SUBJECT: Validation agreement between Georgia and the European Patent Organisation

SUBMITTED BY: President of the European Patent Office

ADDRESSEES: Administrative Council (for decision)

SUMMARY

This document contains a draft validation agreement with Georgia. The Council is requested to authorise the President to conclude it.
## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Subject</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. STRATEGIC/OPERATIONAL</td>
<td>1</td>
</tr>
<tr>
<td>II. RECOMMENDATION</td>
<td>1</td>
</tr>
<tr>
<td>III. MAJORITY NEEDED</td>
<td>1</td>
</tr>
<tr>
<td>IV. CONTEXT</td>
<td>1</td>
</tr>
<tr>
<td>V. ARGUMENTS</td>
<td>1</td>
</tr>
<tr>
<td>VI. FINANCIAL IMPLICATIONS</td>
<td>2</td>
</tr>
<tr>
<td>VII. LEGAL BASIS</td>
<td>2</td>
</tr>
<tr>
<td>VIII. DOCUMENTS CITED</td>
<td>2</td>
</tr>
<tr>
<td>IX. RECOMMENDATION FOR PUBLICATION</td>
<td>2</td>
</tr>
<tr>
<td>ANNEX 1 VALIDATION AGREEMENT</td>
<td>3</td>
</tr>
</tbody>
</table>
I. STRATEGIC/OPERATIONAL

1. Strategic

II. RECOMMENDATION

2. The Administrative Council is requested to authorise the President to conclude the annexed draft agreement on behalf of the European Patent Organisation.

III. MAJORITY NEEDED

3. Three quarters.

IV. CONTEXT

4. At its 134th meeting, held in December 2012, the Council authorised the President to enter into negotiations with Georgia on a validation agreement (see CA/114/12), with the resulting draft agreement being submitted in due course for Council approval.

V. ARGUMENTS

5. In May 2019, the EPO and Georgia reached agreement on the text of a validation agreement, including an attachment containing model provisions for national implementation of the validation system.

6. The text of the agreement corresponds to the text of

   • the validation agreement between Morocco and the European Patent Organisation approved by the Council in 2010 (see CA/101/10 Rev. 1),
   • the validation agreement between Tunisia and the European Patent Organisation approved by the Council in 2012 (see CA/92/12),
   • the validation agreement between the Republic of Moldova and the European Patent Organisation approved by the Council in 2013 (see CA/17/13), and
   • the validation agreement between the Kingdom of Cambodia and the European Patent Organisation approved by the Council in 2016 (see CA/98/16), apart from the provisions in that agreement's Article 12.
7. With regard to the translation requirements to be fulfilled in order for the European patents to take effect in Georgia, agreement was reached that the specification will have to be translated into Georgian.

8. After signature, the agreement would enter into force on a date to be determined by an exchange of notes between the President of the EPO and the Chairman of the National Intellectual Property Center of Georgia (Sakpatenti), following the enactment by Georgia of legal provisions on the implementation of the validation system (Article 11 of the draft agreement).

VI. FINANCIAL IMPLICATIONS

9. Under Article 6 of the draft agreement, the amount of the validation fee and the proportion thereof to be kept by the EPO will be laid down by agreement between the EPO and Sakpatenti. This includes the possibility of future changes in the amount of the initially fixed fee and its future adaptation in the framework of the regular biennial fee adjustment.

10. It seems likely that within a few years the number of validation requests for Georgia will reach a level similar to the number of validation requests currently being received for Morocco and the Republic of Moldova, i.e. about 2,500 payments of a validation fee per year. Since the validation agreement will apply only to European patent applications filed after its entry into force and validation fees are paid two years after filing (on average), the EPO could expect its first additional validation-fee income some two years after the agreement with Georgia enters into force. As regards the costs of operating the validation system, since any changes in the procedural arrangements already applicable to the existing extension and validation systems are insignificant, only a very low additional increase in cost is to be expected.

VII. LEGAL BASIS

11. Article 33(4) EPC in conjunction with Article 35(2) EPC

VIII. DOCUMENTS CITED

12. CA/101/10 Rev. 1, CA/92/12, CA/114/12, CA/17/13, CA/98/16

IX. RECOMMENDATION FOR PUBLICATION

13. Yes
ANNEX 1 VALIDATION AGREEMENT

AGREEMENT BETWEEN THE GOVERNMENT OF GEORGIA AND THE EUROPEAN PATENT ORGANISATION ON VALIDATION OF EUROPEAN PATENTS (VALIDATION AGREEMENT)
THE GOVERNMENT OF GEORGIA ("Georgia"), represented by Mr Kakha Kakhishvili, Head of the Administration of the Government of Georgia,

and

THE EUROPEAN PATENT ORGANISATION ("the Organisation"), represented by Mr António Campinos, President of the European Patent Office ("the EPO"),

HAVING REGARD

to the Convention on the Grant of European Patents of 5 October 1973, as last revised by the Act revising the European Patent Convention of 29 November 2000, ("EPC") and, in particular, Article 33(4) thereof,

to Georgian Law on Patents No. 1791 of 5 February 1999,

TAKING INTO ACCOUNT

that the Georgian Law on Patents provides for a level of protection substantially similar to that existing in the member states of the Organisation,

that Georgia will provide for a system enabling the effects of European patent applications and patents to be validated on request in its territory by introducing into its national law provisions in the spirit of those attached to this Agreement ("validation system"),

WHEREAS

Georgia is a party to the Patent Cooperation Treaty ("PCT") and has designated the EPO as International Searching and Preliminary Examining Authority under the said Treaty,

RECOGNISING

the need fully to apply the standards of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement),
NOTING
Georgia's request for support from the EPO in implementing the validation system,

CONVINCED
that the establishment of a validation system between the Organisation and Georgia is of mutual interest and will strengthen the protection of industrial property in Georgia,

that the validation system will contribute to achievement of the goals set by the Association Agreement between the European Union and Georgia and support the EU's plans to gradually integrate the Georgian economy into the EU internal market,

HAVE AGREED AS FOLLOWS:

Article 1
Subject of the Agreement
The contracting parties shall co-operate within the scope of this Agreement to develop an efficient system of validation of European patents in Georgia.

Article 2
Technical and legal assistance
Within the scope of its capabilities, the Organisation shall provide Georgia with technical and legal assistance necessary for the implementation of the validation system.

Article 3
Legal and administrative co-operation
(1) The contracting parties shall regularly exchange information on legal developments relating to their respective patent systems.

(2) If requested by Georgia to do so, the Organisation shall within the scope of its capabilities give advice on proposals for enacting or amending legal provisions relating to Georgia's patent system.
Article 4
Processing of requests for validation

(1) The EPO shall accept, process and publish any request for validation of European patents in Georgia and shall communicate to the National Intellectual Property Center of Georgia Sakpatenti ("the Office") any necessary information regarding the proceedings relating to the European patent applications and patents concerned.

(2) Within the scope of its capabilities, the EPO shall on request give assistance to the Office by communicating any other useful information.

Article 5
Information concerning validated European patents

The Office shall inform the EPO of the legal status (such as nullity, lapse, limitation, renunciation or revocation) of any validated European patent.

Article 6
Financial matters

(1) For each request for validation, a validation fee shall be due to the EPO. The President of the EPO, in agreement with the Chairman of the Office, shall lay down the amount of the validation fee. The amount of this fee may be revised by agreement between the parties.

(2) A share of 75% of the validation fee shall be due to the Office and be transferred to its account under arrangements agreed between the EPO and the Office. The EPO shall keep 25% of the validation fee to cover the costs incurred in carrying out its tasks under the validation system.

Article 7
Joint committee

(1) A joint committee shall be set up to discuss all matters arising from this Agreement and its implementation. The committee shall be composed of representatives of the EPO and of the Office.
(2) The committee shall meet on the initiative of either the Chairman of the Office or the President of the EPO. The agenda for each meeting, the venue and date thereof, shall be fixed by agreement between the two Offices.

Article 8

Implementation of the Agreement

The tasks incurred by the contracting parties in consequence of this Agreement shall be carried out by the EPO and the Office. The EPO may entrust individual tasks under Article 2 of this Agreement to the patent offices of the EPC contracting states, subject to their consent.

Article 9

Amendment of the Agreement

At the request of the Organisation or of Georgia, the contracting parties shall enter into negotiations on amending this Agreement. The procedure for adoption of this Agreement shall apply mutatis mutandis for the amendment of the Agreement.

Article 10

Duration of the Agreement

(1) This Agreement shall be concluded for a period of five years, and shall be extended for further five-year periods unless a contracting party objects to this in writing no later than six months prior to the end of the five-year period in force.

(2) Notwithstanding paragraph 1, this Agreement may be terminated at any time in writing by either contracting party; termination shall take effect one year after receipt by the other party of the notice of termination, unless the said notice specifies a longer period or the contracting parties agree on a shorter period.

(3) If this Agreement is terminated, Articles 4 to 6 shall continue to apply to any European patent application in respect of which a request for validation has been filed prior to termination, and to any European patent granted thereon.
Article 11
Entry into force

The date of entry into force of this Agreement shall be determined by an exchange of notes between the President of the EPO and the Chairman of the Office, following the enactment by Georgia of provisions in accordance with those attached to this Agreement.

Done at .......... on ............ in two originals in the Georgian, English, French and German languages, each text being equally authentic.

For the Government of Georgia

For the European Patent Organisation

Kakha Kakhishvili

António Campinos

Head of the Administration of the Government of Georgia

President of the European Patent Office
ATTACHMENT

Model provisions governing the validation of European patents in Georgia

Provisions corresponding to the letter and spirit of these drafting examples should be introduced into Georgian law on Patents by appropriate means.

Article 1
Validation of European patents

(1) A European patent application and a European patent validated in Georgia shall, subject to the following provisions, have the effect of and be subject to the same conditions as a national patent application and a national patent under Georgian Law on Patents.

(2) For the purposes of these provisions:

(a) "European patent application" means an application for a European patent filed under the European Patent Convention ("EPC"), as well as an international application filed under the Patent Cooperation Treaty ("PCT") for which the European Patent Office ("EPO") is designated or elected Office, and which has been accorded an international date of filing, and in which Georgia is designated;

(b) "validated European patent" means a European patent granted by the EPO on a European patent application in respect of which validation in Georgia has been requested;

(c) "national patent application" means a patent application filed under Georgian Law on Patents with the National Intellectual Property Center – Sakpatenti ("the Office");

(d) "national patent" means a patent granted by the Office on a national patent application under Georgian Law on Patents.
Article 2
Request for validation

(1) A European patent application and a European patent granted on such application may be validated in Georgia at the request of the applicant. The request for validation shall be deemed to be filed by the applicant with any European patent application filed on or after the date on which the validation agreement between the Government of Georgia and the European Patent Organisation enters into force.

(2) The Office shall publish all requests for validation as soon as possible after it has been informed by the EPO that the prescribed validation fee has been paid, but not before the expiry of 18 months from the filing date or, if priority has been claimed, the earliest priority date.

(3) The request for validation may be withdrawn at any time. It shall be deemed withdrawn where the prescribed validation fee has not been paid in time or where the European patent application has been finally refused, withdrawn or deemed withdrawn. The Office shall publish this as soon as possible if the request for validation has already been published by it in accordance with paragraph 2.

Article 3
Validation fee

(1) The validation fee shall be paid to the EPO within six months of the date on which the European Patent Bulletin mentions the publication of the European search report or, where applicable, within the period for performing the acts required for entry into the European phase of an international application within the meaning of Article 1, paragraph 2(a).

(2) The validation fee may still be validly paid within an additional period of two months of expiry of the relevant period referred to in paragraph 1, provided that a 50% surcharge is paid within this additional period.

(3) For the payment of validation fees the EPO Rules relating to Fees shall apply mutatis mutandis. Validation fees validly paid shall not be refunded.
Article 4
Effects of European patent applications

(1) A European patent application which has been accorded a filing date shall be equivalent to a regular national patent application, where appropriate with the priority claimed for the European patent application, whatever its outcome may be.

(2) A published European patent application shall provisionally confer the same protection as is conferred by a published national patent application as from the date on which a translation of the claims of the published European patent application into Georgian has been made available to the public by the Office.

(3) The European patent application shall be deemed not to have had ab initio the effects specified in paragraph 2 where the request for validation is withdrawn or deemed withdrawn.

Article 5
Effects of European patents

(1) A validated European patent shall, subject to paragraphs 2 to 7 of this Article, confer as from the date of publication of the mention of its grant by the EPO the same rights as would be conferred by a national patent under Georgian Law on Patents. Any legal action regarding a validated European patent other than proceedings relating to opposition, central revocation or limitation before the EPO shall be governed by Georgian legislation.

(2) Within three months of the date on which the mention of the grant of the European patent has been published, the proprietor of the patent shall furnish to the Office the translation into Georgian of the specification and pay the prescribed fee for publication.

(3) If, as a result of an opposition or a request for limitation filed with the EPO, the European patent is maintained in amended form, the proprietor of the patent shall, within three months of the date on which the mention of the decision to maintain the European patent as amended or to limit it was published, furnish to the Office the translation into Georgian of the European patent specification as amended or limited and pay the prescribed fee for publication.
(4) Where the text of claims contains reference signs used in the drawings, such drawings shall be attached to the translation referred to in paragraph 2 or 3.

(5) The Office shall publish any translation duly filed under paragraph 2 or 3 as soon as possible.

(6) If the translation specified in paragraph 2 or 3 is not filed in due time or the publication fee is not paid in due time, the validated European patent shall be deemed to be void ab initio. The translation may still be validly filed within an additional period of three months of expiry of the relevant periods referred to in paragraphs 2 and 3, provided that a 100% surcharge on the publication fee is paid within this additional period.

(7) A validated European patent and the European patent application on which it is based shall be deemed not to have had ab initio the effects specified in paragraph 1 and Article 4, paragraph 2, to the extent that the patent has been revoked in opposition or central revocation proceedings or limited in limitation proceedings before the EPO.

Article 6

Authentic text of European patent applications or European patents

(1) Without prejudice to any translation requirements prescribed by Georgian legislation, the text of a European patent application or a European patent in the language of the proceedings before the EPO shall be the authentic text in any proceedings in Georgia. However, subject to specific requirements under Georgian legislation, this could result in a requirement that a certified translation into Georgian be used in proceedings, including revocation proceedings, before Georgian courts.

(2) However, the translation as provided for under Articles 4 and 5 shall be regarded as authentic, except in revocation proceedings, should the application or patent in the language of the translation confer protection which is narrower than that conferred by it in the language of the proceedings.
The applicant for a European patent or proprietor of a validated European patent may file, at any time, a corrected translation. The corrected translation of the claims of a published European patent application shall not have any legal effects until it has been made available to the public by the Office and the prescribed fee for publication has been paid. The corrected translation of the specification of a validated European patent shall not have any legal effects until it has been made available to the public by the Office and the prescribed fee for publication has been paid.

Any person who, in good faith, uses or has made effective and serious preparations for using an invention the use of which would not constitute infringement of the application or patent in the original translation may, after the corrected translation takes effect, continue such use in the course of his business or for the needs thereof without payment.

Article 7
Rights of earlier date

(1) A European patent application for which the validation fee has been paid and a validated European patent shall have with regard to a national patent application and a national patent the same prior-art effect as a national patent application and a national patent.

(2) A national patent application and a national patent shall have with regard to a validated European patent the same prior-art effect as they have with regard to a national patent.
Article 8
Prohibition of simultaneous protection

Where a validated European patent and a national patent having the same filing date or, where priority has been claimed, the same priority date have been granted to the same person or his successor in title, the national patent, shall have no effect to the extent that it covers the same invention as the validated European patent, as from the date on which the time limit for filing an opposition to the European patent has expired without an opposition having been filed, or as from the date on which the opposition proceedings have resulted in a final decision maintaining the European patent.

Article 9
Renewal fees for validated European patents

Renewal fees for a validated European patent shall be paid to the Office for the years following the year in which the mention of the grant of the European patent was published.

Article 10
Applicability of the EPC

The provisions of the EPC and its Implementing Regulations shall not apply unless otherwise provided in the present provisions.