

BP/A/41/2 PROV. ORIGINAL: ENGLISH DATE: AUGUST 14, 2024

Union for the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure (Budapest Union)

## **Assembly**

Forty-First (19<sup>th</sup> Extraordinary) Session Geneva, July 9 to 17, 2024

DRAFT REPORT

prepared by the Secretariat

- 1. The Assembly was concerned with the following items of the Consolidated Agenda (document A/65/1): 1, 2, 3, 4, 6, 8(ii), 9, 15, 18, 21 and 22.
- 2. The reports on the said items, with the exception of item 15, are contained in the draft General Report (document <u>A/65/11 Prov.</u>).
- 3. The report on item 15 is contained in the present document.
- 4. Mr. Szabolcs Farkas (Hungary), Vice-Chair of the Budapest Union Assembly, presided over the meeting.

## ITEM 15 OF THE CONSOLIDATED AGENDA

## **BUDAPEST UNION ASSEMBLY**

- 5. The Vice-Chair recalled a number of developments concerning the Budapest System since the previous meeting of the Budapest Union Assembly. First, the Vice-Chair indicated that Rwanda acceded to the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure (hereinafter referred to as "the Budapest Treaty") on September 4, 2023, and noted that with that accession, the number of States party to the Budapest Treaty was 89. Second, the Vice-Chair mentioned that the University of Coimbra Bacteria Culture Collection (UCCCB), Portugal, had acquired the status of an International Depositary Authority (IDA) on April 25, 2024.
- 6. Discussions were based on document BP/A/41/1.
- 7. The Secretariat highlighted some of the information contained in document BP/A/41/1. providing an overview of the recent development of the Budapest System as well as the activities of the International Bureau relating to the operation of the Budapest System. Specifically, the Secretariat informed the Budapest Union Assembly about the notifications and communications that had been received from the Contracting States, as well as the intergovernmental industrial property organizations, and also reported on the latest statistics. Referring to the Meeting of Member States and the international depositary authorities (IDAs) under the Budapest Treaty, organized by the International Bureau on November 13 and 14, 2023 in Geneva, the Secretariat stated that it had covered various topics and had offered an opportunity for the participants to share information and experiences on the practical implementation of the Budapest Treaty. Noting the positive feedback from the participants, the Secretariat stated that, while it had been an ad hoc meeting without any decision or recommendation, one of the topics discussed had been potential areas for improvement in the Budapest System. Furthermore, the Secretariat informed the Budapest Union Assembly that the International Bureau had received two communications from the Russian Federation and Indonesia on June 28, 2024, and July 7, 2024, respectively, relating to the nomination of two new IDAs under the Budapest System. The communications would shortly be notified to the governments of the States and intergovernmental industrial property organizations concerned and published on WIPO's website. The Secretariat reaffirmed its continued commitment to supporting current and future Contracting States in the implementation of the Budapest Treaty, and to provide continued assistance on matters relating to the Budapest System. Finally, the Secretariat invited the Budapest Union Assembly to take note of the document.
- 8. The Delegation of China noted the recent developments in the Budapest System indicated in document BP/A/41/1 and underscored the increase in the number of deposits of microorganisms for the purposes of patent procedure, the number of samples of deposited microorganisms furnished in recent years, as well as the growth of the number of the Contracting States of the Budapest Treaty and IDAs. The Delegation expressed its appreciation for the organization of the Meeting for Member States and IDAs under the Budapest Treaty held in November 2023.
- 9. The Delegation of the Czech Republic welcomed the continued development of the Budapest System as set out in document BP/A/41/1. Regarding the development of the Budapest System, the Delegation expressed its support for the creation of a task-specific expert group under the Budapest Union Assembly to address the issue of the handling of deposited microorganisms after the mandatory period of storage. Following consultations held at the national level with the culture collection acting as an IDA, the Delegation stated that it would appreciate further clarification of Rule 9.1 of the Regulations under the Budapest Treaty. In the Delegation's view, guidance on the implementation of that Rule would be beneficial for both the

IDAs and the depositors of microorganisms. The Delegation said that it remained actively engaged in the ongoing work to address that issue.

- 10. The Delegation of Hungary expressed its satisfaction with the activity report presented by the Secretariat, especially the increase in the membership of the Budapest Treaty to 89. The Delegation stated that exchanging information and experience was a priority to maintain and further develop international systems. In that regard, the Delegation referred to the successful organization of the Meeting of Member States and IDAs under the Budapest Treaty, held in November 2023. The Delegation reaffirmed its readiness to contribute to the further development of the Budapest System and expressed its support to any future proposals, in particular, should there be a need for Member States to establish an expert group to address specific issues, such as the handling of microorganisms deposited with IDAs after the expiration of the mandatory storage period.
- 11. The Delegation of Brazil thanked the Secretariat for the activity report and highlighted Brazil's continued efforts to advance with the legislative process to ratify the Budapest Treaty. The Delegation indicated that, while not yet a party to the Budapest Treaty, the National Institute of Industrial Property (INPI) had already accepted, for the purposes of sufficiency of disclosure of patent applications, the deposit of biological material made with IDAs. However, the Delegation noted that inventors who needed to make a deposit for the purposes of the patent procedure had to send their biological material to one of the IDAs recognized under the Budapest Treaty located overseas, which entailed increased costs and added logistical and bureaucratic difficulties. The Delegation hoped that this situation would be solved when it acceded to the Treaty. In anticipation of the accession, INPI had received a mandate from the Working Group established under the Brazilian Inter-ministerial Intellectual Property Group to lead studies to expedite the regulatory process that was necessary to implement the Budapest Treaty. The Delegation said that it expected to deliver a progress report at the next session of the Assemblies.
- 12. The Delegation of the Republic of Korea thanked the Secretariat for the preparation of document BP/A/41/1. Noting that the Budapest Treaty and the Nagoya Protocol had different objectives and different Member States, the Delegation emphasized that there was no reason to discuss the latter in the Budapest Union Assembly or any working groups. Additionally, recalling that there were four IDAs in the Republic of Korea, the Delegation expressed its strong interest in the deposit of microorganisms and IDAs. It therefore stated its willingness to actively participate in discussions on those topics. Accordingly, the Delegation requested the Secretariat to promptly share with Member States the meeting dates and agendas to facilitate participation.
- 13. The Delegation of Indonesia expressed its commitment to engage constructively in the discussions regarding the Budapest Treaty. Having been a Contracting Party since October 13, 2022, the Delegation indicated that it was dedicated to upholding the principles of the Budapest Treaty and enhancing international cooperation in the field of intellectual property (IP). Referring to the recent communication submitted by Indonesia regarding the acquisition of the status of IDA by the Indonesian Culture Collection (InaCC), the Delegation recalled that InaCC was founded in 2014 and had played a crucial role in the management of national biological resources, specifically microbes, and that InaCC complied with the requirements of Article 6(2) of the Budapest Treaty. It stressed that the acquisition of the status of IDA by InaCC would not only benefit Indonesia but also contribute to the global effort in promoting innovation and scientific research. The Delegation stated that it looked forward to fruitful discussions and cooperation within the framework of the Budapest Treaty.
- 14. The Delegation of Portugal welcomed the new Contracting Party to the Budapest Treaty, referred to the recent statement made by the African Intellectual Property Organization (OAPI), and noted the growing number of IDAs that showed the constant growth of the Budapest

System. The Delegation emphasized that the UCCCB recently acquired the status of IDA on April 25, 2024, which was the first culture collection in Portugal that had acquired this status and the fiftieth IDA overall. The Delegation expressed its readiness to cooperate with IDAs at the national and international levels and stressed the importance of sharing of information and experiences in implementing the Budapest Treaty at the global level.

- 15. The Delegation of the Russian Federation referred to document BP/A/41/1 and expressed its appreciation for the organization and the Meeting of Member States and IDAs held in November 2023. The meeting made it possible for the Members States to have a very rich exchange of experience and to discuss approaches to the practical aspects of deposit, storage and transfer of biological materials. In particular, the Delegation referred to the discussion on the practices of IDAs with respect to the deposited biological material after the expiration of the period of storage, and the sharing of information on the newest technologies in that area. The Delegation also mentioned the sharing of information among participants on the practices regarding the cooperation between IP offices and IDAs. It stated that such rich and useful exchange of information among the members of the Budapest System had come at the right time and had made it possible for the Russian Federation to submit to the International Bureau, a request regarding the acquisition of the status of IDA by the Collection of Eubiotic and Epiphytic Microorganisms (CEEM), Kuban State Agrarian University named after I. T. Trubilin. The Delegation indicated that the request had been well received by the International Bureau and would be notified to the Member States.
- 16. The Delegation of Spain thanked the Secretariat for the updates regarding the new accession to the Budapest Treaty and the new IDAs. The Delegation expressed its support for the creation of an expert group for specific tasks within the framework of the Budapest Union Assembly, focusing on the issue of the handling of deposited microorganisms by IDAs after the expiration of the mandatory period of storage provided in Rule 9(1) of the Budapest Treaty.
  - 17. The Assembly of the Budapest Union took note of the "Activity Report on the Operation of the Budapest System" (document BP/A/41/1).

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