



**COUNCIL OF  
THE EUROPEAN UNION**

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REV 1**

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**PI 63  
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**REVISED REPORT**

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from: Presidency  
to: Permanent Representatives Committee (Part 1)

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No. prev. doc.: 13168/02 PI 59 CODEC 1271  
No. Cion prop.: 6580/02 PI 10 CODEC 242

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Subject : Proposal for a Directive of the European Parliament and of the Council on the patentability of computer-implemented inventions

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**INTRODUCTION**

1. The Commission presented its proposal for a Directive on 20 February 2002 (6580/02 PI 10 CODEC 242 - COM(2002)92).
2. The Economic and Social Committee gave its opinion on 19 September 2002 (not yet published in the Official Journal).
3. The European Parliament has not yet given its opinion at first reading.

4. The Working Party on Intellectual Property (Patents) has reached a broad degree of consensus on the text contained in the Annex to this report. Several delegations have stressed that this text constitutes an overall package and point to the danger that changes to this text would upset the balance achieved.

Considerable progress was made at the Attaché meeting held on 4 November 2002 towards resolving the main questions described in points 5 to 7 of this revised report, and a number of other reservations were lifted. The other questions still outstanding are indicated in footnotes 1, 8, 9, 10, 11 and 13 to the text in the Annex.

### **MAIN QUESTIONS**

5. At the request of a number of delegations, Article 5(2) has been added to clarify under what conditions a claim to a computer program on a carrier could be allowed. The Commission maintains a reservation on the inclusion of this provision, which was not contained in its proposal.

The Belgian delegation put forward in the Permanent Representatives Committee meeting on 31 October 2002 a suggestion to reword this paragraph as follows:

"(2) A claim to a computer program, either on its own or on a carrier, shall not be allowed unless that program would, when loaded and executed in a computer, programmed computer network or other programmable apparatus, put into force a product or process claimed in the same patent application in accordance with paragraph 1."

At the Attaché meeting, all delegations - upon from the Portuguese delegation, which expressed a scrutiny reservation - indicated that, as part of the overall package, they could accept the wording suggested by the Belgian delegation, while the Commission representatives maintained their opposition to both the Presidency text and the text suggested by the Belgian delegation.

6. Article 4a of the proposal explains that the fact that a computer-implemented invention involves the use of a computer or of other apparatus is not sufficient for that invention to be regarded as making a technical contribution.

The Belgian delegation put forward in the Permanent Representatives Committee meeting on 31 October 2002 a suggestion to reword this Article as follows:

"A computer-implemented invention shall not be regarded as making a technical contribution merely because it involves the use of a computer, or other apparatus. Accordingly, inventions involving computer programs which implement business, mathematical or other methods, which inventions do not produce any technical effects beyond the normal physical interactions between a program and the computer, network, or other apparatus in which it is run, and whose technical effects appear only inside the program or the computer, shall not be patentable."

At the Attachés meeting, the overwhelming majority of delegations and the Commission representatives were opposed to the addition put forward by the Belgian delegation.

7. During the course of discussions, a new Recital 7a has been added to make clear that, in the light of the exclusion from patentability of computer programs as such, the expression of a computer program in source code or object code or in any other form cannot constitute a patentable invention. The French delegation suggested the deletion of the words "(computer programs "as such")" from this Recital, as it considers that the inclusion of these words would imply that the purpose of this Recital would be to give a definition of "computer programs as such".

At the Attaché meeting, several delegations having supported the position taken by the French delegation, the Commission representatives suggested rewording Recital 7a as follows:

"(7a) Accordingly, a computer program as such, in particular the expression of a computer program in source code or object code or in any other form, cannot constitute a patentable invention."

All delegations entered scrutiny reservations, including several positive scrutiny reservations, on this rewording.

The Italian delegation would prefer the content of this Recital to be included in an Article.

## **CONCLUSIONS**

### **8. The Permanent Representatives Committee is requested to**

- **consider the main questions set out under points 5 to 7 above;**
- **consider the other questions indicated in footnotes 1, 8, 9, 10, 11 and 13 to the text;**
- **forward this proposal to the Council with a view to it reaching a common approach at its meeting on 14 and 15 November 2002.**

Proposal for a

**DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**on the patentability of computer-implemented inventions<sup>1</sup>**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,  
Having regard to the Treaty establishing the European Community, and in particular Article 95 thereof,

Having regard to the proposal from the Commission<sup>2</sup>,

Having regard to the opinion of the Economic and Social Committee<sup>3</sup>,

Acting in accordance with the procedure laid down in Article 251 of the Treaty<sup>4</sup>,

Whereas:

- (1) The realisation of the internal market implies the elimination of restrictions to free circulation and of distortions in competition, while creating an environment which is favourable to innovation and investment. In this context the protection of inventions by means of patents is an essential element for the success of the internal market. effective and harmonised protection of computer-implemented inventions throughout the Member States is essential in order to maintain and encourage investment in this field.
- (2) Differences exist in the protection of computer-implemented inventions offered by the administrative practices and the case law of the different Member States. Such differences could create barriers to trade and hence impede the proper functioning of the internal market.
- (3) Such differences have developed and could become greater as Member States adopt new and different administrative practices, or where national case law interpreting the current legislation evolves differently.

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<sup>1</sup> DK Parliamentary scrutiny reservation and E general scrutiny reservation on the proposal.

<sup>2</sup> OJ C, , p.

<sup>3</sup> OJ C, , p.

<sup>4</sup> OJ C, , p.

- (4) The steady increase in the distribution and use of computer programs in all fields of technology and in their world-wide distribution via the Internet is a critical factor in technological innovation. It is therefore necessary to ensure that an optimum environment exists for developers and users of computer programs in the Community.
- (5) Therefore, the legal rules as interpreted by Member States' courts should be harmonised and the law governing the patentability of computer-implemented inventions should be made transparent. The resulting legal certainty should enable enterprises to derive the maximum advantage from patents for computer-implemented inventions and provide an incentive for investment and innovation.
- (6) The Community and its Member States are bound by the Agreement on trade-related aspects of intellectual property rights (TRIPS), approved by Council Decision 94/800/EC of 22 December 1994 concerning the conclusion on behalf of the European Community, as regards matters within its competence, of the agreements reached in the Uruguay Round multilateral negotiations (1986-1994)<sup>5</sup>. Article 27(1) of TRIPS provides that patents shall be available for any inventions, whether products or processes, in all fields of technology, provided that they are new, involve an inventive step and are capable of industrial application. Moreover, according to TRIPS, patent rights should be available and patent rights enjoyable without discrimination as to the field of technology. These principles should accordingly apply to computer-implemented inventions.
- (7) Under the Convention on the Grant of European Patents signed in Munich on 5 October 1973 and the patent laws of the Member States, programs for computers together with discoveries, scientific theories, mathematical methods, aesthetic creations, schemes, rules and methods for performing mental acts, playing games or doing business, and presentations of information are expressly not regarded as inventions and are therefore excluded from patentability. This exception, however, applies and is justified only to the extent that a patent application or patent relates to such subject-matter or activities as such, because the said subject-matter and activities as such do not belong to a field of technology.
- (7a) Accordingly, the expression of a computer program in source code or object code or in any other form (a computer program "as such") cannot constitute a patentable invention.<sup>6</sup>
- (8) Patent protection allows innovators to benefit from their creativity. Whereas patent rights protect innovation in the interests of society as a whole; they should not be used in a manner which is anti-competitive.

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<sup>5</sup> OJ L 336, 23.12.1994, p. 1

<sup>6</sup> See point 7 of the revised report.

- (9) In accordance with Council Directive 91/250/EEC of 14 May 1991 on the legal protection of computer programs<sup>7</sup>, the expression in any form of an original computer program is protected by copyright as a literary work. However, ideas and principles which underlie any element of a computer program are not protected by copyright.
- (10) In order for any invention to be considered as patentable it should have a technical character, and thus belong to a field of technology.
- (11) It is a condition for inventions in general that, in order to involve an inventive step, they should make a technical contribution to the state of the art.
- (12) Accordingly, although a computer-implemented invention belongs to a field of technology, where it does not make a technical contribution to the state of the art, as would be the case, for example, where its specific contribution lacks a technical character, it will lack an inventive step and thus will not be patentable.<sup>8</sup>
- (13) A defined procedure or sequence of actions when performed in the context of an apparatus such as a computer may make a technical contribution to the state of the art and thereby constitute a patentable invention.
- (13a) However, the mere implementation of an otherwise unpatentable method on an apparatus such as a computer is not in itself sufficient to warrant a finding that a technical contribution is present. Thus, a computer-implemented business or other method in which the only contribution to the state of the art is non-technical cannot constitute a patentable invention.
- (13b) Moreover, if the contribution to the state of the art relates solely to unpatentable matter, then there can be no patentable invention irrespective of how that matter is presented in the claims.
- (13c) Furthermore, an algorithm which is defined without reference to a physical environment is inherently non-technical and cannot therefore constitute a patentable invention.
- (14) The legal protection of computer-implemented inventions should not necessitate the creation of a separate body of law in place of the rules of national patent law. The rules of national patent law should remain the essential basis for the legal protection of computer-implemented inventions as adapted or added to in certain specific respects as set out in this Directive.

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<sup>7</sup> OJ L 122 , 17.5.1991 p. 42– Directive amended by Directive 93/98/EEC (OJ L 290, 24.11.1993, p. 9).

<sup>8</sup> Scrutiny reservations on this Recital by the F delegation, which suggests replacing "although" by "even if". The UK delegation could support this suggestion; the B delegation expressed a scrutiny reservation on this suggestion.

- (15) This Directive should be limited to laying down certain principles as they apply to the patentability of such inventions, such principles being intended in particular to ensure that inventions which belong to a field of technology and make a technical contribution are susceptible of protection, and conversely to ensure that those inventions which do not make a technical contribution are not so susceptible.
- (16) The competitive position of European industry in relation to its major trading partners would be improved if the current differences in the legal protection of computer-implemented inventions were eliminated and the legal situation was transparent.
- (17) This Directive shall be without prejudice to the application of the competition rules, in particular Articles 81 and 82 of the Treaty.
- (18) Acts permitted under Directive 91/250/EEC on the legal protection of computer programs by copyright, in particular provisions thereof relating to decompilation and interoperability, or the provisions concerning semiconductor topographies or trade marks, shall not be affected through the protection granted by patents for inventions within the scope of this Directive.
- (19) Since the objectives of the proposed action, namely to harmonise national rules on computer-implemented inventions, cannot be sufficiently achieved by the Member States and can therefore, by reason of the scale or effects of the action, be better achieved at Community level, the Community may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary to achieve those objectives.

HAVE ADOPTED THIS DIRECTIVE:

#### *Article 1*

##### **Scope**

This Directive lays down rules for the patentability of computer-implemented inventions.

*Article 2*

**Definitions**

For the purposes of this Directive the following definitions shall apply:

- (a) “computer-implemented invention” means any invention the performance of which involves the use of a computer, computer network or other programmable apparatus, the invention having one or more features which are realised wholly or partly by means of a computer program or computer programs;
- (b) “technical contribution” means a contribution to the state of the art in a field of technology which is not obvious to a person skilled in the art<sup>9</sup>. The technical contribution shall be assessed by consideration of the difference between the state of the art and the scope of the patent claim considered as a whole, which must comprise technical features, irrespective of whether or not these are accompanied by non-technical features.

*Article 3*

**Computer-implemented inventions as a field of technology**

- Deleted -<sup>10</sup>

*Article 4*

**Conditions for patentability**

<sup>11</sup>In order to be patentable a computer-implemented invention must be new, involve an inventive step and be susceptible of industrial application. It is a condition for involving an inventive step that a computer-implemented invention makes a technical contribution.

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<sup>9</sup> The D and A delegations could accept the present wording of this sentence only as part of an overall compromise package.

<sup>10</sup> The Commission would prefer this Article to be maintained, either as Article 3 or as a first sentence of Article 4, rather than including its contents in a recital.

<sup>11</sup> The S delegation would have preferred to begin this sentence: "Member States shall ensure that ...".

## Article 4a

### **Exclusions from patentability**

A computer-implemented invention shall not be regarded as making a technical contribution merely because it involves the use of a computer, or other apparatus. Accordingly, inventions involving computer programs which implement business, mathematical or other methods, which inventions do not produce any technical effects beyond the normal physical interactions between a program and the computer, network, or other apparatus in which it is run, shall not be patentable.<sup>12</sup>

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## Article 5

### **Form of claims**

1. Member States shall ensure that a computer-implemented invention may be claimed as a product, that is as a programmed computer, a programmed computer network or other programmed apparatus, or as a process carried out by such a computer, computer network or apparatus through the execution of software.
2. A claim to a computer program, either on its own or on a carrier, shall not be allowed unless that program would, when loaded in a computer, programmed computer network or other programmable apparatus, implement a valid patent claim relating to the same application in accordance with paragraph 1.<sup>14</sup>

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<sup>12</sup> See point 6 of the revised report.

<sup>13</sup> The F delegation suggests adding the following new Article:  
"Article 4b - Clear and complete disclosure - The patent application must disclose the invention in a manner sufficiently clear and complete for it to be carried out by the person skilled in the art. For this purpose, the description of a computer-implemented invention must generally contain examples of the programs or parts of programs involved, in the form of source codes drawn up in an identified or defined programming language. The execution environment of these programs or parts of programs shall be given".

<sup>14</sup> See point 5 of the revised report.

## Article 6

### **Relationship with Directive 91/250 EC**

The rights conferred by patents granted for inventions within the scope of this Directive shall not affect acts permitted under Directive 91/250/EEC on the legal protection of computer programs by copyright, in particular under the provisions thereof in respect of decompilation and interoperability.

## Article 7

### **Monitoring**

The Commission shall monitor the impact of the protection by patents of computer implemented inventions on innovation and competition, both within Europe and internationally, and on European businesses, including electronic commerce.

## Article 8

### **Report on the effects of the Directive**

The Commission shall report to the European Parliament and the Council by [DATE (*three years from the date specified in Article 9(1)*)] at the latest on

- (a) the impact of patents for computer-implemented inventions on the factors referred in Article 7;
- (b) whether the rules governing the determination of the patentability requirements, and more specifically novelty, inventive step and the proper scope of claims, are adequate;
- (c) whether difficulties have been experienced in respect of Member States where the requirements of novelty and inventive step are not examined prior to issuance of a patent, and if so, whether any steps are desirable to address such difficulties; and
- (d) whether difficulties have been experienced in respect of the relationship between the protection by patents of computer-implemented inventions and the protection by copyright of computer programs as provided for in Directive 91/250/EC.

*Article 9*

**Implementation**

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive not later than [DATE (*last day of a month*)]. They shall forthwith inform the Commission thereof.

When Member States adopt those provisions, they shall contain a reference to this Directive or shall be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made.

2. Member States shall communicate to the Commission the text of the provisions of national law which they adopt in the field covered by this Directive.

*Article 10*

**Entry into force**

This Directive shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Communities*.

*Article 11*

**Addressees**

This Directive is addressed to the Member States.

Done at Brussels,

*For the European Parliament*  
*The President*

*For the Council*  
*The President*