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DRAFT STATEMENT OF THE COUNCIL'S REASONS

Subject : Common position adopted by the Council with a view to the adoption of a Directive of the European Parliament and of the Council on the patentability of computer-implemented inventions

DRAFT STATEMENT OF THE COUNCIL'S REASONS

I. INTRODUCTION

1. On 20 February 2002, the Commission submitted a proposal for a European Parliament and Council Directive on the patentability of computer-implemented inventions¹, based on Article 95 of the EC Treaty.
2. The Economic and Social Committee delivered its Opinion on 19 September 2002².
3. The European Parliament delivered its Opinion at first reading on 24 September 2003³.
4. The Commission has not submitted an amended proposal.
5. The Council adopted its common position according to Article 251 of the EC Treaty on ...

II. AIM

6. The proposed Directive aims at harmonising national patent laws with respect to the patentability of computer-implemented inventions and at making the conditions of such patentability more transparent.

III. COMMON POSITION

Recitals

7. The Council has amended or merged a number of recitals appearing in the Commission's proposal and has adopted a few additional ones. In so doing, the Council has taken on board in full or in part, or following reformulation, European Parliament's amendments 1, 2, 88, 3, 34, 115, 85, 7, 8, 9, 86, 11, 12 and 13. Reference to the main changes in the recitals is made below under the relevant Articles.

¹ OJ C 151, 25.6.2002, p. 129.

² OJ C 61, 14.3.2003, p. 154.

³ 11503/03 CODEC 995 PI 70.

Articles

Article 1 (Scope)

8. Article 1 was accepted as in the Commission's proposal. The European Parliament has not suggested any amendments to this Article either.

Article 2 (Definitions)

9. On point (a), the Council has partly followed the European Parliament's amendments 36, 42 and 117 by deleting the words "one or more prima facie novel" from the definition of "computer-implemented invention", on the grounds that these are redundant and risk creating confusion as regards their relationship with the novelty test, which applies at the stage of the examination of the patentability of any invention.

10. On point (b), the Council:

- replaced "technical field" with "field of technology", which is the term commonly used in international agreements on patent law, such as the TRIPS Agreement;
- inserted the words "new and", in order to clarify the criteria for "technical contribution";
- added a second sentence, which is basically the provision of Article 4(3) of the Commission proposal slightly amended in order to clarify that even if non-technical features may be taken into consideration when assessing the technical contribution of a given computer-implemented invention, it is indispensable that any patent claim comprises technical features as well. This idea concurs with part of European Parliament's amendments 16, 100, 57, 99, 110 and 70.

Article 3 of the Commission proposal (Computer-implemented inventions as a field of technology)

11. This Article imposed on Member States the obligation of ensuring in their national law that computer-implemented inventions are considered to belong to a field of technology. In accordance with European Parliament's amendment 15, the Council has decided to delete Article 3, considering that a general obligation of this nature would be difficult to transpose into national law. In exchange, the Council has decided to reinforce in recital 13 the relevant statement contained in recital 11 of the Commission proposal.

Article 3 (Article 4 of the Commission proposal) (Conditions for patentability)

12. The Council merged the first two paragraphs of Article 4 of the Commission proposal into a single paragraph, while introducing minor drafting amendments with a view to improving the clarity of the text. The new text follows word by word the wording of Article 4(1) as proposed in European Parliament's amendment 16.
13. As already mentioned, paragraph 3 of Article 4 of the Commission proposal has been incorporated in the definition of "technical contribution" under Article 2(b), as it was felt that this belongs to the definitions rather than in an Article entitled "Conditions for patentability".

Article 4 (Exclusions from patentability)

14. In order to avoid any misunderstanding, the Council has included in paragraph 1 of this Article a clear statement to the effect that a computer program as such cannot constitute a patentable invention.

15. Paragraph 2, which corresponds to amendment 17 of the European Parliament, aims at clarifying the limits of what can be patentable under the present Directive and has to be read in conjunction with recitals 14 to 16, which correspond to European Parliament's amendments 85, 7 and 8. The Council has however inserted the terms "whether expressed as source code, as object code or in any other form" in order to clarify better what is meant by "invention involving computer programs".

Article 5 (Form of claims)

16. Paragraph 1 was accepted as in the Commission's proposal.
17. Paragraph 2 was added in order to clarify that in certain circumstances and under strict conditions a patent can cover a claim to a computer program, be it on its own or on a carrier. The Council considers that this would align the Directive on standard current practice both at the European Patent Office and in Member States.

Article 6 (Relationship with Directive 91/250/EEC)

18. The Council has taken on board European Parliament's amendment 19, considering that this is clearer than the text of the Commission's proposal. It has removed references to provisions concerning semiconductor topographies or trade marks as these were considered as irrelevant in this context.
19. The Council did not take on board European Parliament's amendment 76, considering that this was too open-ended and would be contrary to the TRIPS Agreement. The Council considered that the interoperability issue is already sufficiently covered by Article 6, as well as by the application of general competition rules. This is clearly explained in recitals 21 and 22 of the Council's common position.

Article 7 (Monitoring)

20. The Council has taken on board European Parliament's amendment 71.

Article 8 (Report on the effects of the Directive)

21. The Council has maintained the text of the Commission proposal and has inserted the following additional elements :

- point (b) : the words "the term of the patent and" have been added, as suggested by the European Parliament in amendment 92 ; furthermore, bearing in mind European Parliament's amendment 25, the Council has introduced language relating to the Community's international obligations ;
- point (d) : the Council has taken on board European Parliament's amendment 23 ;
- point (e) : the Council has taken on board European Parliament's amendment 26 ;
- point (f) : the Council has taken on board European Parliament's amendment 25, but has removed the reference to the Community patent, on the grounds that such a reference would be irrelevant in this context ;
- point (g) : the Council has taken on board the substance of European Parliament's amendment 89, while opting for a clearer wording.

Article 9 of the Council common position (Impact assessment)

22. The Council took on board European Parliament's amendment 27.

Article 10 (Article 9 of the Commission proposal) (Implementation)

23. Unlike the European Parliament, which has opted for an implementation period of eighteen months (amendment 28), the Council has opted for an implementation period of twenty-four months.

Articles 11 (Entry into force) and 12 (Addressees) (Articles 10 and 11 of the Commission proposal)

24. The Council has taken on board the text of the Commission's proposal.

IV. EUROPEAN PARLIAMENT AMENDMENTS NOT TAKEN ON BOARD

25. After having given them full consideration, the Council has not been able to take on board European Parliament amendments 88 (first sentence), 31, 32, 112, 95, 84, 114, 125, 75, 36, 42, 117, 107, 69, 55/rev, 97, 108, 38, 44, 118, 45, 16, 100, 57, 99, 110, 70 (partly), 60, 102, 111, 72, 103, 119, 104, 120, 76, 24, 81, 93, 94 and 28.

26. The Council considered that some of these amendments were superfluous (amendments 88 (first sentence), 31, 75, 94), unclear and potentially confusing (amendments 36, 42, 117, 72, 104, 120), had no direct link with the issues at stake (amendments 95, 24, 81), did not reflect established practice (amendments 32, 112, 16, 100, 57, 99, 110, 70, 102, 111), or would be contrary to the international obligations of the European Community and its Member States under the TRIPS Agreement as well as to the general principles of patent law (84, 114, 125, 107, 69, 55/rev, 97, 108, 38, 44, 118, 45, 60, 103, 119, 76, 93).

V. CONCLUSIONS

27. In its common position, the Council has taken over a considerable number of amendments proposed by the European Parliament. Throughout the common position, the Council has sought to strike a reasonable and workable balance between the interests of rightholders and those of other parties concerned. The overall balance of the Council's common position has been acknowledged by the Commission, which has accepted it as a satisfactory compromise package.