



Legal Service

**SJ-0462/12**  
AC/UR/amb  
D(2012)35808

Brussels, **09-07-2012**

This document is a confidential legal opinion which may be protected under Regulation 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents. The European Parliament reserves all its rights should this be disclosed without its authorisation.

## LEGAL OPINION

**Re: JURI - Enhanced cooperation in the area of the creation of unitary patent protection - 2011/0093(COD) - Deletion of Articles 6, 7 and 8 of the proposed regulation - Postponement of the vote in the Parliament's plenary**

### I. Introduction

1. By letter of 3 July 2012, which arrived at the Legal Service on the same day, Mr Klaus-Heiner LEHNE, Chairman of the Committee on Legal Affairs (JURI), sought the opinion of the Legal Service on the legality of the proposed deletion of Articles 6, 7 and 8 of the proposed regulation on enhanced cooperation in the area of the creation of unitary patent protection. The Chairman asked for a note on this matter in time for JURI's next meeting on 9 and 10 July 2012.
2. The present Legal Opinion deals with the procedural and the substantive issues of JURI's request. Taking into account the urgency of the answer to be provided, the Legal Service briefly analyses the background of the issues at stake and directly focuses on the main aspects of the question asked by the Chairman of JURI.

## II. Background

3. According to the information at the disposal of the Legal Service, at the European Council of 28 and 29 June 2012 the Heads of State or Government of the participating Member States took a number of decisions regarding the patent package. This package comprises the two legislative proposals on the creation of the unitary patent protection<sup>1</sup> and on translation arrangements,<sup>2</sup> as well as the creation of the jurisdictional system for patent disputes through an international agreement.<sup>3</sup>
4. As regards the draft international Agreement on a Unified Patent Court (UPC), it was decided that the seat of the Central Division of the Court of First Instance of the UPC (...) will be located in Paris.
5. As regards the draft regulation implementing enhanced cooperation in the area of the creation of unitary patent protection, the Heads of State or Government "*suggest that Articles 6 to 8 of the regulation [...] be deleted*".<sup>4</sup>
6. During the informal triologue negotiations in the second half of 2011, the representatives of the European Parliament and of the Council had reached an agreement on the Commission proposal for the regulation implementing enhanced cooperation in the area of the creation of unitary patent protection. The text agreed included Articles 6 to 8 as proposed by the Commission. Only some minor clarifications were added to those articles. On the basis of the text agreed, JURI adopted the report on the proposed regulation on 11 January 2012 with a view to its subsequent adoption by Parliament and Council at first reading under the ordinary legislative procedure.<sup>5</sup>
7. Following the announcement of the Heads of State or Government at the European Council to delete Articles 6 to 8 from the proposed regulation, Parliament decided to remove the vote on the proposal from the agenda of its plenary sitting in the first week of July 2012.

## III. Legal Analysis

8. In its request, JURI raises the question of the legality of the proposed deletion of Articles 6 to 8 from the proposed regulation on enhanced cooperation in the area of the creation of unitary patent protection.

---

<sup>1</sup> COM(2011) 215 final of 13 April 2011 on a proposal for a regulation of the European Parliament and of the Council implementing enhanced cooperation in the area of the creation of unitary patent protection, 2011/0093(COD), Rapporteur: Bernhard Rapkay (S&D).

<sup>2</sup> COM(2011) 216 final of 13 April 2011 on a proposal for a Council regulation implementing enhanced cooperation in the area of the creation of unitary patent protection with regard to the applicable translation arrangements, 2011/0094(CNS), Rapporteur: Raffaele Baldassarre (PPE) .

<sup>3</sup> Jurisdictional system for patent disputes, 2011/2176(INI), Rapporteur: Klaus-Heiner Lehne (PPE).

<sup>4</sup> Conclusions of the European Council of 28/29 June 2012, page 2.

<sup>5</sup> A7-0001/2012.

9. At the outset, it should be recalled that the deletion at issue is not rendered illegal by the fact that it would be contrary to the agreement which was reached between the representatives of the Parliament and the Council during the informal triologue negotiations. The results of such negotiations do not bind the institutions involved, unless they are confirmed under the procedural rules provided by the Treaties, in particular the ordinary legislative procedure, as established in Article 294 of the Treaty on the Functioning of the European Union (hereinafter, "TFEU"). The consequence is that the Council is not bound by the abovementioned informal negotiations.
10. From a procedural point of view, as a matter of principle, it follows from Article 293(1) TFEU, that the Council, acting unanimously, may amend a legislative proposal from the Commission. Such an amendment may not only consist of the modification of the text of the Commission, but may also include the deletion of entire articles from the body of the text of a proposed legislative act.
11. On the other hand, according to Article 293(2) TFEU, as long as the Council has not acted, the Commission may alter its proposal at any time during the procedures leading to the adoption of the act. The Commission may even withdraw its proposal. Thus, the possibility for the Council to amend the Commission's proposal could be limited by the Commission withdrawing it.
12. Furthermore, according to Article 294(5) TFEU, if the Council does not approve the European Parliament's position at first reading, the Council has to adopt its own position at first reading and communicate it to the Parliament, which will lead to a second reading.
13. However, even if from a procedural point of view, the deletion of Articles 6 to 8 might be possible at this stage, from a substantive point of view, this deletion might be incompatible with the legal basis of the proposed regulation, i.e. Article 118(1) TFEU and with the *raison d'être* of the proposed act.
14. Article 118(1) TFEU provides the legal basis for "*the creation of European intellectual property rights to provide uniform protection of intellectual property rights throughout the Union*" in accordance with the ordinary legislative procedure.
15. It is settled case-law of the Court of Justice that the choice of legal basis of European Union acts is to be determined solely by reference to objective criteria that are amenable to judicial review, and in particular the aim and content of the act being proposed.<sup>6</sup>
16. As laid down in its Article 3, the aim and content of the proposed regulation are in fact to establish a European patent with unitary effect which has a unitary character providing uniform protection and having equal effect in all participating Member States. Although the proposed regulation builds on the

---

<sup>6</sup> See, for example, Case C-411/06 *Commission v Parliament and Council*, [2009] ECR I-7585, paragraph 45 and the case-law cited therein.

existing system of European patents granted under the European Patent Convention, it adds a new quality by granting unitary effect to those patents.

17. Articles 6 to 8 of the proposed regulation, which relate to substantive patent law, are at the core of a genuine European intellectual property title. These provisions form the essential part of Chapter II of the proposed regulation regarding "Effects of the European Patent with Unitary Effect". They contain, in particular, the right of the patent proprietor to prevent the direct and indirect use of the invention (Articles 6 and 7), as well as a number of limitations to the effects of the unitary patent (Article 8).
18. Indeed, as provided by Articles 6 and 7 of the proposed regulation, the rights conferred by the European patent with unitary effect will enable the patent proprietor to stop any third party not having his consent from directly or indirectly using the invention on the territories of the participating Member States.
19. Therefore, the deletion of Articles 6 to 8 from the proposed regulation would remove the essential element of substantive patent protection from the proposed regulation and would leave it incomplete as a European intellectual property title within the meaning of Article 118(1) TFEU.
20. This would jeopardise the choice of Article 118(1) TFEU as the legal basis for the regulation. Article 118(1) TFEU specifically allows for the adoption of "*measures for the creation of European intellectual property rights to provide uniform protection of intellectual property rights*".
21. In order to have recourse to Article 118(1) TFEU, the EU legislature must provide, under EU law and, consequently, under the jurisdictional control of the European Court of Justice, a specific measure granting "uniform protection" of the EU patent with unitary effect in the patent regulation.

#### IV. Conclusions

22. In the light of the foregoing, the Legal Service reaches the following conclusions:

- (a) The Council, acting unanimously, may amend a legislative proposal from the Commission as long as the Commission does not withdraw its proposal. If the Council does not approve the European Parliament's position at first reading, the Council has to adopt its own position at first reading and communicate it to the Parliament, which will lead to a second reading;
- (b) The deletion of Articles 6 to 8 from the proposed regulation removes essential elements of substantive patent protection from the proposed regulation;
- (c) As a result of this deletion, therefore, the act would not permit the uniform protection of these intellectual property rights throughout the Union and, consequently, would not comply with the requirements laid down in Article 118(1) TFEU, the proposed legal basis.

*(signed)*

Antonio CAIOLA

*(signed)*

Ulrich RÖSSLEIN

*(signed)*

Visa: Christian PENNERA, the Jurisconsult