

EPO Enlarged Board considers products obtained by essentially biological processes unpatentable – U turn to avoid EPC amendment?

The Enlarged Board of Appeal at the European Patent Office has now provided its opinion in G3/19¹ abandoning the interpretation of Article 53 (b) EPC given in previous decision G2/12. In light of Rule 28 (2) EPC, the Enlarged Board held that the term “essentially biological processes for the production of plants or animals” in Article 53 (b) EPC is to be understood and applied as extending to products exclusively obtained by means of an essentially biological process.

How we got here

G3/19 represents a major shift in what constitutes patentable subject matter in the agriculture sector. This shift was certainly not a foregone conclusion² as the Enlarged Board had previously held, only a couple of years ago in G2/12, that Article 53(b) EPC excluding “plants or animal varieties or essentially biological processes for the production of plants or animals” from patentability did not have a negative effect on the allowability of a product claim directed to plants or plant material. The fact that Article 53(b) EPC does not explicitly exclude patentability of plants and the general principle that exceptions to patentability should be construed narrowly played a part in these decisions.

Rule 28 (2) EPC introduced in the implementing regulations in July 2017 to clarify the

interpretation of Article 53 (b) EPC prohibits the grant of patents for plants obtained exclusively by essentially biological processes. This change in the EPC in conflict with previous Board decisions was considered by many as changing law by the back door. In T1063/18, the Technical Board of Appeal held that, for claims directed to a plant product obtained by an essentially biological process, the interpretation given in G2/12 must prevail over Rule 28 (2) EPC. The Technical Board also raised questions on the competence of the EPO Administrative Council to clarify (and perhaps change) the meaning of the prohibition set out in Article 53 EPC by means of implementing regulations. This conflict between a Technical Board upholding patentability of subject matter stated as excluded from patentability in Rule 28 (2) EPC led to the EPO President seeking resolution by the Enlarged Board.

Tortured Resolution

The status of EPO as an international organisation separate to the EU and the chequered history of Rule 28 (2) EPC, which was introduced in response to a European Commission Notice relating to the EU Biotech directive, also led many to expect that the Enlarged Board will continue to consider plants exclusively obtained by essentially biological processes to be patentable. However, the Enlarged Board has performed a U turn relying on a “dynamic interpretation” of Article 53(b) EPC.

The Enlarged Board refrained from answering the general question as to whether the EPO Administrative Council has the power to interpret primary legislation by introducing new implementing regulations on the basis that answering this general question could give the Administrative Council “carte blanche to deviate from established case law and give a particular meaning to an Article of the EPC by means of the Rules of the implementing regulations. This would open the door to the possibility of circumventing the statutory procedures for amending the Convention itself, namely by way of a diplomatic conference pursuant to Article 172 EPC or by unanimous vote in the Administrative Council”.

The Enlarged Board then considered the specific issue of Article 53 (b) EPC applying the **grammatical, systematic and teleological methods of interpretation** and stated that “The Enlarged Board **endorses the conclusions which were reached in decision G2/12 on the basis of each of these methods.**” The Enlarged Board recognised that “the systematic interpretation of Article 53 (b) EPC does not support giving the process exclusion a broad meaning to the effect that it also excludes product claims or product-by-process claim from patentability”.

The Enlarged Board also considered that subsequent agreement or practice between parties to a treaty, as required in **Article 31 (3) (a) and (b) of the Vienna Convention** on the interpretation of treaties, required agreement between all parties. Hence, **even agreement by a majority of EPC Contracting States is not sufficient for changing the interpretation of Article 53(b) EPC.**

Furthermore, the Enlarged Board **did not consider** the existence of **Rule 26 EPC**, which requires interpretation of relevant EPC provisions by reference to the EU Biotech directive as a supplementary means of interpretation, **as sufficient reason to deviate from the conclusion in G2/12** as that Rule did not have the effect of incorporating the Biotech directive into the EPC. It also **confirmed the EPO's status as an independent international organisation with its own autonomous legal order** which is not directly bound by EU law or impacted by the EU Commission Notice on the interpretation of the EU Biotech directive.

However, in the end the Enlarged Board deviated from the decision in G2/12 on the basis of **"Dynamic interpretation in light of Rule 28 (2) EPC"**. The Board held that a particular interpretation which has been given to a legal provision can never be taken as "carved in stone" because the meaning of a provision may evolve over time and that Rule 28(2) EPC and the travaux préparatoires for that Rule establish the EPC legislator's intention that plants or animals obtained exclusively by means of an essentially biological process **are** excluded from patentability. The Enlarged Board here also relied on the intention and aims of Contracting States with regard to Article 53(b) EPC as having evolved since its previous decision in G2/12 (35 contracting states voted in favour of introducing Rule 28 (2) EPC and a number of them have aligned national provisions). The Enlarged Board thus concluded that this "clear legislative intent" of the Contracting States "allows and indeed calls for a dynamic interpretation of Article 53 (b) EPC" thereby abandoning the interpretation of this Article as set out in G2/12.

It is surprising that even though the Enlarged Board wanted to a) avoid general pronouncements that risk opening the door to the possibility of circumventing the statutory procedures for amending the European Patent Convention and b) considered that agreement by a majority of Contracting States was not enough to change an EPC Article's interpretation under Article 31 (3) (a) and (b) of the Vienna Convention, it eventually decided that an amendment to European Patent Convention was not required in this case and considered the fact that most Contracting States had voted in favour of adoption of Rule 28(2) EPC in the EPO Administrative Council to be sufficient to change the interpretation of Article 53 (b) EPC.

What Next?

As a consequence of this Enlarged Board Opinion, claims directed to products exclusively obtained by means of an essentially biological process will not be allowed by the EPO in cases with an effective date (filing or priority date as the case may be) on or after 1 July 2017 (the date when Rule 28 (2) EPC came into effect).

This will have significant consequences for intellectual property protection in the agriculture sector and is likely to increase the prominence of plant variety rights, the so far less favoured sui generis intellectual property system.