

Enlarged Board of Appeal EPO, 24 July 1996, Interpretation of 71a(1) EPC – GE CHEMICALS

PATENT LAW

Rule 71a(1) EPC does not apply to the boards of appeal.

- The independence of judges is a principle which is recognised and applied in all contracting states of the European Patent Organisation, as corresponding to the very nature of the judicial function. The provisions of the EPC concerning the boards of appeal must therefore be interpreted in the light of this general principle.

Article 23(3) EPC provides that "In their decisions the members of the boards shall not be bound by any instructions...". In addition, Article 23(4) EPC states in its first sentence that the RPBA "shall be adopted in accordance with the provisions of the Implementing Regulations". Especially having regard to what is stated in paragraph 1 above, this is clearly directed to the mechanism or process by which the RPBA are to be adopted, namely the mechanism which is set out in Rule 11 EPC, which states that the authority referred to in Rule 10(2) EPC "shall adopt the Rules of Procedure of the Boards of Appeal". This authority is normally referred to as the "Praesidium", and is essentially composed of members of the boards of appeal.

The Enlarged Board of Appeal therefore does not accept the interpretation of Article 23(4) EPC which was proposed by the President of the EPO in his comments (cf. paragraph III(k) above), to the effect that the RPBA must always comply with the current version of the Implementing Regulations.

- If Rule 71a(1) EPC were to be interpreted as applying to all departments of the EPO, including the boards of appeal, its effect would be directly contradictory to and in conflict with the effect of Article 11(2) RPBA which was adopted pursuant to Article 23(4) EPC as the emanation of the independence of the boards of appeal.

However, the Administrative Council must be presumed to know the limits of its own power. It is therefore reasonable to assume that the Administrative Council did not intend to amend Rule 71 EPC so as to provide a conflict with a Rule of Procedure of the Boards of Appeal which it had itself previously approved.

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Enlarged Board of Appeal EPO, 24 July 1996

(W. Moser, J.C. De Preter, A. Nuss, G.D. Paterson, J.C. Saisset, P. van dan Berg)

Decision of the Enlarged Board of Appeal dated 24 July 1996

G 6/95

[...]

Patent proprietor/ Respondent: GE Chemicals, Inc.

Opponent/Appellant: Bayer AG, Leverkusen Konzernverwaltung RP Patente Konzern

Headword: Interpretation of Rule 71a(1) EPC/GE CHEMICALS

Summary of Facts and Submissions

I. In case T 276/93, the competent Technical Board of Appeal 3.3.3 (hereinafter the board) was of the opinion that the nature and scope of the single issue, i.e. obviousness, which called for decision by the board, had been fully and comprehensibly set out in the pleadings, evidence and arguments submitted by the parties in writing. Since the board's decision had to be rendered upon this one issue and nothing else, and to be based on the written matters already submitted as well as on any relevant arguments advanced in the course of oral proceedings in explanation or in amplification of them, the board saw nothing that had to be communicated to the parties at that stage. In the board's view, there was therefore no reason to comply with the provisions of Rule 71a EPC which called for the mandatory dispatch with the summons for oral proceedings of such a communication. Thus, the board decided in its interlocutory decision T 276/93 of 15 September 1995 to refer the following questions of law to the Enlarged Board of Appeal:

"1. Does it lie within the general powers of the Administrative Council pursuant to Article 33(1)(b) EPC to change an existing rule of procedure of the boards of appeal which it had already enacted pursuant to special powers under Article 23(4) EPC?

2. If the answer to the above question is "yes" to what extent, if any, does Article 23(3) EPC limit the changes which the Administrative Council may so enact?"

II. The board made in that decision the following comments:

(a) Rule 10(2) EPC established the sole authority, namely the Praesidium, that was responsible for determining the procedure of the boards of appeal pursuant to Rule 11 EPC.

(b) These rules gave effect to Article 23(3) and (4) EPC which jointly established the legislative basis of the independence of the members of the boards of appeal and thus of the boards themselves. In particular, Article 23(3) EPC provided that "in their decisions the members of the boards shall not be bound by any instructions and shall comply only with the provisions of this convention"; whilst Article 23(4) EPC laid down that "the rules of procedure of the boards of appeal shall be adopted in accordance with the provisions of the implementing regulations. They shall be subject to the approval of the Administrative Council".

(c) The language of Article 23(3) and (4) EPC was mandatory in all three official languages. In particular, Article 23(4) EPC in conjunction with Rules 10 and 11 EPC provided a special power, derogating from the general power conferred upon the Administrative Council by Article 33(1)(b) EPC. It followed that once the Rules of Procedure of the Boards of Appeal (RPBA) had been promulgated under this special power and via the above route, it could only be validly

amended or repealed by the exercise of the same special power via the selfsame route as special provisions derogated from general provisions.

(d) Rule 71a EPC had been enacted by the Administrative Council under its general powers, and not under its special powers.

(e) It was obvious that Rule 71a EPC was mandatory whereas Article 11(2) RPBA conferred discretion upon the boards of appeal in the sending of communications with the summons. Clearly the two procedural provisions were in direct conflict, the former to abolishing the discretion conferred by the latter.

(f) In the light of this conflict, Article 164(2) EPC was decisive. The relevant provision with which Rule 71a EPC was in conflict by virtue of abolishing the discretion conferred by the RPBA was Article 23(4) EPC, under the special powers of which the RPBA had been enacted.

(g) Thus, the question of law arose whether the Administrative Council could, in the exercise of its general powers under Article 33(1)(b) EPC, derogate from or abrogate an existing rule of procedure, which it had already legally enacted pursuant to its special powers under Article 23(4) EPC as implemented by Rules 10 and 11 EPC.

(h) Rule 71a EPC infringed the independence of the boards of appeal, derived through the independence of its members as specifically provided for in Article 23(3) EPC. Such independence could not be severed from the manner in which it was routinely exercised in the course of the decision-making process.

III. Under Article 11a of the Rules of Procedure of the Enlarged Board of Appeal, the President of the EPO submitted comments to the Enlarged Board, essentially, as follows:

(a) According to Article 33(1)(b) EPC, the Administrative Council was the competent legislative body to decide on the Implementing Regulations.

(b) There was no restriction in the EPC which limited the Administrative Council's competence in this respect. In particular, Article 23(4) EPC did not constitute a limitation.

(c) Since the boards of appeal were a part of the EPO (cf. Article 15(f) EPC) and since Rule 71a EPC related to Part VII of the EPC, i.e. the common provisions, which were also applicable to appeal proceedings, this regulation had also been intended to be binding on the boards of appeal.

(d) The Administrative Council did not particularly interfere in the RPBA. It did not want to regulate a particular issue falling under Article 23(4) EPC, which concerned only the boards of appeal, but a general issue, i.e. the procedure in the EPO as a whole, for which it had competence under Article 33(1)(b) EPC. The adoption of a general regulation affected the RPBA only indirectly. The purpose of general rules was not to interfere with specific proceedings.

(e) The question to be decided was the relative ranking of the contradictory provisions, i.e. Rule 71a EPC and Article 11 RPBA, which both were adopted by a competent legislative body. In this respect the principle that

"lex superior derogat legi inferiori" had to be observed. The competence of the Administrative Council was conferred by Article 33(1)(b) EPC. If it used this competence and adopted a provision in the Implementing Regulations, this provision was of a higher rank and therefore prevailed over a provision in the RPBA, which was adopted by a body of lower status in the legislative hierarchy.

(f) The fact that the Administrative Council had approved the RPBA was immaterial in this regard since the RPBA remained a set of provisions adopted by the Praesidium of the Boards of appeal. The Council's approval was merely a pre-condition for the RPBA to enter into force but did not mean that they had been adopted by the Administrative Council.

(g) According to Article 23(3) EPC, the boards of appeal had to comply with the provisions of the EPC. The Implementing Regulations were an integral part of the EPC (Article 164(1) EPC) and, therefore, the boards were also bound by them.

(h) The RPBA could never be seen in isolation from the EPC. This was even acknowledged in the RPBA themselves. In Article 18 it was stipulated that the RPBA were binding only in so far as they did not lead to a situation which would be incompatible with the spirit and the purpose of the EPC.

(i) If, after the RPBA had been adopted, the Implementing Regulations were to be changed, this could not mean that the Administrative Council was barred from regulating an issue in general form which was already regulated in the RPBA for the boards of appeal, since the Implementing Regulations ranked higher than the RPBA and were valid for the procedure within the EPO as a whole.

(j) The Implementing Regulations were always the standard by which the RPBA had to be evaluated. This could also be deduced from Article 23(4) EPC, which expressly stipulated that the Rules of Procedure shall be adopted "in accordance with the provisions of the Implementing Regulations". The wording of this Article was not limited to certain parts of the Implementing Regulations and thus clearly indicated that the RPBA had to comply with the Implementing Regulations as a whole, i.e. with all of its provisions. Consequently, it had to be concluded from the very wording of Article 23(4) EPC that the function of the RPBA could only be to complement existing regulations to the extent that the boards saw the need to have provisions for certain procedural situations which were not dealt with in the Implementing Regulations.

(k) As the content of the Implementing Regulations were subject to change in the course of time, what the RPBA had to comply with could only be the current effective version of the Implementing Regulations, by which the boards of appeal were bound as of law (Articles 164(1), 23(3) EPC).

(l) Article 23(4) EPC, deviating from the general principle that provisions could only be adopted by the Administrative Council or a conference of the contracting states, gave the boards of appeal the powers to

regulate their procedure, but only within specific limits, i.e. within the framework of the EPC.

(m) Article 23(3) EPC guaranteed the independence of the members of the boards of appeal. This meant that the individual decisions taken by the boards were not allowed to be influenced by any other body. Thus, the Administrative Council was not entitled under Article 33(1)(b) EPC to adopt provisions which were to interfere with a specific individual case. Article 23(3) EPC limited the Administrative Council's power in this respect. However, since Rule 71a EPC was a general regulation, Article 23(3) EPC did not restrict the Administrative Council's competence to adopt this provision.

IV. The parties to the proceedings pursuant to Article 112(2) EPC, although duly invited to file observations, did not comment.

Reasons for the Decision

1. Articles 23(4) and 33(1)(b) EPC provide two distinct and separate sources of legislative competence or power. When interpreting the provisions of these two Articles and the Rules which have been implemented pursuant to such Articles (in the RPBA and the Implementing Regulations, respectively), it is relevant to note that such Articles entered into force in 1977 in their present form as part of the original text of the EPC, at the same time as the Implementing Regulations entered into force in their original text. Such original text of the Implementing Regulations included a number of Rules implementing Part VII, Chapter I, of the EPC itself ("Common provisions governing procedure"), which are intended to govern some aspects of the procedure before the boards of appeal (i.e. Rules 68 to 90 EPC).

The Inter-Governmental Conference which adopted these original texts of the EPC itself and the Implementing Regulations clearly intended that, following the entry into force of these texts, on the one hand further rules of procedure governing proceedings before the boards of appeal would be adopted (i.e. made) by the "authority" defined in Rule 10(2) EPC pursuant to Article 23(4) EPC and Rule 11 EPC, and on the other hand the Administrative Council would be competent to amend the original text of the Implementing Regulations pursuant to Article 33(1)(b) EPC (including the original text of Rules 68 to 90 EPC governing inter alia some aspects of the procedure before the boards of appeal).

2. Article 23 EPC contains provisions which are intended to ensure the "Independence of the members of the boards", that being the title to this Article.

The independence of judges is a principle which is recognised and applied in all contracting states of the European Patent Organisation, as corresponding to the very nature of the judicial function. The provisions of the EPC concerning the boards of appeal must therefore be interpreted in the light of this general principle.

Article 23(3) EPC provides that "In their decisions the members of the boards shall not be bound by any instructions...". In addition, Article 23(4) EPC states in its first sentence that the RPBA "shall be adopted in ac-

cordance with the provisions of the Implementing Regulations". Especially having regard to what is stated in paragraph 1 above, this is clearly directed to the mechanism or process by which the RPBA are to be adopted, namely the mechanism which is set out in Rule 11 EPC, which states that the authority referred to in Rule 10(2) EPC "shall adopt the Rules of Procedure of the Boards of Appeal". This authority is normally referred to as the "Praesidium", and is essentially composed of members of the boards of appeal.

The Enlarged Board of Appeal therefore does not accept the interpretation of Article 23(4) EPC which was proposed by the President of the EPO in his comments (cf. paragraph III(k) above), to the effect that the RPBA must always comply with the current version of the Implementing Regulations.

Rules 10(2) and 11 EPC are the sole provisions in the Implementing Regulations which relate to the mechanism for adopting the RPBA. Article 23(4) EPC provides in its second sentence that the RPBA "shall be subject to the approval of the Administrative Council". It follows that the power under Article 23(4) EPC to amend the RPBA after they have been adopted and approved belongs to the Praesidium of the Boards of Appeal, subject to the approval of the Administrative Council.

3. Considered in the light of the principle of judicial independence, which Article 23(3) EPC embodies, the mechanism for adopting the RPBA through the Praesidium of the Boards of Appeal pursuant to Article 23(4) EPC acquires its full value and shows that the above principle extends to the procedure which is either preparatory to or otherwise related to the making of such decisions.

4. According to Article 33(1)(b) EPC, the Administrative Council is competent to amend the Implementing Regulations. There are obviously limits to the exercise of its powers, however. In fact, Article 164(2) EPC states that: "In the case of conflict between the provisions of this Convention and those of the Implementing Regulations, the provisions of this Convention shall prevail". Therefore, the Administrative Council may not amend the Implementing Regulations in such a way that the effect of an amended Rule would be in conflict with the EPC itself ("this Convention").

5. Pursuant to Article 33(1)(b) EPC, the Administrative Council amended Rule 71 EPC by adding further provisions in Rule 71a EPC which entered into force on 1 June 1995, which inter alia direct "the European Patent Office" (EPO) to take certain procedural steps when issuing a summons to oral proceedings. In particular, Rule 71a(1) EPC is mandatory to the effect that a communication must be issued by the EPO at the same time as a summons to oral proceedings is issued. In contrast to this requirement of Rule 71a(1) EPC, Article 11(2) RPBA states that a board of appeal may send a communication with a summons to oral proceedings, and thus confers a discretion upon the boards of appeal as to whether or not to send a communication with such a summons.

If Rule 71a(1) EPC were to be interpreted as applying to all departments of the EPO, including the boards of appeal, its effect would be directly contradictory to and in conflict with the effect of Article 11(2) RPBA which was adopted pursuant to Article 23(4) EPC as the emanation of the independence of the boards of appeal. However, the Administrative Council must be presumed to know the limits of its own power. It is therefore reasonable to assume that the Administrative Council did not intend to amend Rule 71 EPC so as to provide a conflict with a Rule of Procedure of the Boards of Appeal which it had itself previously approved.

It follows that according to the proper interpretation of Rule 71a(1) EPC, its mandatory procedural requirements are applicable to the first instance departments of the EPO, but are not applicable to the boards of appeal. This interpretation of Rule 71a(1) EPC is consistent with Rule 66(1) EPC, which provides that the provisions relating to proceedings before the department which has made the decision from which the appeal is brought shall be applicable to appeal proceedings *mutatis mutandis*, "unless otherwise provided". In the circumstances under consideration, the provisions of Rule 71a(1) EPC relating to the first instance procedure are not applicable within appeal proceedings, since the procedure before the boards of appeal is otherwise provided, namely in the RPBA.

This interpretation of Rule 71a(1) EPC is also consistent with Article 18 RPBA, which provides that the RPBA "shall be binding upon the boards of appeal, provided that they do not lead to a situation which would be incompatible with the spirit and purpose of the Convention", having regard to the reasoning previously set out.

Thus, the boards of appeal continue to have a discretion as to whether or not to send a communication when a summons to oral proceedings is issued, as provided in Article 11(2) RPBA.

6. A decision of the Enlarged Board of Appeal is required within the meaning of Article 112(1)(a) EPC only in so far as the decision of the referring board of appeal in respect of the pending appeal depends on it. In the present case, the Enlarged Board of Appeal will confine itself to deciding the question of law of whether the boards of appeal have to comply with Rule 71a(1) EPC.

ORDER

For these reasons it is decided that:

Rule 71a(1) EPC does not apply to the boards of appeal.
