Disclosure of origin in the patents regime: Discussion Paper – Submission template

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Responses to questions

Your submission may respond to any or all of the questions from the Discussion Paper. There is an additional box at the end for any other comments you may wish to make.
Text boxes will expand as you complete them.

Problem definition	
1	Do you have any comments on the problem definition?
Please see attached sheet.	

Options analysis: Objectives	
2	Do you agree with the objectives that we have identified? Do you agree with the weighting we have given the objectives?
Please see attached sheet.	

Options analysis: Preferred option	
3	Do you have any comments on our preliminary assessment of the options?
Please see attached sheet.	

4	What is your preferred option? Why?
Please see attached sheet.	
5	Do you have any comments on how New Zealand should approach international discussions relating to disclosure of origin requirements?
Please see attached sheet.	

Key design features	
6	What are your views on the design features of a potential disclosure of origin requirement?
Please see attached sheet.	
7	Are there other design considerations that we should consider?
Please see attached sheet.	

Other comments

8	Are there any additional comments you wish to make about the Disclosure of Origin Discussion Paper?
Please see attached sheet.	

1. Do you have any comments on the problem definition?

There is little evidence in the discussion paper to show that either of the two key issues identified are substantial problems. Even if these are substantial problems, the paper does not explore whether these problems could be more appropriately addressed in another manner. Instead, it seems that the starting point was finding problems that could be addressed by the introduction of a disclosure of origin requirement, see paragraph 51.

The first issue identified in the discussion paper is that patent applications relevant to Māori may be missed. The discussion paper reinforces this by pointing out that no applications have yet been referred to the Patents Māori Advisory Committee (PMAC). We find this unsurprising. In the experience of our attorneys, there are very few patent applications filed in New Zealand that make use of New Zealand genetic resources and/or Māori traditional knowledge. Furthermore, we understand that there are about six cases that IPONZ have identified where the commercial use of the invention may be relevant to Māori. These cases have not been referred to the PMAC because examination of these applications has not yet begun. IPONZ have been experiencing significant delays and, therefore, have a backlog of applications waiting to be examined.

There is a comment in paragraph 55 of the discussion paper that mātauranga Māori is often not documented in scientific databases and, therefore, will be missed by examiners. IPONZ examiners are not limited to consulting scientific databases and currently use general search engines when examining applications.

Issue two relates to the lack of information available about how genetic resources and traditional knowledge are used **in research** (emphasis added).

New Zealand has a low rate of patenting ideas with commercial potential (14 per million people versus OECD average of 40), but a rate of journal publication that is significantly greater than in similar sized economies (see the Callaghan Innovation 2017 Annual Report). Therefore, introducing a disclosure of origin regime into the patent system is likely to miss a large proportion of the relevant research.

The discussion document states that better information would be useful for the public and for government agencies to inform policy work outside of the patents regime. We do not believe that users of the patent system should bear the cost of providing this information for other purposes. We also question whether information collected via a disclosure of origin regime would be used by third parties. There is no evidence in the discussion document that New Zealand-based organisations are using the data generated by overseas disclosure regimes to monitor patent applications.

2. Do you agree with the objectives that we have identified? Do you agree with the weighting we have given the objectives?

Attention should be given to Objective C. The compliance and administrative costs associated with a regime which is grafted on to the patent system and does not benefit an applicant should be minimal. The Castalia report appears to significantly underestimate the amount of time and effort that may be involved in obtaining genetic resource origin information. Depending on what “trigger” is required for disclosure, there could be hundreds of genetic resources described in a patent specification. For example, a patent to a compound useful for treating crops may involve testing the effect of the compound on a large number of plants, insects, bacteria, viruses and fungi.

3. Do you have any comments on our preliminary assessment of the options?

Paragraph 79 of the discussion paper asks for submitters' views of whether it is unusual for researchers to be unaware of the country of origin of the genetic resources used in research when they have not accessed them *in situ*.

In our experience, most inventors of patent applications filed in New Zealand are unlikely to know the country of origin of the genetic resources used in the invention. For example, large pharmaceutical companies primarily access genetic resources or derivatives of genetic resources from databases that lack information about the country of origin.

4. What is your preferred option? Why?

We do not consider a disclosure of origin regime should be introduced now. The information likely to be provided by applicants will not be comprehensive or useful to IPONZ or third parties, the benefits are not quantified, and the costs to applicants appear to be considerably underestimated.

We believe there are better options for dealing with the underlying concerns identified in the discussion document. We comment on this further in section 8.

If a disclosure of origin regime must be introduced, then we suggest proceeding with a modified version of option 2 that can provide information that will be useful to facilitate protection of kaitiaki interests.

We suggest applicants provide detailed information about the origin of genetic resources or traditional knowledge sourced from New Zealand. This information could be useful to the PMAC, to parties involved in protecting kaitiaki interests and to other government agencies interested in how New Zealand's genetic resources are being used.

Limiting the disclosure obligations to inventions using New Zealand-sourced genetic resources or traditional knowledge would mean that most applicants would not be put to the expense and effort of providing information that is of little interest to parties in New Zealand.

A modified version of option 2 would mostly apply to New Zealand-based applicants. The IP profession in New Zealand could support the disclosure regime by providing advice and education to local clients on what sort of information they would need to provide and how best to capture this information early in the development process. In the absence of a uniform international approach and commitment to disclosure of origin regimes, it is unlikely that overseas-based applicants will put systems in place to capture this information.

5. Do you have any comments on how New Zealand should approach international discussions relating to disclosure of origin requirements?

We suggest advising the international community that New Zealand is committed to addressing this issue, but as part of a comprehensive bioprospecting regime.

6. What are your views on the design features of a potential disclosure of origin requirement?

We recommend excluding micro-organisms from the disclosure obligations. In our experience micro-organisms are available from multiple sources.

We recommend the trigger be limited to claimed inventions that directly result from the use of genetic resources or traditional knowledge, to make it simple for applicants to identify when their disclosure obligations apply.

In relation to the sanctions and remedies discussed in paragraphs 124 to 130, we agree criminal penalties are not appropriate.

7. Are there other design considerations that we should consider?

No comment.

8. Additional comments

In our view, New Zealand should not introduce a disclosure of origin scheme now. Instead, there should be a broad review of the use of genetic resources and traditional knowledge that includes consideration of the recommendations made in the Wai 262 report, including a bioprospecting regime.

Many of the comments made at the launch of the discussion paper at the Nga Taonga Tuku Iho Conference and during the workshop in Wellington indicated the problem that needed to be solved was the misuse of taonga species and traditional knowledge. A disclosure of origin regime will not stop this misuse. This is because any misuse will have already occurred by the time a patent application is filed. This problem would be more appropriately addressed with a bioprospecting regime.

We note consideration of a bioprospecting regime is expressly excluded from the scope of this review because it is outside the purview of the IP policy team at MBIE. It is unclear which government agency would be responsible for exploring a bioprospecting regime.

It appears that a disclosure of origin regime is being introduced because it is easier than trying to implement a comprehensive response to the Wai 262 report or a bioprospecting regime. While a comprehensive response may be challenging to implement, that does not make a piecemeal, and likely ineffective, approach the better option.

While a bioprospecting regime may seem like a more difficult concept to implement, many of the concerns raised regarding the use of taonga species are addressed in the Code of Professional Standards and Ethics in Science, Technology, and the Humanities of the New Zealand Royal Society.

The interpretation document of the code provides in clause 5:

> Members are obliged:
>
> 5. In undertaking their activities, to endeavour, where practicable, to partner with those communities and mana whenua for whom there are reasonably foreseeable direct impacts and to meet any obligations arising from the Treaty of Waitangi.
>
> To meet this standard, Members should —
>
> a. endeavour to identify potentially affected communities, hapū or iwi prior to commencement of the activity and, where practicable, ascertain whether they wish to participate; and
>
> b. where practicable and appropriate, involve any participating community, hapū or iwi in the development of the aims, design of the activity and the selection of means for its execution; and
>
> c. where practicable and appropriate, both involve and adequately resource participating communities, hapū and iwi as partners in the activity and respect their rights and cultural practices; and

d. recognise and respect any established rights and interests of participating or affected communities, hapū or iwi, in intellectual property, mātauranga, or of materials, samples, data or information gathered or developed during the research, including obtaining necessary permissions to use existing mātauranga and giving effect to any established right to participating or affected community, hapū or iwi ownership of new knowledge created during the activity; and

e. endeavour, where practicable, to share those results and findings that are specific to the participating or affected community, hapū or iwi with them in advance of publishing or otherwise communicating the results and findings to others.

Most professional scientists in New Zealand are members of the Royal Society. All members will be bound by the code when it comes into force on 1 January 2019. In our experience many research organisation in New Zealand already adhere to this code.

Making this code a part of a bioprospecting regime would be a far more effective means of addressing concerns about the misuse of resources and traditional knowledge than would a disclosure of origin requirement in the Patents Act.

The advantage to the code is it applies to all research involving taonga species. It would therefore be more far reaching than a disclosure of origin requirement related to patent specifications. As noted above, only a very small proportion of research relating to taonga species results in patent protection being sought. Therefore, a disclosure of origin requirement relating to patent applications will only cover a small subset of uses of taonga species.