

C. PCT 1596

April 17, 2020

Madam,
Sir,

Proposed modifications of the Administrative Instructions under the PCT (“the Administrative Instructions”) and the PCT Receiving Office Guidelines (“the RO Guidelines”)

This Circular is addressed to your Office in its capacity as a receiving Office (RO), an International Searching Authority (ISA), an International Preliminary Examining Authority (IPEA), an Authority specified for supplementary search, and/or a designated or elected Office under the Patent Cooperation Treaty (PCT) for the purposes of consultation under PCT Rule 89.2(b).

The purpose of this Circular is to consult on the implementation of amendments to the Regulations under the PCT (“the Regulations”) related to the receipt and transfer of fees, adopted by the PCT Assembly at its fifty-first session held in Geneva on September 30 to October 9, 2019 (see documents PCT/A/51/2 and PCT/A/51/4), which will enter into force on July 1, 2020. The implementation of other amendments adopted at the same time was the subject of Circular C. PCT 1586, dated February 4, 2020.

I. Proposed Modifications of the Administrative Instructions

./ The proposed modifications of the Administrative Instructions are set out in Annex I to this Circular. The modifications comprise the addition of new Section 114, referring to a new Annex G, which contains details of the procedures to be followed by Offices collecting fees for the benefit of other Offices, or receiving fees collected by other Offices.

The primary purpose of new Annex G is to provide a consistent legal basis for the operation of the World Intellectual Property Organization (WIPO) Fee Transfer Service that makes it possible and highly desirable for all Offices to join. The WIPO Fee Transfer Service (formerly the netting pilot) has been successfully operating and growing for several years, based on bilateral agreements between Offices. The proposed provisions set out the long term aim of exchanging high quality and timely fee information in a consistent format, but do not presently impose any new requirements for most Offices. Offices already part of the WIPO Fee Transfer Service will not need to change their existing processes.

Offices starting to use the WIPO Fee Transfer Service will typically need to make only minimal changes – directing fees and information to the International Bureau of WIPO in accordance with the common timetable that would otherwise have been sent to the International Searching Authority. For many Offices, the production and use of the preferred XML format information will be handled automatically using ePCT, based on the normal processing of the relevant actions using that system, so that the long term goals will not require any local development work either. Noting that all PCT Offices already need to exchange fees with the International Bureau of WIPO, the WIPO Fee Transfer service has been found beneficial by all participating Offices, reducing the local administrative requirements, potentially reducing both banking charges and foreign exchange differences and improving cash management.

The proposed Administrative Instructions are very flexible in the procedures for the present. They aim to allow Offices meeting the current expectations of the PCT Regulations to continue their existing processes unchanged in the short term, including for those Offices currently using the WIPO Fee Transfer Service. However, they encourage Offices to move towards participation in the WIPO Fee Transfer Service and to a more detailed and consistent transfer of machine-readable XML information in the longer term in order to be able to conduct fee transfers more efficiently for the Offices concerned, as well as to provide high quality information to both applicants and Offices on the status of fee payments and transfers.

II. Proposed Modifications of the RO Guidelines

- ./.* The proposed modifications of the RO Guidelines are set out in Annex II to this Circular. The modifications comprise the addition of new paragraphs 258A and 272A, the modification of paragraph 273 and the deletion of paragraph 12 and Annex A. Certain paragraphs that are not proposed to be modified are provided for ease of reference.

New paragraphs 258A and 272A refer to the requirements to provide notification to the International Bureau of WIPO and to the International Searching Authority on the receipt of fees, and to the procedures for transfer of those fees in the case where the transfer is to be made using the WIPO Fee Transfer Service. The proposed modifications to paragraph 273 add a requirement for receiving Offices to send search fee information to the International Bureau of WIPO in addition to information on the international filing fee; this information should be transmitted in electronic form, preferably in XML format. Consequently, it is proposed to delete Annex A, which contains a paper-based template for the receiving Office to communicate information concerning transfer of the international filing fee to the International Bureau of WIPO, along with paragraph 12 which refers to this Annex. It is envisaged that paragraph 273 will be further revised when standards for transmission of the fee information have been finalized. Where Offices use the relevant ePCT services, the appropriate XML data format to transmit the fee information will be handled automatically. In the meantime, receiving Offices should continue to transmit this information in the existing formats, or discuss any required changes with the International Bureau of WIPO.

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III. Special Arrangements for Certain Offices

The amendments to PCT Rule 96 and these proposals for modifications to the Administrative Instructions do not affect the processes in place in relation to applications filed at receiving Offices that have a special arrangement where the applicant pays international filing and search fees directly to the International Bureau of WIPO and to the International Searching Authority, respectively, which will continue for the moment unaffected. These Offices are invited to contact the International Bureau of WIPO at: income.pct@wipo.int and at: fee.pct@wipo.int to discuss possible arrangements to enable them to join the WIPO Fee Transfer Service, which will enable applicants to make a single transfer of search and filing fees through the International Bureau of WIPO in one currency, thus reducing transfer costs for the applicant.

IV. Comments on the proposed modifications of the Administrative Instructions and the RO Guidelines

Your Office is invited to provide comments, if any, by May 22, 2020, by e-mail to: pct.legal@wipo.int.

Yours sincerely,



John Sandage
Deputy Director General

Enclosures: Annex I — Proposed modifications of the Administrative Instructions

Annex II — Proposed modifications of the Receiving Office Guidelines

Section 114

Notification and Transfer of Fees ~~[Deleted]~~

The notification of the receipt of fees under Rule 96.2(b) and the transfer of fees under Rule 96.2(c) shall be carried out in accordance with Annex G.

[COMMENT: See proposed new Annex G to the Administrative Instructions, below.]

ANNEX G

NOTIFICATION OF RECEIPT AND TRANSFER OF FEES

[COMMENT: It is proposed to add a new Annex G to the Administrative Instructions so as to provide detailed instructions with regard to the transfer of PCT fees from collecting Offices to beneficiary Offices, including provisions relating to the timing of transfers and special provisions where an Office agrees with the International Bureau to net fees collected and due, to minimize the number of transactions and associated fees and administrative costs.]

I. INTRODUCTION

1. Pursuant to Rules 96.2(b) and 96.2(c) and Section 114 of the PCT Administrative Instructions, the notification of receipt of fees and the transfer of fees collected by one Office for the benefit of another Office shall be carried out in accordance with the provisions set out in this Annex.

2. For the purposes of this Annex, the term "Office" has the same definition as Rule 96.2(a).

[COMMENT: That is, where relevant, the term includes the International Bureau, as well as receiving Office, International Searching Authority, Authority specified for supplementary search and the International Preliminary Examining Authority. As such, the International Bureau may be a collecting or beneficiary Office and the fee transfer arrangements will be, as far as any other Office is concerned, identical to those where a national Office acts as the corresponding beneficiary or collecting Office.]

II. AGREEMENTS AND TIMETABLES

II.1 AGREEMENT TO PARTICIPATE IN THE WIPO FEE TRANSFER SERVICE

3. An Office ("participating Office") may agree with the International Bureau to participate in the WIPO process for exchanging fees via the International Bureau ("WIPO Fee Transfer Service") for PCT purposes by:

(a) transferring some or all fees collected by it for the benefit of another participating Office to that other participating Office via the International Bureau in accordance with the provisions set out in this Annex; and

(b) having some or all fees collected by another participating Office for its benefit transferred to it via the International Bureau in accordance with the provisions set out in this Annex.

[COMMENT: In this paragraph, "some or all fees" allows for a degree of flexibility in testing and transitional arrangements. However, it is normally expected that a receiving Office should pay all fees to other Offices through the Service unless one of the competent International Searching Authorities is not participating, and that an International Searching Authority should accept fees through the Service from all participating receiving Offices for which it is competent.]

4. Where a collecting Office and the corresponding beneficiary Office have agreed to participate in the WIPO Fee Transfer Service, the transfer of

- (a) international filing fees under Rule 15.2(c) or (d) collected by the Office in its capacity as a receiving Office for the benefit of the International Bureau;
- (b) search fees under Rule 16.1(c) or (d) collected by the Office in its capacity as a receiving Office for the benefit of a participating Office in its capacity as an International Searching Authority;
- (c) supplementary search fees under Rule 45*bis*.3(b) collected by the International Bureau for the benefit of a participating Office in its capacity as an Authority specified for supplementary search;
- (d) handling fees under Rule 57.2(c) or (d) collected by an International Preliminary Examining Authority for the benefit of the International Bureau; and
- (e) differences under Rule 16.1(e) relating to search fees received by the Office in its capacity as an International Searching Authority in a currency other than its fixed currency;

from the collecting office to the International Bureau for further transfer to the beneficiary Office shall be considered to be the transfer of said fee in accordance with Rule 15.2(c) or (d), Rule 16.1(c) or (d), Rule 45*bis*.3(b), Rule 57.2(c) or (d), or Rule 16.1(e), as applicable and shall not be considered a payment by the collecting office to a third party. The transfer shall be carried out promptly in accordance with a timetable for such transfers agreed between the Offices concerned and/or the International Bureau. The Office carrying out the transfer (including, where applicable, the International Bureau) shall bear all bank charges for the transfer of the fees.

[COMMENT: This paragraph is included to provide clarity for Offices operating under particular financial rules concerning transfer of fee revenue to third parties.]

5. A participating Office, in its capacity as an International Searching Authority, may agree with the International Bureau that some or all of the transfers of fees by it under paragraph 3(a) and the transfer of fees to it under paragraph 3(b) shall be subject to netting in accordance with the provisions set out in this Annex ("fee transfer subject to netting").

6. The agreement shall specify the formats referred to in paragraphs 10 and 14, below, in which notifications of fee payments and lists of fees to be transferred shall be exchanged.

7. The International Bureau shall publish a list of the PCT fee transfers that are part of the WIPO Fee Transfer Service for each participating Office in the PCT Gazette.

[COMMENT: Although the agreement between a participating Office and the International Bureau is a bilateral one, the scope of an International Searching Authority's participation will affect the actions necessary for the receiving Offices for which it is competent and vice versa. Consequently, it is essential that the scope of participation is visible to all participating Offices so that they can set up their payment and receipt processes accordingly. The International Bureau would take into account the effect of any changes on the processes with regard to other Offices in agreeing the dates on which any change would take effect. The wording allows for significant flexibility on the form of the agreement. The International Bureau needs simply a clear written record of agreement, but this could take the form of an exchange of emails, an exchange of letters or a memorandum of understanding, according to the legal and administrative needs of the Offices and States concerned.]

II.2 COMMON TIMETABLE FOR FEE LISTS AND FEE TRANSFERS

8. The International Bureau shall, following consultation with participating Offices and taking into account dates when Offices are closed or bank transfers may not be possible, annually establish a timetable ("the common timetable") specifying the latest dates each month by which lists should be established under paragraphs 13 and 14, below, and transfer of fees made to and from the International Bureau under paragraphs 19 to 23, below. The timetable and any subsequently required modifications shall be transmitted to each participating Office and published in the PCT Gazette.

III. NOTIFICATION AND TRANSFER OF FEES VIA THE INTERNATIONAL BUREAU

III.1 NOTIFICATION OF THE RECEIPT OF FEES

Notification to the International Bureau by a Collecting Office

9. In accordance with Rule 96.2(b), a collecting Office shall promptly notify the International Bureau of each fee received in full by the Office for the benefit of the International Bureau or to be transferred to a beneficiary Office via the International Bureau. It shall preferably also promptly notify the International Bureau of other fees received, whether for the benefit of itself or of other beneficiary Offices in their role as receiving Office, International Searching Authority, Authority specified for supplementary search or International Preliminary Examining Authority.

10. A notification of a fee received by a collecting Office according to paragraph 9 shall be made to the International Bureau in a format agreed between the collecting Office and the International Bureau. The notification shall contain sufficient information to make clear the relevant international application and the type of fee paid and shall preferably be made using XML conforming to a DTD published for the purpose in Appendix I to Annex F.

[COMMENT: The long term aim is to establish an exchange of high quality data on the status of fee payments in a consistent format, the term "format agreed" in this paragraph and below is intended to provide considerable flexibility for interim arrangements. This will allow the International Bureau to offer high quality, automated validations that avoid the risk of errors being discovered in manual checks after transfers have been made, which then require correction the following month. However, in the short term, Offices that already provide some form of notification that fees have been paid (this includes all Offices currently using the eSearchCopy system) would not be expected to change to a new or more detailed arrangement.]

For receiving Offices processing applications using ePCT, this notification would be handled automatically by selecting the relevant options, without any additional action required.

It is proposed to refer to an Annex F DTD, even though it will not be formally established before these provisions enter into force, as a reminder that systems to deliver high quality and consistent information will be needed in the future. A provisional DTD is available, but a final version will be proposed for introduction into Annex F only once the technical requirements have stabilized, later in the year.]

11. In the case where an overpayment has been received, the fee shall be promptly notified as having been paid in the proper amount, without waiting for any refunds to be made.

[COMMENT: ePCT offers facilities to manage the forms relating to refund of overpayments and it is intended to develop the system to manage the system such that the current status is well recorded in the database, so as to be visible to the applicant, the relevant Office and the International Bureau. Once the model for this is stable, it is envisaged that this paragraph and the corresponding data transfer standards would be modified to explicitly allow for transmission of information concerning overpayments and refunds, to allow such information to be clearly visible across a wider range of international applications.]

Notification to the Beneficiary Office by the International Bureau

12. Where a notification under Rule 96.2(b) relates to a fee for a beneficiary Office other than the International Bureau, the International Bureau shall promptly inform the Office concerned. Where the search copy is transmitted to the International Searching Authority by the International Bureau on behalf of the receiving Office, information that the search fee has been paid may take the form of the transmission of the search copy and, where necessary, be delayed until the other requirements for such transmission have been met.

III.2 TRANSMISSION OF INFORMATION BY PARTICIPATING OFFICES TO THE INTERNATIONAL BUREAU CONCERNING MONTHLY OR OTHER PERIODIC FEE TRANSFERS

Transmission of fee transfer information by the Collecting Office

13. A participating collecting Office shall establish and transmit to the International Bureau, in accordance with the common timetable, a list of:

- (a) the fees collected by that Office in the course of the preceding month or other agreed interval, which are to be paid to the International Bureau or to be transferred via the International Bureau for the benefit of another Office; and
- (b) corrections and omissions relating to fees transferred, or which should have been transferred, in previous months.

14. The list shall be in a format agreed between the collecting Office and the International Bureau. The list shall contain sufficient information to validate the amounts to be transferred and shall preferably be made using XML conforming to the DTD published for the purpose in Appendix I of Annex F.

[COMMENT: See the comment under paragraph 10, above, concerning the "format agreed".

For Offices using ePCT to process applications, the list should be generated automatically – proposals are being prepared on the degree of checking that should be required by the Office and whether the preparation of the list should be automatic at the relevant time or require a manual action to trigger transmission.]

Differences in Fees Received by International Searching Authorities from Non-Participating Offices

15. Any participating International Searching Authority that receives search fees directly from receiving Offices in a prescribed currency different from the fixed currency shall, at agreed intervals, establish and transmit to the International Bureau a list of the amounts of fees received in the prescribed and fixed currencies in a format agreed between the Authority and the International Bureau, sufficient to determine the difference due to the International Bureau or to the International Searching Authority in accordance with Rule 16.1(e).

16. The Authority shall also submit documentation agreed with the International Bureau showing the amounts transferred in the prescribed currency, the date, the exchange rate applied and the amount received in the fixed currency.

[COMMENT: The relevant documentation would normally be the bank statements.]

III.3 CHECKING OF FEE INFORMATION RECEIVED

17. The International Bureau shall check the fee information received in accordance with paragraphs 9, 13 and 15 against the information it holds in its databases with regard to the international applications concerned and confirm to that Office that the information it has received is consistent. In case of differences that require reconciliation, the International Bureau shall contact the participating Office. Where possible, any required corrections shall be made to the relevant notifications and lists in time to be reflected in the transmission of fees in the month following their receipt by the collecting Office.

[COMMENT: The International Bureau would check that the fees paid were correct, based on the bibliographic data, selected Offices and page counts in its records. Any differences would be investigated to determine whether the fee or the data held was incorrect. Where possible, this check would be done immediately on receipt of the individual notifications under Rule 96.2(b), rather than waiting until the monthly list was established, since in the latter case the corrections would typically be agreed too late and need to be included in the following month's statements.]

III.4 CORRECTION OF ERRORS AND OMISSIONS

18. Any errors or omissions discovered in the information transmitted concerning fees collected by one Office for the benefit of another to be transferred through the WIPO Fee Transfer Service shall be notified promptly to the International Bureau. The International Bureau shall promptly inform any other Office to which the erroneous information has been transmitted. Where the error is discovered too late to correct the lists on which the transfers of fees are based during the same month, the correction shall be included in the lists and transfers to be made the following month.

III.5 CALCULATION OF AMOUNTS TO BE TRANSFERRED VIA THE INTERNATIONAL BUREAU; TRANSFER OF FEES VIA THE INTERNATIONAL BUREAU

III.5.1 Fee Transfers to the International Bureau Not Subject to Netting

19. Where a fee transfer referred to in paragraph 3, above, is not subject to netting, the collecting Office shall transfer the amount indicated in the list transmitted according to paragraph 13, above, no later than the date set in the common timetable for the purpose. The collecting Office shall bear all bank charges, if any, for this transfer.

III.5.2 Fee Transfers from the International Bureau Not Subject to Netting

20. Where a fee transfer referred to in paragraph 3, above, is not subject to netting, the International Bureau shall transmit a list of the fees to be transferred to the beneficiary Office and transfer the total amount indicated in that list no later than the dates set in the common timetable for those purposes. The International Bureau shall bear all bank charges, if any, for this transfer.

III.5.3 Fee Transfers Subject to Netting

21. Where the agreement between a participating Office and the International Bureau has specified under paragraph 5, above, that fee transfer shall be subject to netting, the International Bureau shall establish and transmit each month, to that participating Office ("netting office"), no later than the date set in the common timetable, a netting statement comprising:

- (i) a list of the fees collected by other Offices for the benefit of the netting Office;
- (ii) a list of the fees collected by the netting Office for the benefit of other Offices;
and
- (iii) an indication of the net amount in favor of the netting Office or of the International Bureau.

22. Where the net amount indicated on a netting statement is in favor of the participating Office, the International Bureau shall transfer the net amount to the netting Office no later than the date set in the common timetable. The International Bureau shall bear all bank charges, if any, for this transfer.

23. Where the net amount indicated on a netting statement is in favor of the International Bureau, the netting Office shall transfer the net amount to the International Bureau, no later than the date set in the common timetable. The participating Office shall bear all bank charges, if any, for this transfer.

III.5.4 Transfer of Fees Not Included in the WIPO Fee Transfer Service

24. Any fee transfer between a collecting Office and a beneficiary Office that is not included in the WIPO Fee Transfer Service, despite one or other Office being a participating Office, shall be carried out in accordance with paragraph 25, below.

[COMMENT: This clarifies that participating Offices, which are applying the arrangements in section III for some fee transfers, continue to be responsible for transfer of fees by the traditional process to the extent that some fees may not yet be part of the Fee Transfer Service. This will normally be because the other Office concerned is not yet a participating Office.]

IV. TRANSFER OF FEES BY OR TO OFFICES NOT PARTICIPATING IN THE WIPO FEE TRANSFER SERVICE

25. Where either a collecting Office or the corresponding beneficiary Office has not agreed to participate in the WIPO Fee Transfer Service (“non-participating Office”), the transfer, where applicable, of:

- (a) international filing fees under Rule 15.2(c) or (d) collected by the Office in its capacity as a receiving Office for the benefit of the International Bureau;
- (b) search fees under Rule 16.1(c) or (d) collected by the Office in its capacity as a receiving Office for the benefit of a non-participating Office in its capacity as an International Searching Authority;
- (c) supplementary search fees under Rule 45*bis*.3(b) collected by the International Bureau for the benefit of the non-participating Office in its capacity as an Authority specified for supplementary search;
- (d) handling fees under Rule 57.2(c) or (d) collected by the Office in its capacity as an International Preliminary Examining Authority for the benefit of the International Bureau; and
- (e) differences under Rule 16.1(e) relating to search fees received by the Office in its capacity as an International Searching Authority;

shall be carried out promptly in accordance with Rule 15.2(c) or (d), Rule 16.1(c) or (d), Rule 45*bis*.3(b), Rule 57.2(c) or (d), or Rule 16.1(e), as applicable, preferably in accordance with a monthly time table for such transfers agreed between the Offices concerned and/or the International Bureau. The Office carrying out the transfer shall bear all bank charges, if any, for the transfer of the fees referred to in paragraphs (a), (b) and (d) and, where the difference belongs to the International Bureau, paragraph (e), whereas the International Bureau shall bear all bank charges, if any, for the transfer of the fees referred to in paragraph (c) and, where the difference belongs to the Office in its capacity as an International Searching Authority, paragraph (e).

[COMMENT: Offices that decide against participation in the WIPO Fee Transfer Process would continue to be required to promptly transmit fee receipt notifications directly to the beneficiary Office (as well as preferably to the International Bureau in accordance with paragraph 9) and to transfer fees collected for the benefit of other Offices (in their various PCT capacities) or for the benefit of the International Bureau according to agreed monthly timetables to the beneficiary Office or to the International Bureau, as the case may be.]

[Annex II follows]

PROPOSED MODIFICATIONS OF THE PCT RECEIVING OFFICE GUIDELINES

12. ~~Annex A to these Guidelines contains an example of a table for the transfer of fees to the International Bureau~~~~[Deleted]~~.

Notification Concerning Payment of Fees before the Date on Which They Are Due

258. The receiving Office, upon receipt of a (purported) international application, checks whether any payment of fees has been made and notifies the applicant accordingly (payment of all, or only part of, the prescribed fees or overpayment to be refunded). Where no or insufficient fees have been paid, the receiving Office may invite (Form PCT/RO/102) the applicant to pay the balance due within the applicable time limit(s) (Section 304).

Notification to the International Bureau and the International Searching Authority of Receipt of Fees

258A. Promptly on confirmation that the fee has been paid in full (including the case where overpayment has been made), the receiving Office notifies the International Bureau and the International Searching Authority that the filing fee and search fee have been paid (Rule 96.2(b)). Where the Office is participating in the WIPO Fee Transfer Service for the purpose of the search fee, the International Bureau will forward the notification to the International Searching Authority. Where the search copy is sent using eSearchCopy, the mechanisms in that service are sufficient to confirm the payment of fees.

Transfer of Fees

272. The receiving Office should, each month, transfer to the International Bureau and the International Searching Authority, respectively, moneys received as international filing fee (Rule 15.2(c) and (d)) and search fee (Rule 16.1(c) and (d)) during the preceding month. The receiving Office keeps for its own benefit any moneys received as transmittal fee (Rule 14) and late payment fee (Rule 16*bis*.2).

272A. Where the receiving Office is participating in the WIPO Fee Transfer Service, the transfers should be made according to the common timetable, established on an annual basis (paragraph 8 of Annex G of the Administrative Instructions). A list is transmitted to the International Bureau of the fees received in the preceding month, together with any corrections that need to be made to fees transferred or omitted to be transferred in previous months (paragraph 13 of Annex G). If the fees are not to be "netted" against other fees owed to the Office, the total amount is then transferred to the International Bureau (paragraph 19 of Annex G). If the fees are to be netted, the Office waits to receive a "netting statement", indicating the amount due either to or by the Office (paragraphs 21 to 24 of Annex G).

273. When transferring the international filing fee and the search fee, the receiving Office should, ~~by letter or in electronic form,~~ electronically communicate to the International Bureau at least the following information: the international application number, ~~the name of the applicant (that is, the applicant first named in the request),~~ and the total amount of the international filing and search fees for each international application relevant to the transfer. ~~As an example of a table containing the indications mentioned above, see Annex A to these Guidelines.~~ This communication should preferably be in XML format; where the Office is using the relevant ePCT services to communicate the information, the data entered will be converted automatically to the appropriate format.

ANNEX A
TRANSFER OF FEES ~~[Deleted]~~

~~Transfer of fees to the International Bureau~~

Receiving Office: _____

Currency: _____ Date of transmittal: _____

PCT Number	International filing fee ($I=i1+i2+i3$)			Reductions (r)		Reduced International filing fee ($i1+i2+i3-r$)	
	Applicant (first named in request)	first 30 sheets (i1)	fee per sheet over 30 (i2)	additional component (i3)	Electronic filing (the request in character coded format)	Electronic filing (the request, description, claims and abstract in character coded format)	($i1+i2+i3-r$) or ($i1+i2+i3-r$) x 10%, as applicable
TOTAL							

[End of Annex II and of Circular]