SUBJECT: Working agreement on search co-operation: request for a mandate to conclude the agreements with the Republic of San Marino and the Republic of Lithuania

SUBMITTED BY: President of the European Patent Office

ADDRESSEES: 1. Budget and Finance Committee (for opinion)
2. Administrative Council (for decision)

SUMMARY

In bilateral talks conducted between the Office and the San Marino and Lithuanian delegations following the Administrative Council's approval of a negotiating mandate, both delegation's requirements and wishes have been established and draft working agreements on searches finalised accordingly. These drafts are based on the agreements already concluded with Cyprus, Ellas, Italy, Malta and Monaco.

The Administrative Council is requested to approve the draft working agreements and to authorise the President to sign them.

The Administrative Council is also requested to authorise the Office to draw up and sign, for a trial period running until the end of 2014, an administrative agreement with the Lithuanian delegation reducing the search fee payable by specific categories of applicants (SMEs, universities, independent inventors), with this reduction being funded under the Co-operation Roadmap (2012-2015).
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>2</td>
</tr>
<tr>
<td>VI. ALTERNATIVES</td>
<td>3</td>
</tr>
<tr>
<td>VII. FINANCIAL IMPLICATIONS</td>
<td>4</td>
</tr>
<tr>
<td>VIII. LEGAL BASIS</td>
<td>5</td>
</tr>
<tr>
<td>IX. DOCUMENTS CITED</td>
<td>5</td>
</tr>
<tr>
<td>X. RECOMMENDATION FOR PUBLICATION</td>
<td>5</td>
</tr>
<tr>
<td>ANNEX 1 DRAFT AGREEMENT WITH SAN MARINO</td>
<td>6</td>
</tr>
<tr>
<td>ANNEX 2 DRAFT AGREEMENT WITH LITHUANIA</td>
<td>14</td>
</tr>
</tbody>
</table>
I. STRATEGIC/OPERATIONAL

1. Strategic

II. RECOMMENDATION

2. The Administrative Council is requested to approve draft working agreements on search co-operation with San Marino and Lithuania, based on those already concluded with other EPO member states, and to authorise the President to conclude and sign the two agreements.

3. The Administrative Council is also requested to authorise the Office to draw up and sign an administrative agreement with the Lithuanian delegation reducing the search fee payable by specific categories of applicants (SMEs, universities, independent inventors), with this reduction being funded under the Co-operation Roadmap (2012-2015) developed in CA/85/11.

III. MAJORITY NEEDED

4. Three-quarters

IV. CONTEXT

5. At the Administrative Council's 133rd and 134th meetings (October and December 2012), the Office requested (see CA/97/12 and CA/112/12) mandates to negotiate, with the San Marino and Lithuanian delegations, draft working agreements modelled on those already concluded with Cyprus, Ellas, Italy, Malta and Monaco. The Council gave the Office the mandates requested, so discussions with the two delegations duly got under way.

6. These talks have now also enabled the draft working agreements to be tailored to the two offices' specific needs. The final drafts as recently agreed are set out in Annex 1 (San Marino) and Annex 2 (Lithuania).
V. ARGUMENTS

7. The European Patent Network (EPN) enables the EPO to provide effective assistance to contracting states, especially if their national procedures do not include substantive examination or their human resources are limited. One form of such assistance is for the EPO to search their national applications and provide them with the results, it being essential for applicants to receive, as early as possible, an opinion enabling them to optimise their patent risk management on the basis of detailed information about the likelihood of getting a European patent.

8. The EPO has therefore negotiated and signed working agreements on search co-operation with Cyprus, Ellas, Italy, Malta and Monaco (see CA/99/07) which entered into force in 2008 and 2009. Since then, the EPO has received an average of 8 500 search requests a year from these five countries, on top of the 17 500 requests received annually from the five member states of the former IIB.

9. The draft working agreements annexed to the present document are based on the agreements already in place with Cyprus, Ellas, Italy, Malta and Monaco. To show how similar they are, the few amendments or additions compared with the earlier texts already in place are underlined and in bold.

10. The main features of the annexed draft agreements are as follows:
   - search report is accompanied by a WOISA-type written opinion as to whether the invention appears to be novel, to involve an inventive step and to be industrially applicable
   - search is carried out on the basis of a text provided in an EPO official language
   - written opinion is drafted in an EPO official language
   - search report plus written opinion is drawn up within nine months after the filing date, provided the EPO receives the search request no later than five months after that date
fee charged is the full cost price to the Office of such enhanced search reports, minus a reduction based on certain objective factors. This fee is calculated so that it is the same for Cyprus, Ellas, Italy, Lithuania, Malta, Monaco and San Marino.

11. The language regime under Article 2(2) of the two draft working agreements is fully in line with that of those already in place. The two delegations have said that they intend to require the applicant to supply an English translation of the national application during the first implementation phase of the working agreement. The translation of the application and in particular of the claims, should be carried out by a specialised translator, to ensure very high degree of quality which is essential for the examiner to draw up the search report, which is not a simple information product but an act of procedure producing legal effects.

12. At a later stage, if so wished by the national offices, a jointly developed electronic process may be set up which mechanically translates the description. The resulting text, after being tested by the Office, may be accepted instead of the human translated description. The claims, however, will continue to have to be translated by a specialist translator.

13. It is expected that the two draft working agreements will enter into force on 1 January 2014. The final date will depend however on bilateral progress with the technical aspects (exchange of files and data, electronic format, etc).

14. The Office believes that a working agreement under which it provides San Marino and Lithuania with EPO searches for their national procedures would indisputably be positive for the patent system in Europe, and especially the EPN.

VI. ALTERNATIVES

15. Defer the matter to a later Council meeting

16. Refuse the request.
VII. FINANCIAL IMPLICATIONS

17. A fundamental aspect of these agreements is that they must be budget-neutral for the Organisation, with the fee payable covering the cost of the examiners' work in their immediate environment.

18. A method for calculating this fee was introduced in 2008 at all the delegations' request (see CA/37/08 Rev. 1). It is simpler and more transparent, whilst also compliant with the fundamental principle of financial neutrality for the Organisation. Under this method, the fee is set using unassailable financial and statistical data published by the Office each year.

19. The fee for the three-year period from 1 January 2012 to 31 December 2014 was set using this method at **EUR 2,586** under the working agreements in place with Cyprus, Ellas, Italy, Malta and Monaco (see CA/94/11).

20. Under the transitional provision in Article 18 of the annexed draft agreements, the fee payable by the group of states comprising Cyprus, Ellas, Italy, Malta and Monaco on the date of their entry into force will also apply to the two new states.

21. The fee for the next three-year period (2015-2017) will be calculated using the financial and statistical data for the entire new seven-country group (Cyprus, Ellas, Italy, Lithuania, Monaco, Malta, San Marino).

22. The number of searches to be carried out by the Office for San Marino and Lithuania is estimated at between 20 and 30 per country per year, so there would be no perceptible impact on the Office's workload.

23. The Administrative Council, at its 132nd meeting in June 2012, authorised the Office to draw up and sign, for a three-year trial period, an administrative agreement (see CA/47/12) in parallel with the working agreements already in place. This administrative agreement helps by reducing the search fee payable by specific categories of applicants (SMEs, universities, research institutes, individual inventors) from member states that already have working agreements in place and are entitled to 75% support under the co-operation policy. The reduction for the offices is 50% of the fee paid for the search, subject to a limit of 100 dossiers per year and country. This support is funded under the Organisation's co-operation policy and is therefore completely separate from the financial aspects of the working agreements in place.
24. As Lithuania is entitled to 75% support under the co-operation policy, it is proposed that the Office signs an administrative agreement with the State Patent Bureau of the Republic of Lithuania (SPB) under the same terms as those set out in CA/47/12 for Cyprus, Greece, Malta and Turkey. This agreement would also be limited to the trial period running until 31 December 2014.

25. The support thus available to the Lithuanian office during the agreement's trial period can be estimated at 30 dossiers x EUR 2 586/2 = EUR 38 790. It would be financed from funds available under the co-operation policy.

VIII. LEGAL BASIS

26. Article 33(4) EPC

IX. DOCUMENTS CITED

27. CA/99/07, CA/37/08 Rev. 1, CA/85/11, CA/94/11, CA/47/12, CA/97/12, CA/112/12

X. RECOMMENDATION FOR PUBLICATION

28. Yes.
ANNEX 1        DRAFT AGREEMENT WITH SAN MARINO

DRAFT

WORKING AGREEMENT BETWEEN
THE EUROPEAN PATENT ORGANISATION
AND THE REPUBLIC OF SAN MARINO
ON SEARCH CO-OPERATION
The European Patent Organisation (hereinafter "the Organisation"), represented by Benoît Battistelli, President of the European Patent Office (hereinafter "the EPO"),

OF THE ONE PART,

and the Republic of San Marino, represented by Marco Arzilli, Minister of Industry, Handicraft and Trade of the Republic of San Marino,

OF THE OTHER PART,

- Whereas the European Patent Convention and in particular Article 33(4) thereof provides that the Administrative Council of the Organisation may authorise the President of the EPO to negotiate and conclude agreements with states;

- Whereas, under the Industrial Property Consolidation Act No. 79 of San Marino of 25 May 2005 (hereinafter "the Act"), an applicant may request a prior-art search report drawn up under the conditions laid down by the Act;

- Whereas the EPO has been designated as an authority responsible for carrying out such prior-art searches;

- Whereas the PCT international procedure includes an international search report accompanied by a written opinion and the European procedure includes an extended European search report;

- Whereas it is desirable to offer harmonised procedures to the applicant, enabling him to obtain early information on the possible outcome of an examination of his invention as to patentability;

HAVE AGREED AS FOLLOWS:
Article 1
Definition of the services

The EPO undertakes to perform the prior-art searches entrusted to it by the State Office for Patents and Trademarks (Ufficio di Stato Brevetti e Marchi, hereinafter "the USBM") and necessary for drawing up the search reports pursuant to Article 22(5) of the Act. These search reports drawn up by the EPO shall be accompanied by a written opinion as to whether the invention appears to be novel, to involve an inventive step and to be industrially applicable.

Article 2
Submission of requests

(1) Any search request transmitted by the USBM to the EPO shall give the following information:

- the number and filing date of the patent application, and any classification assigned to it by the USBM;
- the date, country of filing and number of any patent application whose priority is claimed;
- the number and filing date of the earlier application in the case of a divisional application;
- the title of the patent application;
- the name of the applicant and of any representative.

(2) Any search request shall be accompanied by

- a full copy of the application to be searched, drawn up in an official language of the EPO
or
- a full copy of the application drawn up in Italian and accompanied by
  - an English translation of the claims, provided under the responsibility of the USBM, and
  - an English translation of the description, produced by means accepted by the EPO;

- at the initiative of either the USBM or the EPO, until such time as the search report is drawn up these translations may be brought into conformity with the text of the application as filed.
(3) If the EPO so requests, the USBM shall provide a copy of any patent application whose priority is claimed.

Article 3
Keeping data and documents

The documents referred to in Article 2 shall be kept by the EPO for a period to be jointly agreed between the President of the EPO and the Director of the USBM.

Article 4
Communications and secrecy

(1) In carrying out the work entrusted to it, the EPO shall deal only with the USBM, to the exclusion of all other authorities, patent applicants, and third parties. The EPO shall take all appropriate measures to preserve the secrecy of the inventions.

(2) The President of the EPO and the Director of the USBM shall jointly agree on a means of transmission which preserves secrecy, meets all security conditions, and prevents any damage to the items transmitted.

Article 5
Searches and drawing up search reports

(1) The EPO shall draw up search reports in accordance with the Implementing Regulations to the European Patent Convention (EPC 2000), and in particular Rule 61(1), (2), (3), (4) and (6) thereof, and with the Guidelines for Examination in the EPO, in particular Part B thereof relating to the above-mentioned provisions in the said Implementing Regulations.

The EPO shall draw up written opinions under Article 1 in accordance with the Regulations under the PCT and in particular Rule 43bis thereof, and Part V of the PCT International Search Guidelines relating to the above-mentioned provision in the said Regulations.

The particular arrangements for applying the said Guidelines when drawing up the search reports and the written opinions shall be jointly agreed between the President of the EPO and the Director of the USBM.

(2) If the EPO considers that the application does not meet the requirement of unity of invention, it shall draw up the search report for those parts of the application which relate to the invention or group of inventions mentioned first in the claims. This shall be indicated in the search report and the written opinion.
(3) The EPO shall not be obliged to carry out a search on a patent application which relates to, and to the extent that it relates to, any subject-matter which is not patentable under Article 2(2) to (4) of the Act.

(4) If the EPO considers that the application contains deficiencies preventing a meaningful search in respect of some or all of the claims,

(a) either because it relates to subject-matter which under paragraph 3 the EPO is not required to search,

(b) or because the description, claims or drawings contain obscurities, inconsistencies or contradictions,

the EPO shall declare, in duly reasoned terms, that a meaningful search is impossible or draw up, as far as possible, a partial search report. The EPO's declaration or partial report shall be considered to be the search report within the meaning of this agreement and shall be accompanied by a written opinion.

Article 6
Language, presentation and transmission of the search report

(1) The search report and the written opinion shall be drawn up in English, and presented on a standard form to be agreed between the EPO and the USBM.

(2) The EPO shall forward to the USBM the search report, cited documents and written opinion in a number of copies to be fixed by common agreement between the EPO and the USBM.

(3) The EPO shall provide free of charge such information as the USBM deems necessary on any point in any search report or written opinion drawn up by the EPO.

Article 7
Divisional applications

Any search report relating to a divisional application shall be treated as a separate search report. Search reports relating to a divisional application shall be accompanied by a written opinion.
Article 8
Supplementary search

The EPO, at the request of the USBM, shall perform any supplementary search which proves to be necessary during proceedings before the USBM. Any supplementary search report shall be treated as a separate search report. Supplementary search reports shall be accompanied by a written opinion.

Article 9
Time limits

(1) If the patent application is a first filing (i.e. does not claim priority), the EPO shall draw up the search report, accompanied by the written opinion, within nine months of the date of filing of the application, provided the search request is received no later than five months after the date of filing. If the search request is received later than five months after the said date, the EPO shall endeavour to draw up the search report before the priority period expires.

(2) If the patent application is not a first filing (i.e. claims the priority of at least one earlier application), the EPO shall draw up the search report, accompanied by the written opinion, as rapidly as possible, having regard to the time limits generally applied when drawing up search reports on national patent applications which are not first filings and which are entrusted to the EPO under working agreements.

(3) The time limit laid down in paragraph 1 may be amended by common agreement between the President of the EPO and the Director of the USBM.

Article 10
Documentation

The EPO shall carry out the searches under this agreement in the documentation used for drawing up European and international search reports.

Article 11
Financial provisions

(1) All sums due under this agreement shall be paid in euros by the USBM into the account specified by the EPO.
(2) For each search report drawn up by the EPO, the USBM shall pay the EPO a fee. The amount of this fee shall be equal to the full cost price of such a search report, accompanied by a written opinion, minus a reduction taking account of objective factors defined in the same way as in the working agreements with the five former IIB states. These objective factors relate in particular to the number of European and international applications claiming the priority of a national application for which a search report has already been drawn up by the EPO, the administrative costs of these filings, the time savings for an examiner during the ensuing European and international procedures, and the arrangements for allocating and classifying files.

The amount of the fee applicable to a search report accompanied by a written opinion shall be laid down by the Administrative Council of the Organisation for a period of three years and shall be the same as for Cyprus, Ellas, Italy, Malta, Monaco and Lithuania.

In the year preceding the end of such a three-year period, the EPO shall review the amount of the fee referred to in sub-paragraph 3, taking into account any change in the objective parameters, including in particular the amount of the search fees laid down by the EPO for the European and international procedures.

(3) The fee referred to in paragraph 2 shall be increased, for each search report, by a flat-rate amount, fixed by the EPO, to cover the cost price of the copies of the documents referred to in Article 6(2).

Article 12
Time limit for payment

The EPO shall provide the USBM with monthly statements of the sums due. Statements shall be settled by the USBM within thirty days of receipt.

Article 13
Monitoring of search work

The EPO and the USBM shall jointly exercise quantitative and qualitative control of the work performed under this agreement and study ways to improve it.
Article 14
Training of technical staff

If the USBM so requests, and under conditions jointly agreed between the President of the EPO and the Director of the USBM, the EPO shall help to train the USBM's technical staff, and shall send EPO personnel to the USBM on a temporary basis to perform any work relating to this agreement.

Article 15
Disputes

Any dispute between the USBM and the Organisation concerning the interpretation or application of this agreement and which is not settled by negotiation shall be submitted to a three-member arbitration tribunal whose decision shall be final. One arbitrator shall be nominated by the USBM, one by the Organisation and a third, who shall be chairman, by the other two. If, three months after their nomination, the first two arbitrators remain unable to agree on the nomination of the third, the latter shall be appointed, at the request of the USBM or the Organisation, by the President of the International Court of Justice. The arbitration tribunal shall determine the law applicable to the dispute.

Article 16
Revision

With the approval of the Administrative Council, this agreement may be revised, in particular by an exchange of letters, at the request of either contracting party.

Article 17
Final provision

This agreement shall enter into force on [1 January 2014] and shall apply to patent applications filed with the USBM as from that date.

Article 18
Transitional provision

On the date of entry into force of this agreement, the amount of the fee referred to in Article 11(2) shall be equal to that payable on the said date by the group of states comprising Cyprus, Ellas, Italy, Malta and Monaco.
ANNEX 2  DRAFT AGREEMENT WITH LITHUANIA

DRAFT

WORKING AGREEMENT BETWEEN
THE EUROPEAN PATENT ORGANISATION
AND THE REPUBLIC OF LITHUANIA
ON SEARCH CO-OPERATION
The European Patent Organisation (hereinafter "the Organisation"), represented by Benoît Battistelli, President of the European Patent Office (hereinafter "the EPO"),

OF THE ONE PART,

and the Republic of Lithuania, represented by Rimvydas Naujokas, Director of the State Patent Bureau of the Republic of Lithuania (hereinafter "the SPB"),

OF THE OTHER PART,

- Whereas Lithuania has expressed the wish to introduce into its national legislation the drawing up of extended search reports entrusted to the EPO within the framework of the European Patent Network;
- Whereas the European Patent Convention and in particular Article 33(4) thereof provides that the Administrative Council of the Organisation may authorise the President of the EPO to negotiate and conclude agreements with states;
- Whereas, under regulations adopted by the SPB, a patent application may give rise to a prior-art search report;
- Whereas the EPO has been designated as the authority responsible for carrying out such prior-art searches;
- Whereas the PCT international procedure includes an international search report accompanied by a written opinion and the European procedure includes an extended European search report;
- Whereas it is desirable to offer harmonised procedures to the applicant, enabling him to obtain early information on the possible outcome of an examination of his invention as to patentability;

HAVE AGREED AS FOLLOWS:
Article 1
Definition of the services

The EPO undertakes to perform the prior-art searches entrusted to it by the SPB and necessary for drawing up the search reports. These search reports drawn up by the EPO shall be accompanied by a written opinion as to whether the invention appears to be novel, to involve an inventive step and to be industrially applicable.

Article 2
Submission of requests

(1) Any search request transmitted by the SPB to the EPO shall give the following information:

- the number and filing date of the patent application, and any classification assigned to it by the SPB;
- the date, country of filing and number of any patent application whose priority is claimed;
- the number and filing date of the earlier application in the case of a divisional application;
- the title of the patent application;
- the name of the applicant and of any representative.

(2) Any search request shall be accompanied by

- a full copy of the application to be searched, drawn up in an official language of the EPO
  or
- a full copy of the application drawn up in Lithuanian and accompanied by
  - an English translation of the claims, provided under the responsibility of the SPB, and
  - an English translation of the description, produced by means accepted by the EPO;

- at the initiative of either the SPB or the EPO, until such time as the search report is drawn up these translations may be brought into conformity with the text of the application as filed.
(3) If the EPO so requests, the SPB shall provide a copy of any patent application whose priority is claimed.

Article 3
Keeping data and documents

The documents referred to in Article 2 shall be kept by the EPO for a period to be jointly agreed between the President of the EPO and the Director of the SPB.

Article 4
Communications and secrecy

(1) In carrying out the work entrusted to it, the EPO shall deal only with the SPB, to the exclusion of all other authorities, patent applicants, and third parties. The EPO shall take all appropriate measures to preserve the secrecy of the inventions.

(2) The President of the EPO and the Director of the SPB shall jointly agree on a means of transmission which preserves secrecy, meets all security conditions, and prevents any damage to the items transmitted.

Article 5
Searches and drawing up search reports

(1) The EPO shall draw up search reports in accordance with the Implementing Regulations to the European Patent Convention (EPC 2000), and in particular Rule 61(1), (2), (3), (4) and (6) thereof, and with the Guidelines for Examination in the EPO, in particular Part B thereof relating to the above-mentioned provisions in the said Implementing Regulations.

The EPO shall draw up written opinions under Article 1 in accordance with the Regulations under the PCT and in particular Rule 43bis thereof, and Part V of the PCT International Search Guidelines relating to the above-mentioned provision in the said Regulations.

The particular arrangements for applying the said Guidelines when drawing up the search reports and the written opinions shall be jointly agreed between the President of the EPO and the Director of the SPB.

(2) If the EPO considers that the application does not meet the requirement of unity of invention, it shall draw up the search report for those parts of the application which relate to the invention or group of inventions mentioned first in the claims. This shall be indicated in the search report and the written opinion.
(3) The EPO shall not be obliged to carry out a search on a patent application which relates to, and to the extent that it relates to, any subject-matter which is not patentable under Article 4(2) and Article 5(1) and (2) of the Patent Law of the Republic of Lithuania No. XI-1261.

(4) If the EPO considers that the application contains deficiencies preventing a meaningful search in respect of some or all of the claims,

(a) either because it relates to subject-matter which under paragraph 3 the EPO is not required to search,

(b) or because the description, claims or drawings contain obscurities, inconsistencies or contradictions,

the EPO shall declare, in duly reasoned terms, that a meaningful search is impossible or draw up, as far as possible, a partial search report. The EPO’s declaration or partial report shall be considered to be the search report within the meaning of this agreement and shall be accompanied by a written opinion.

Article 6
Language, presentation and transmission of the search report

(1) The search report and the written opinion shall be drawn up in English, and presented on a standard form to be agreed between the EPO and the SPB.

(2) The EPO shall forward to the SPB the search report, cited documents and written opinion in a number of copies to be fixed by common agreement between the EPO and the SPB.

(3) The EPO shall provide free of charge such information as the SPB deems necessary on any point in any search report or written opinion drawn up by the EPO.

Article 7
Divisional applications

Any search report relating to a divisional application shall be treated as a separate search report. Search reports relating to a divisional application shall be accompanied by a written opinion.
Article 8
Supplementary search

The EPO, at the request of the SPB, shall perform any supplementary search which proves to be necessary during proceedings before the SPB. Any supplementary search report shall be treated as a separate search report. Supplementary search reports shall be accompanied by a written opinion.

Article 9
Time limits

(1) If the patent application is a first filing (i.e. does not claim priority), the EPO shall draw up the search report, accompanied by the written opinion, within nine months of the date of filing of the application, provided the search request is received no later than five months after the date of filing. If the search request is received later than five months after the said date, the EPO shall endeavour to draw up the search report before the priority period expires.

(2) If the patent application is not a first filing (i.e. claims the priority of at least one earlier application), the EPO shall draw up the search report, accompanied by the written opinion, as rapidly as possible, having regard to the time limits generally applied when drawing up search reports on national patent applications which are not first filings and which are entrusted to the EPO under working agreements.

(3) The time limit laid down in paragraph 1 may be amended by common agreement between the President of the EPO and the Director of the SPB.

Article 10
Documentation

The EPO shall carry out the searches under this agreement in the documentation used for drawing up European and international search reports.

Article 11
Financial provisions

(1) All sums due under this agreement shall be paid in euros by the SPB or a national authority designated by the SPB into the account specified by the EPO.
(2) For each search report drawn up by the EPO, the SPB or a national authority designated by the SPB shall pay the EPO a fee.

The amount of this fee shall be equal to the full cost price of such a search report, accompanied by a written opinion, minus a reduction taking account of objective factors defined in the same way as in the working agreements with the five former IIB states. These objective factors relate in particular to the number of European and international applications claiming the priority of a national application for which a search report has already been drawn up by the EPO, the administrative costs of these filings, the time savings for an examiner during the ensuing European and international procedures, and the arrangements for allocating and classifying files.

The amount of the fee applicable to a search report accompanied by a written opinion shall be laid down by the Administrative Council of the Organisation for a period of three years and shall be the same as for Cyprus, Ellas, Italy, Malta, Monaco and San Marino.

In the year preceding the end of such a three-year period, the EPO shall review the amount of the fee referred to in sub-paragraph 3, taking into account any change in the objective parameters, including in particular the amount of the search fees laid down by the EPO for the European and international procedures.

(3) The fee referred to in paragraph 2 shall be increased, for each search report, by a flat-rate amount, fixed by the EPO, to cover the cost price of the copies of the documents referred to in Article 6(2).

**Article 12**

*Time limit for payment*

The EPO shall provide the SPB or a national authority designated by the SPB with monthly statements of the sums due. Statements shall be settled by the SPB or a national authority designated by the SPB within thirty days of receipt.

**Article 13**

*Monitoring of search work*

The EPO and the SPB shall jointly exercise quantitative and qualitative control of the work performed under this agreement and study ways to improve it.
Article 14
Training of technical staff

If the SPB so requests, and under conditions jointly agreed between the President of the EPO and the Director of the SPB, the EPO shall help to train the SPB's technical staff, and shall send EPO personnel to the SPB on a temporary basis to perform any work relating to this agreement.

Article 15
Disputes

Any dispute between the SPB and the Organisation concerning the interpretation or application of this agreement and which is not settled by negotiation shall be submitted to a three-member arbitration tribunal whose decision shall be final. One arbitrator shall be nominated by the SPB, one by the Organisation and a third, who shall be chairman, by the other two. If, three months after their nomination, the first two arbitrators remain unable to agree on the nomination of the third, the latter shall be appointed, at the request of the SPB or the Organisation, by the President of the International Court of Justice. The arbitration tribunal shall determine the law applicable to the dispute.

Article 16
Revision

With the approval of the Administrative Council, this agreement may be revised, in particular by an exchange of letters, at the request of either contracting party.

Article 17
Final provision

This agreement shall enter into force on [1 January 2014] and shall apply to patent applications filed with the SPB as from that date.

Article 18
Transitional provision

On the date of entry into force of this agreement, the amount of the fee referred to in Article 11(2) shall be equal to that payable on the said date by the group of states comprising Cyprus, Ellas, Italy, Malta and Monaco.