

Meeting of International Authorities under the Patent Cooperation Treaty (PCT)

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STRENGTHENING PCT SAFEGUARDS IN CASE OF GENERAL DISRUPTION

Document prepared by the European Patent Office, the Spanish Patent and Trademark Office, the National Institute of Industrial Property (France), the Swiss Federal Institute of Industrial Property and the United Kingdom Intellectual Property Office

SUMMARY

1. The PCT System provides sophisticated safeguards in protecting applicants' rights, including the restoration of the priority right, the excuse of delays or the extension of time limits under numerous circumstances. However, the COVID-19 emergency has shown that there are some limitations and room for further improvement. The European Patent Office (EPO) proposes to amend the PCT Regulations by introducing a new Rule 82 *quater*.³ which would explicitly allow an Office to extend PCT time limits in the case of extraordinary circumstances for a defined period. A requirement would be that the State in which the Office is located is facing a general disruption due to, for instance, an epidemic.

BACKGROUND

2. The COVID-19 emergency was declared a public health emergency of international concern and a pandemic by the World Health Organization (WHO) on March 11, 2020. This health crisis has caused a large majority of countries in the world to declare a state of alarm or emergency, which resulted in restrictions on the movement of persons, as well as on certain services and public life in general, and also severely impacted economic activities, provoking a significant alteration in international trade and work routines.

3. Many PCT Contracting States have been and are still experiencing restrictions leading to disruptions affecting both the public and private life of citizens. The current global pandemic has been qualified as a "natural calamity ... or other like reason" within the meaning of Rule 82 *quater*.¹ by the International Bureau of WIPO, as set out in the *Interpretative statement and*

Recommended Patent Cooperation Treaty (PCT) Practice Changes in light of the COVID-19 Pandemic (“the Interpretive Statement”) issued on April 9, 2020. While some Offices invoked Rule 80.5(i), which applies in cases where Offices are not open, many other Offices, including the EPO and the International Bureau, remained open for business, including for the filing and processing of PCT applications. In this context, Rule 82 *quater*.1 appeared short of adequately addressing the situation.

LEGAL REMEDIES CURRENTLY AVAILABLE UNDER THE PCT

4. The PCT provides for the excuse of delays or the extension of time limits in the international phase in several circumstances, which can be essentially summarized as follows :

(a) Office closed for business – Rule 80.5(i): Extension of periods in cases where the expiration of the period during which any document or fee must reach a national Office or intergovernmental organization falls on a day on which such Office or organization is not open to the public for the purposes of the transaction of official business or on which ordinary mail is not delivered in the locality in which such Office or organization is situated. The extension is automatic and applicants do not have to take any action.

(b) Delay or loss in mail – Rule 82.1: Any interested party may offer evidence that he has mailed the document or letter five days prior to the expiration of the time limit. If the mailing of a document or letter is proven to the satisfaction of the national Office or intergovernmental organization which is the addressee, delay in arrival shall be excused. The burden of proof is on the applicant. The Office must process the request.

(c) Delays due to extraordinary circumstances at the applicant's place of residence - Rule 82 *quater*.1: Based on a request and evidence provided, the delay in meeting time limits (including time limits for fee payments, but not in a situation in which an international application had lost its legal effect as a result of having been declared considered withdrawn) may be excused by the Office concerned if the applicant can demonstrate that the area where he is located is affected by *force majeure*. The burden of proof is on the applicant. The Office must process the request.

(d) Delays in meeting the priority period - Rule 26 *bis*.3: A special provision provided for the delay in meeting the 12 months priority period. Based on an applicant's/agent's request, receiving Offices may excuse such a delay if a statement of reasons is submitted and the failure to meet the time limit (a) was unintentional, or (b) occurred in spite of all due care having been taken by the applicant/agent.

(e) Outage impacting the Office - Rule 82 *quater*.2 (since July 1, 2020): If an Office or organization is suffering from an outage of any of the permitted means of filing, it may declare so and notify the public and the International Bureau, including the period of the unavailability. Time limits are extended for applicants having missed them to the subsequent working day where all permitted means of filing are again operational. The extension is automatic, and applicants do not have to take any action.

New Rule 82 *quater*.2 provides for an extension of time limits in case of unavailability of the means of online filing. The rule requires an outage at a certain Office, i.e. an unavailability of any means of filing lasting for a period which has to be determined, and the information regarding that outage to be published by the Office concerned. This does not apply in the present situation. Besides, as Rule 82 *quater*.1 does not provide for an extension of PCT time limits in case of a general disruption at the place of the Office while that Office is still open for business, it can be concluded that the PCT currently does not contain a provision covering this situation.

The practical application of these remedies is illustrated for the ease of understanding in a table provided under paragraph 24 of this document.

SHORTCOMINGS OF LEGAL REMEDIES CURRENTLY AVAILABLE UNDER THE PCT

5. The current PCT legal framework does not provide for a reasonable, efficient, and flexible remedy that can easily be applied by Offices and used by applicants in case of a general disruption at the place where the Office is located.

6. The COVID-19 emergency has uncovered some shortcomings in the existing legal remedies available under the PCT. It has shown in particular that it is unnecessary to require in such a situation the filing of a request and related evidence supportive of the fact that a time limit was not met in a situation such as the current one. While the application of Rule 82*quater*.1 as suggested by the International Bureau in the Interpretative Statement (see paragraph 3, above) is a step towards a flexible application of that Rule, it is not suitable to address all inadequacies.

7. Under current Rule 82*quater*.1, PCT applicants continue to have to file a request for excuse of delays and are confronted with additional costs and increased administrative burden, such as attorney costs, time and resources to prepare the requests. In the worst case, they may even face a loss of rights should they not be aware of the legal remedies available and, as a consequence, do not file a request for excuse of delays. To the same extent, PCT Offices are facing a high administrative burden, as they have to process the requests on an individual basis, which is equally time and resource consuming. This represents unnecessary burden for Offices since the requests will anyway be allowable given the circumstances.

PROPOSALS

8. The present proposal was submitted by the EPO, France, Switzerland, and the United Kingdom to the PCT Working Group of October 2020 (document PCT/WG/13/10). Spain is now co-sponsoring the present proposal as well. Following discussions in the Working Group and further exchanges on the matter, the present document contains the initial proposal with several linguistic and some substantive changes. In particular, some clarification has been introduced as regards the definition of the period of extension, i.e. its commencement and end date, and the possibility of further extensions of time periods. Furthermore, some additional explanations have been provided to explain why applicants should not be obliged to submit a request and/or evidence under the proposed new rule. Finally, it has been made clear that each Office can only extend time limits to be met before itself, and not such time limits to be met before any other Office (e.g. the International Bureau or the competent International Searching Authority).

9. These shortcomings are being addressed in some legislations providing for a general extension of time limits in case of general disruption. Consequently, and in order to further strengthen the set of safeguards currently available under the PCT, it is proposed to provide a solid, efficient, transparent, and reliable new legal basis to extend PCT time limits in case of a general disruption. To a large extent, the success of the PCT System comes from the fact that, over time, it could be progressively adapted to best fit the needs of its users. The EPO believes that the PCT membership should respond to the experiences made during the COVID-19 emergency and seize the opportunity to develop the PCT further by providing the most adequate remedies in support of the users. The aim is thus to complement the existing legal framework and to offer a response to the future challenges Offices may be facing during a time of emergency. The proposal does not call into question the set of safeguards currently available under the PCT.

PROPOSED CHANGES TO RULE 82QUATER

10. The EPO proposes the introduction of a new Rule 82*quater*.3 (see Annex) to extend time limits at Offices located in a State experiencing a general disruption due to, for instance an

epidemic, causing restrictions on the movement of persons, as well as on certain services and public life in general. A pandemic, being a worldwide spread epidemic, falls under the definition of epidemic.

11. The proposal will not only provide greater legal certainty and predictability by introducing a legal basis in the PCT to extend PCT time limits, including those for paying fees, but it will also be proportionate as it leaves it at the discretion of each Office to declare a period of general disruption, depending on the actual situation in the State where that Office is located. Under the proposed new Rule 82 *quater*.3, PCT Authorities will be given the possibility to extend the time limits in which a party has to complete an act before that PCT Authority.

12. The proposed new rule is not covered by Article 48(1), which refers to interruptions in the mail service or unavoidable loss or delay in the mail. Since Article 48(2) refers to excuses of delays in meeting time limits under national law with effect for the designated or elected State concerned, it is not applicable either. Rather, the proposal would allow PCT Authorities to extend time limits during the international phase. However, proposed Rule 82 *quater*.3 would follow the general logic of Rule 82 *quater* and be applicable to time limits set in the Regulations. Other time limits are set in the Treaty itself, for instance, the time limit to enter the national phases. Such time limits are thus not covered by the proposed extension. Designated and elected States may make use of their national provisions and extend such time limits with exclusive effect for their State (cf. Article 48(2) in conjunction with Rule 82 *bis*.2).

13. Proposed new Rule 82 *quater*.3 mirrors the notification approach in place under Rule 82 *quater*.2 as adopted by the PCT Assembly in 2019 and which entered into force on July 1, 2020. Time limits fixed in the Regulations could, in case of a general disruption caused by *force majeure* as described in Rule 82 *quater*.1(a), be extended to the first day following the end of the interval of the disruption as notified by an Office, Authority or the International Bureau (see paragraph 15, below).

14. The notification under Rule 82 *quater*.3 will include information on the date of commencement and the end of any general disruption, thereby indicating the time period during which the extension of time limits applies. That duration is limited to a maximum of two months. This maximum duration corresponds to the period commonly used under the PCT (e.g. restoration of priority rights or incorporation by reference). The date of (actual) commencement of a general disruption can be a date earlier than the date of notification and publication. If before the expiry of the extension period, the general disruption is still ongoing, the Office, Authority or the International Bureau will have the possibility to decide on a further extension of time limits for another maximum period of two months.

15. For a prolongation of the period of extension of time limits, the same conditions as for a first notification apply, namely the Office, Authority or the International Bureau would have to publish the period of extension and (in case of Offices and Authorities) notify the International Bureau accordingly (Rule 82 *quater*.3(b)). Further details regarding the implementation of the proposed new Rule could be specified in secondary instruments following the example of Section 111 of the PCT Administrative Instructions and paragraphs 30B and 30C of the Receiving Office Guidelines in the case of Rule 82 *quater*.2. The prolongation of the period of extension of time limits would eventually be limited in time by the fact that it does not affect the time limits for entry into the national phases (Rule 82 *quater*.3(c)).

16. Offices will benefit from the flexibility under the proposed mechanism, as each Office could in a timely and independent manner prepare for the application of a general extension of time limits (including possible consideration of the impact on finances, IT tools, as well as operations and workflows). The introduction of the proposed new rule will represent an important step towards a convergence of practices for those Offices that do currently extend time limits under their national laws in such circumstances. A notification under Rule 82 *quater*.3

would furthermore serve as evidence that might be required by an applicant or agent residing in the same State requesting the excuse of a delay under Rule 82*quater*.1 with another Office, Authority or the International Bureau. Also, the proposed new Rule would apply independently of whether a comparable extension of time limits is also available under the applicable national law (as defined in Article 2(x)). However, in case an Office or Authority applies a comparable extension of time limits under the applicable national law, the new provision would enable such Office or Authority to adopt the same practice for both the national and PCT proceedings, thereby offering equal treatment to applicants and also effectively streamline its operations.

17. There is no overlap between Rule 82*quater*.1 and the proposed new Rule as an Office or Authority could apply one or the other, but not both at the same time. In other words, Rule 82*quater*.1 applies by default if the applicant provides evidence to the Office concerned that paragraph (a) is applicable to excuse a delay in meeting a PCT time limit. Rule 82*quater*.1 does not apply before a particular Office if that Office has notified under Rule 82*quater*.3 that all PCT time limits are automatically extended. After the period referred to in the notification under Rule 82*quater*.3 has lapsed, Rule 82*quater*.1 is again applicable before that Office.

18. The very comprehensive, overarching, all-encompassing nature of a general disruption by definition implies limitations in the interaction between applicants, agents and the Office concerned. Such a general disruption in the State where the Office is located will negatively impact either the operations of the Office or those of the users, or both. Requiring applicants to (individually) request an extension of time limits under such exceptional circumstances would be disproportionate. Therefore, unlike under Rule 82*quater*.1, and as explained above, applicants would not be required to file requests or submit evidence under proposed new Rule 82*quater*.3.

19. Furthermore, the EPO suggests an amendment to Rule 82*quater*.1 by clarifying the list of *force majeure* circumstances. A declared epidemic should be a ground for triggering a request for excusing a delay in meeting time limits and should be explicitly specified in Rule 82*quater*.1 as such even though the list of *force majeure* circumstances is non-exhaustive. It is therefore suggested that the notion be included in Rule 82*quater*.1. According to the World Health Organization (WHO), an epidemic is the "occurrence in a community or region of cases of an illness, specific health-related behavior, or other health-related events clearly in excess of normal expectancy (...)".

20. Finally, Rule 82*quater*.1 should be reviewed to also reflect the International Bureau's Interpretative Statement of April 9, 2020 by including a new paragraph (d) giving the possibility for Offices to waive the requirement to submit evidence and to notify the International Bureau accordingly. The new paragraph provides that Offices may do so under the conditions set and published. Such a condition could be, for instance, that the interested party must submit a statement that the failure to meet the time limit was due to the reason for which the Office waived the requirement concerning the submission of evidence.

21. The proposed wording of Rule 82*quater*.3(c) diverges slightly from the current wording of Rules 82*quater*.1(c) and 82*quater*.2(b). The aim is to make clear that there should be no disrupting impact on designated/elected Offices in cases where, on the one hand, the national processing began, but on the other hand, not all acts under Article 22 or 39 have yet been performed by the applicant. If the above proposal is supported, consideration should be given to making corresponding amendments to Rules 82*quater*.1(c) and 82*quater*.2(b) for the sake of consistency.

PROPOSED UNDERSTANDING OF THE ASSEMBLY

22. It is further suggested that the PCT Assembly adopts an Understanding concerning the extension of time limits due to general disruption in a State in which the Office or organization is located. Such an Understanding would cover the timeframe prior to the entry into force of the proposed new Rule 82*quater*.3 and provide legal certainty and predictability for applicants

whose PCT time limits have been extended by Offices in application of a more favorable national law as defined in Article 2(x). It would also provide clear guidance and transparency for designated Offices dealing with such files later in the national phase procedure.

23. A draft text for such an Understanding is proposed as follows:

"Understanding of the PCT Assembly

In adopting the modifications of Rule 82*quater*.1 and new Rule 82*quater*.3, the PCT Assembly agreed that, prior to the entry into force of modified Rule 82*quater*.1 and new Rule 82*quater*.3, neither Rule 82*quater*.1 nor any other provisions of the PCT prevented an Office from extending time limits fixed under the Regulations in situations of *force majeure* as defined in Rule 82*quater*.1, where the national law as defined in Article 2(x) that is applicable by the Office concerned provided for such a relief. The PCT Assembly also agreed that, with the adoption of new Rule 82*quater*.3, a new legal basis will become available in the Regulations and should thus be applied, when applicable, as from its date of entry into force."

SCENARIOS OF DISRUPTIONS AND EFFECTS

24. The following table illustrates the practical application of the current remedies available under the PCT, including proposed modifications to Rule 82*quater*.1 and new Rule 82*quater*.3 (highlighted in bold respectively):

Scenarios	Legal Provision	Request & Evidence	Notification to the International Bureau
Mail disruption in the locality of the Office, which is still open for business	Rule 82	Yes	No
The Office is completely closed for official business	Rule 80.5(i)	No	No
General disruption in the locality where the interested party resides, has his place of business or is staying (proposed changes in bold)	Rule 82 <i>quater</i> .1	Yes Yes / No (Offices could waive the need of evidence)	No Yes / No (Offices could waive the need of evidence)
Outage of any of the permitted means of filing applications at the Office, but the Office is not closed for business	Rule 82 <i>quater</i> .2	Yes (request) & No (evidence)	Yes
General disruption in the State where the Office is located, but the Office is not closed for business	Rule 82<i>quater</i>.3	No	Yes

Table 1: Scenarios of Disruptions and Effects

25. *The Meeting is invited to comment on the proposals in this document.*

[Annex follows]

DRAFT PROPOSED AMENDMENTS
TO THE PCT REGULATIONS¹

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¹ Proposed additions and deletions are indicated, respectively, by underlining and striking through the text concerned.

Rule 82^{quater}

Excuse of Delay in Meeting Time Limits [and Extension of Time Limits](#)

82^{quater}.1 Excuse of Delay in Meeting Time Limits

(a) Any interested party may offer evidence that a time limit fixed in the Regulations for performing an action before the receiving Office, the International Searching Authority, the Authority specified for supplementary search, the International Preliminary Examining Authority or the International Bureau was not met due to war, revolution, civil disorder, strike, natural calamity, [epidemic](#), a general unavailability of electronic communications services or other like reason in the locality where the interested party resides, has his place of business or is staying, and that the relevant action was taken as soon as reasonably possible.

(b) [No change] Any such evidence shall be addressed to the Office, Authority or the International Bureau, as the case may be, not later than six months after the expiration of the time limit applicable in the given case. If such circumstances are proven to the satisfaction of the addressee, delay in meeting the time limit shall be excused.

(c) [No change] The excuse of a delay need not be taken into account by any designated or elected Office before which the applicant, at the time the decision to excuse the delay is taken, has already performed the acts referred to in Article 22 or Article 39.

[\(d\) The need for evidence may be waived by the Office, Authority or the International Bureau under the conditions set and published by that Office, Authority or the International Bureau, as the case may be. The Office or Authority shall notify the International Bureau accordingly.](#)

82^{quater}.2 Unavailability of Electronic Means of Communication at the Office

(a) [No change] Any national Office or intergovernmental organization may provide that, where a time limit fixed in the Regulations for performing an action before that Office or organization is not met due to the unavailability of any of the permitted electronic means of communication at that Office or organization, delay in meeting that time limit shall be excused, provided that the respective action was performed on the next working day on which the said electronic means of communication were available. The Office or organization concerned shall publish information on any such unavailability including the period of the unavailability, and notify the International Bureau accordingly.

(b) [No change] The excuse of a delay in meeting a time limit under paragraph (a) need not be taken into account by any designated or elected Office before which the applicant, at the time the information referred to in paragraph (a) is published, has already performed the acts referred to in Article 22 or Article 39.

82quater.3 Extension of Time Limits due to General Disruption

(a) Any receiving Office, International Searching Authority, Authority specified for supplementary search, International Preliminary Examining Authority or the International Bureau may extend time limits fixed in the Regulations within which a party has to complete an act before that Office, Authority or the International Bureau when the State in which it is located is experiencing a general disruption caused by an event listed in Rule 82 quater.1(a). The Office, Authority or the International Bureau shall publish the commencement and the end date of any period of extension. The Office or Authority shall notify the International Bureau accordingly. The period of extension of time limits shall not end later than two months from the date of commencement. Any extension of a time limit under this paragraph shall last until the first day following the end date.

(b) The Office, Authority or the International Bureau may decide to further extend time limits fixed in the Regulations by an additional period of time, if necessary under the circumstances. In that case, paragraph (a) applies *mutatis mutandis*.

(c) The extension of a time limit under paragraph (a) or (b) need not be taken into account by any designated or elected Office if, at the time the information referred to in paragraph (a) or (b) is published, national processing before that Office has started.

[End of Annex and of document]