

Malta

Legal basis

The legal basis for compulsory licences in Malta is Art. 39 of the Patents and Designs Act (Cap. 417 of the Laws of Malta) (hereinafter “the Act”).

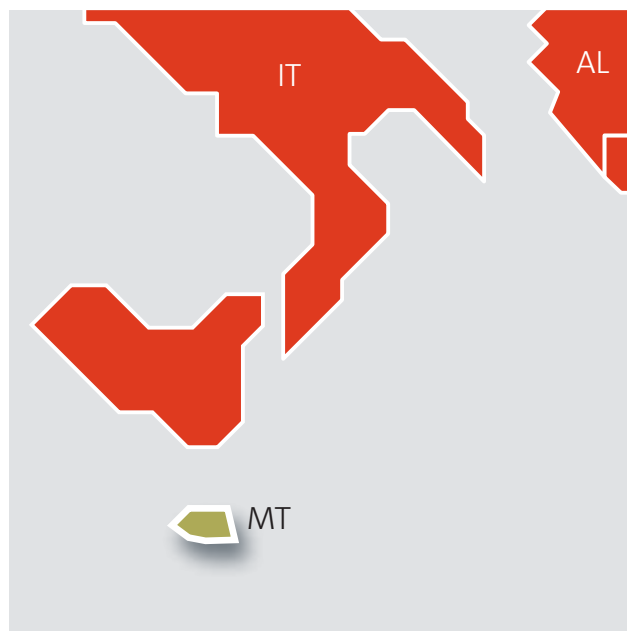
Art. 39(9) and (10) appear to have been drawn up in order for Malta to be in line with the provisions of Art. 12 Biotech Directive.

EU Regulation 816/2006 is directly applicable in Malta.

Grounds for applying for a licence

There are five situations on which to base a compulsory licence:

- (a) a sworn application filed by any person who proves his ability to work the patented invention in Malta, after the expiration of a period of four years from the date of filing the application for the patent or three years from the grant of the patent, whichever is later;
- (b) a sworn application filed by the owner of a patent (the second patent) which cannot be exploited without infringing an earlier patent (the first patent);
- (c) [when the relevant form of plant variety protection comes into force] an application filed by a breeder who cannot acquire plant variety protection or exploit a plant variety without infringing a prior patent, for a compulsory licence for non-exclusive use of the invention protected by the patent;
- (d) [when the relevant form of plant variety protection comes into force] an application filed by the holder of a patent concerning a biotechnological invention who cannot exploit it without infringing a prior plant variety right, for a compulsory licence for non-exclusive use of the plant variety protected by that right; and
- (e) an authorisation by the Minister responsible for the protection of industrial property (“the Minister”) where the national security or public safety so requires, even without the agreement of the proprietor of the patent or the patent application, in favour of a government agency or a person designated in the said notice to use an invention to which a patent or an application for a patent relates.



General procedure

The First Hall of the Civil Court (as a court of first instance), or (in a case against a person residing or having their ordinary abode on the island of Gozo or Comino) the Court of Magistrates (Gozo) in its superior jurisdiction, is the judicial authority which is competent to grant a compulsory licence.

In each case, the law utilises the terms “equitable remuneration” for situation (a) above and “appropriate” for situations (b) to (e), therefore the competent authority has discretion as to the terms of the compulsory licence.

Procedure in situation (a):

In the sworn application, the applicant/plaintiff requests the Court to direct the Comptroller of Industrial Property (“the Comptroller”) to grant a non-exclusive, non-voluntary licence if the patented invention is not worked or is insufficiently worked in Malta.

The grant of the non-voluntary licence shall be subject to the payment of such equitable remuneration to the proprietor of the patent as may be determined by the Court and may be permitted if, prior to the institution of such proceedings, the proposed user has made efforts to obtain authorisation from the right holder on reasonable commercial terms and conditions and if such efforts have not been successful within a reasonable period of time.

A non-voluntary licence shall not be granted if the Court is convinced that circumstances exist that justify the non-working or insufficient working of the patented invention in Malta.

In deciding whether to grant a non-voluntary licence, the Court shall give both the proprietor of the patent and the person requesting the non-voluntary licence an adequate opportunity to present arguments in terms of applicable provisions of procedural law.

Moreover, any non-voluntary licence of this type shall be revoked when the circumstances that led to its granting cease to exist, taking into account the legitimate interests of the proprietor of the patent and of the licensee. The continued existence of these circumstances shall be reviewed upon the request of the proprietor of the patent by sworn application before the Court.

The scope and duration of a non-voluntary licence of this type shall be limited to the purpose for which it was authorised and shall be:

- non-exclusive;
- non-assignable, except with that part of the enterprise or goodwill that enjoys such authorisation;
- terminated if and when the circumstances that led to it cease to exist; and
- predominantly for the supply of the domestic market.

The procedure in situation (b):

The procedure for this case is a lawsuit filed by the applicant through a sworn application before the relevant court of first instance. It will be eligible for grant if the invention claimed in the second patent shall involve an important technical advance of considerable economic significance in relation to the invention claimed in the first patent, in which case:

- the owner of the first patent shall be entitled to a cross-licence on reasonable terms to use the invention claimed in the second patent; and
- the use authorised in respect of the first patent shall be non-assignable except with the assignment of the second patent.

The procedure in situation (c):

The application to the relevant court of first instance will be eligible for grant if the applicant can demonstrate that:

- the licence is necessary for the exploitation of the plant variety to be protected;
- the applicant had applied unsuccessfully to the holder of the prior patent to obtain a contractual licence; and
- the plant variety constitutes significant technical progress of considerable economic interest compared with the invention claimed in the prior patent; in which case:
 - the licence would be subject to payment of an appropriate royalty; and
 - the holder of the patent would be entitled to a cross-licence on reasonable terms to use the protected variety.

The procedure in situation (d):

The law is unclear as to the competent authority; however, presumably it is also the First Hall of the Civil Court or the Court of Magistrates (Gozo) in its superior jurisdiction according to circumstances. The application, filed by the applicant, will be eligible for grant if the applicant can demonstrate that:

- (i) the applicant had applied unsuccessfully to the holder of the prior plant variety right to obtain a contractual licence; and
- (ii) the invention constitutes significant technical progress of considerable economic interest compared with the plant variety protected by the prior plant variety right; in which case

- the licence would be subject to payment of an appropriate royalty; and
- the holder of the patent would be entitled to a cross-licence on reasonable terms to use the protected invention.

The procedure in situation (e):

The competent authority in this case is the Minister responsible for the protection of industrial property. The law is unclear as to the proceedings; however, it would presumably be a written communication to the Minister.

The application will be eligible for grant if:

- (i) the invention shall involve an important technical advance of considerable economic significance;
- (ii) the licence is necessary for the exploitation of the patent;

- (iii) the applicant had applied unsuccessfully to the holder of the patent to obtain a contractual licence; and
- (iv) the patent constitutes significant technical progress of considerable economic interest; in which case:
 - the owner of the patent shall be entitled to a cross-licence on reasonable terms to use the invention;
 - the use authorised shall be non-assignable;
 - the licence would be subject to payment of an appropriate royalty.

Appeal/review

For situations (a) to (c), the law is silent on this issue; however, in terms of general laws of procedure an appeal from judgment of the relevant court of first instance is possible by filing an application with the Court of Appeal.

The Act is silent on appeals relating to situation (d) and does not indicate before which court or tribunal the application should be filed; however, in terms of general laws of procedure an appeal from a decree of a court of first instance or a tribunal is possible by application filed before the Court of Appeal.

For compulsory licences granted in the public interest (e) the decision may be appealed to the relevant court of first instance indicated herein and, even if the Act is silent on this issue, in terms of general laws of procedure a further appeal from judgment thereof is possible by application filed before the Court of Appeal.

Statistics and jurisprudence

There are no available statistics or jurisprudence.

