and examining all technical fields (see table 2). They all have the sufficient technical qualifications and the necessary experience to carry out high-quality search and examination in an efficient and timely manner. They are all master's degree or PhD holders who have undergone comprehensive, intensive and well-structured training programs and passed the relevant exams before their appointments as examiners. In addition, most of them have largely benefited from the training programs organized by WIPO, EPO, USPTO, other International Authorities and national offices as well as by universities and other training institutions specialized in IP. Training of the VPI's examiners is also envisaged in the framework of the cooperation established with the JPO and the NPI, as described in Chapter 1.2. In order to constantly improve the skills and competencies of the VPI's examiners and keep their technical knowledge up-to-date, the Administrative Board will establish a training framework for them ensuring appropriate planning and an efficient use of the various training opportunities. In addition, the VPI organizes examiner exchanges and regular meetings with a view to further enhancing consistency in search and examination practices.

Table 2 – Number of examiners at the VPI by technical field²

Technical field	Number (in full-time equivalent)	Average experience as examiners (years)
Electrical engineering	24	12
Instruments	21	12
Chemistry	76	13
Mechanical engineering	47	12
Other fields	21	12
<i>Total</i>	<i>189</i>	<i>12</i>

43. The VPI's examiners have, in addition to their ability to use their own languages (Czech, Hungarian, Polish, Slovak), excellent knowledge of English, and most of them also have a good knowledge of German and/or French. Other languages understood and used by them include Croatian, Italian, Japanese, Russian, Spanish and Swedish.

44. Moreover, examiners at the VPI are equipped with adequate resources to deliver quality work: guidelines, IT systems, search and examination tools.

45. If necessary, the VPI and its Contracting States are ready to provide further, more detailed information on the number of examiners available for the VPI as an ISA and IPEA, and their qualifications, experience, language skills and training programs as well as on the IT systems and other tools supporting search and examination.

2.3. Search Systems and PCT Minimum Documentation

46. Each participating office of the VPI has a wide range of accessible patent information and scientific literature, search platforms and links available to the examiners. Since the V4 countries are Contracting States of the EPC, the participating offices of the VPI have access to EPOQUENET and several commercial search platforms:

(a) The EPOQUENET search tool grants access to all the patent databases in conformity with the PCT search minimum documentation and to most of the non-patent literature (NPL) databases as well as to the databases of other commercial hosts (e.g. WPI).

(b) With the help of the services of STN, the STN International Databases can be searched, and access to further patent databases, non-patent literature and business databases from Thomson Reuters is available via Thomson Innovation. STN is used predominantly for structure searches (e.g. CAP and CAS registry) in the field of chemistry and pharmaceuticals, and for nucleotide or amino acid sequence searches (CAS Registry, USGENE®, PCTGen and DGene) in the field of biotechnology.

(c) Further non-patent literature databases, such as MEDLINE, ELSEVIER, EMBASE, IEEE and PUBCHEM can be searched via EPOQUENET or STN as well as directly via online web searches.

(d) The patent and utility model documentation of more than 80 countries and authorities starting from 1920 is also accessible and searchable through CD/DVD media in all the participating offices of the VPI.

(e) The participating offices of the VPI also have access to national patent and utility model information originating from various other IP offices via online national databases.

² Technical fields are defined according to the WIPO concordance table:
http://www.wipo.int/ipstats/en/statistics/technology_concordance.html

(f) In addition to the electronic sources of databases mentioned above, in the libraries of the participating offices of the VPI, one can find official bulletins and journals from all over the world and books in various fields of technology, science, law and linguistics. A large number of expert magazines and periodicals are also available.

47. Each participating office of the VPI has access to main classification system databases. The examiners use IPC classification systems for classification purposes and IPC as well as CPC for search purposes. The participating offices of the VPI continuously review their access to patent and NPL databases, and improve the search procedure by introducing new databases and information sources. This contributes to setting up and maintaining a high standard for the search procedure.

48. The examiners of the participating offices of the VPI participate in training courses and seminars related to patent search, including those on the efficient use of the patent and NPL databases.

49. The above-mentioned search platforms provide each examiner with access, at least, to the minimum documentation referred to in PCT Rule 34.

2.4. Quality Management System

50. Paragraph (d) of the Understanding on the Procedures for Appointment of International Authorities, adopted by the PCT Union Assembly at its forty-sixth session in September 2014 (hereinafter referred to as the "PCT Understanding of 2014"), contains clarification with regard to the requirement that the national office or intergovernmental organization seeking appointment must have in place a quality management system and internal review arrangements in accordance with the common rules of international search. It states that where such system is not yet in place at the time of the appointment by the Assembly, it shall be sufficient that such system is fully planned and, preferably, that similar systems are already operational in respect of national search and examination work to demonstrate the appropriate experience.

51. The VPI established its own Quality Management System (QMS) to cover its services covering the processing of PCT applications in the international phase. The VPI's QMS is based on the ISO certified quality management systems of the participating national offices and also extended in order to fully cover the PCT procedures of the international phase as well as to comply with the PCT Guidelines. The process descriptions relating to PCT search and preliminary examination activities are all included in the VPI/NO quality management systems. The VPI has Service Level Agreements with each NO under which the NO performs the PCT-related tasks of the VPI.

52. Each VPI/NO has an ISO-9001 certified quality management system. The VPI/NO QMS covers all necessary procedures for carrying out the work and procedures for continuous improvement. The Service Level Agreement between the VPI and VPI/NOs specifies the requirements which must be met by the quality management systems of the VPI/NOs. VPI's highest priority objective is to certify the processes related to the basic activities of the VPI, namely, search and examination as an ISA/IPEA and international-type search according to ISO standards. These certifications are taking place from end of 2016 to middle of 2017, according to the recertification schedule of the VPI/NOs.

53. The VPI's QMS will seek ISO certification according to ISO 9001 standard in the last quarter of 2017 when it can demonstrate the necessary time period of operation.

54. In accordance with PCT International Search and Preliminary Examination Guidelines, paragraphs 21.26 and 21.27, the VPI has made two annual reports on its quality management system, which are available for download:

http://www.wipo.int/export/sites/www/pct/en/quality/2015/2015_xv.pdf

http://www.wipo.int/export/sites/www/pct/en/quality/2016/2016_xv.pdf

2.5. Internal Review Arrangements

55. The introduction of the VPI's QMS is based on identifying all the necessary components of the system, all participants, suppliers, users and also customers' demands. Processes and procedures are established on different levels, such as governance (management), processes of basic activities and supporting (functional) processes. All policies, processes and procedures are documented within the QMS. The VPI's QMS is implemented according to detailed, understandable and workable instructions in order to achieve the stated quality goals. A review mechanism is put in place for monitoring compliance with quality standards and a joint internal review team within the VPI has been established. Besides internal audits external reviews will take place in a cyclical manner.

56. Each NO has its own experts who carry out the internal audits in their NO, which will be followed in case of the VPI/NOs (i.e. each NO's experts shall carry out the internal audit of the corresponding VPI/NO). Since the VPI Secretariat will also be audited internally, the experts from the Internal Audit Team will carry out the Secretariat's internal audit on a rotational manner (i.e. each year experts of different VPI/NOs will act as internal auditors).

III. CONCLUSION

57. In conclusion, the Contracting States of the VPI Agreement wish to express their firm view that the VPI is able to meet all the applicable requirements of the reappointment as an ISA and IPEA, and that the VPI's continuing operation as International Authority makes an important contribution to economic growth, competitiveness and innovation in the region and beyond as well as to the proper functioning of the global system established under the PCT.

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