

# WORLD TRADE ORGANIZATION

RESTRICTED

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**Council for Trade-Related Aspects  
of Intellectual Property Rights**

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## REVIEW OF THE PROVISIONS OF ARTICLE 27.3 (b)

### Information from New Zealand

#### Addendum

The present document represents the information requested by the Council for Trade-Related Aspects of Intellectual Property Rights which the Secretariat has received from New Zealand, by means of a communication from its Permanent Mission, dated 3 February 1999.

### **I. RESPONSES TO THE ILLUSTRATIVE LIST OF QUESTIONS PREPARED BY THE SECRETARIAT CONTAINED IN DOCUMENT IP/C/W/122**

#### **A. PATENT PROTECTION OF PLANT AND ANIMAL INVENTIONS**

1. *To what extent are inventions concerning plants or animals, whether products or processes, patentable under your country's law, if they meet the conditions for patentability stipulated in Article 27.1 of the TRIPS Agreement?*

Any plants, animals (excluding humans), products and processes (except therapeutic and surgical methods of the treatment of humans) are patentable provided that they are novel, involve an inventive step, are industrially applicable, are not contrary to morality, and provided they are not claimed as they are found in nature. No distinction is made as to the field of technology or the geographical origin of any application.

2. *Where any such inventions are not patentable, even if they meet these conditions:*

(i) *To what extent is this due to per se exclusions from patentability?*

Human beings are excluded from patentability because they do not fall within the definition of invention as defined by section 2 of the New Zealand Patents Act 1953 (see item 5 below). Therapeutic and surgical methods of the treatment of humans are also not considered to be included within the definition of an invention. Accordingly, these are excluded from patentability.

(ii) *To what extent is this based on other grounds (for example because conditions for patentability other than those stipulated in Article 27.1 are not met or in order to protect ordre public or morality (see Article 27.2 of the Agreement))?*

The Patents Act 1953 excludes inventions from patentability which are contrary to morality.

3. *Please describe any specific provisions, guidelines, final judicial decisions and administrative rulings of general application concerning the application of the conditions for patentability stipulated in Article 27.1 to subject-matter addressed by Article 27.3(b).*

Claims to medical treatment were rejected by the Court of Appeal decision in **The Wellcome Foundation (Hitching's) Application** [1983] FSR 593.

4. *Where plant varieties are not as such patentable subject-matter under your country's law, please indicate the extent to which the scope of protection under patents for inventions concerning plants can nevertheless embrace plant varieties or a botanical taxon whose plants express a trait covered by the claims of a patent.*

Plant varieties are patentable.

5. *Please provide any definitions used under your country's law with regard to subject-matter specifically excluded from patentability or specifically patentable (e.g. micro-organisms, microbiological processes, non-biological processes, plant varieties).*

The Patents Act 1953 does not define subject-matter which is specifically excluded from patentability. However, applications must relate to an "invention", which, as defined by the Patents Act 1953, means any manner of new manufacture the subject of letters patent and grant of privilege within section 6 of the Statute of Monopolies, and any new method or process of testing applicable to the improvement or control of manufacture; and includes an alleged invention.

6. *To what extent is subject-matter that is identical to what occurs in nature patentable under your country's law?*

Subject-matter which is found in nature is patentable provided it is not claimed either in the natural state, or as it is normally found in nature.

7. *Explain the requirements under your country's law for ensuring adequate disclosure of the patentable inventions referred to above.*

Section 10(3) of the Patents Act 1953 requires that every complete specification shall particularly describe the invention and the method by which it is to be performed, and shall disclose the best method of performing the invention which is known to the applicant and for which he [or she] is entitled to claim protection.

8. *What rights are conferred upon owners of the patents referred to above? Are product and process patents subject to the same rules as other patents? Do they benefit from the same protection as stipulated in Article 28 of the TRIPS Agreement?*

New Zealand complies fully with Article 28. The rights conferred include the exclusive rights to prevent third parties not having the owner's consent from the acts of making, using, offering for sale, selling or importing the invention claimed, as stipulated in Article 28 of the TRIPS Agreement, for up to 20 years.

9. *Are there any specific exceptions to these rights (affecting the scope or duration of the patents referred to above)? To what extent are exceptions, available in respect of plant variety rights (e.g. those referred to under question B.4(i) below), available in respect of rights conferred upon patent owners?*

There are no specific exceptions.

10. *Are there any specific provisions under your country's law for compulsory licensing in respect of the patents referred to above?*

Compulsory licenses may be obtained from the Court under section 46 of the Patents Act 1953 if, after the expiry of three years from the date of sealing of a patent, or four years from the date of the patent, whichever is the later, the invention is not being supplied or not being supplied on reasonable terms in New Zealand.

## B. PROTECTION OF PLANT VARIETIES

1. *Does your country's law provide for the protection of plant varieties by plant breeder's rights, plant patents or any other sui generis system for the protection of plant varieties?*

Yes. Protection of plant varieties is provided for under the New Zealand Plant Variety Rights Act 1987.

2. (a) *If your country is a party to the International Convention for the Protection of New Varieties of Plants (UPOV), please indicate which Act or Acts of the UPOV Convention your country has signed; which it has ratified; to which it has acceded; and to the standards of which its law conforms but to which it has not (yet) adhered.*

New Zealand is a signatory to both the 1978 and the 1991 revisions to the UPOV Convention. New Zealand has ratified, acceded and adheres fully to the 1978 Convention.

(b) *If your country is not a party to the UPOV Convention, does the protection offered to plant varieties under your country's law conform to the standards of any of the Acts of the UPOV Convention and, if so, which?*

Not Applicable.

3. *Please indicate whether concurrent protection under your country's plant variety protection law and its patent law is available (see also question A.4 above).*

Yes, concurrent protection is possible. Patents can be obtained for plants under the normal criteria for patent protection. This includes plants that are excluded under plant variety right protection.

4. *Please provide the following details of your country's sui generis system for the protection of plant varieties:*

(a) *the relevant laws and regulations and, if they have been notified to the Council for TRIPS, a reference to the relevant WTO documents;*

The Plant Variety Rights Act 1987<sup>1</sup>

The Plant Variety Rights Amendment Act 1990<sup>1</sup>

The Plant Variety Rights Amendment Act 1994<sup>1</sup>

The Plant Variety Rights Regulations 1988<sup>2</sup>

<sup>1</sup> These laws have been circulated in document IP/N/1/NZL/P/3.

<sup>2</sup> These laws have been circulated in document IP/N/1/NZL/P/4.

The Plant Variety Rights Regulations 1988 – Amendment 1<sup>2</sup>

The Plant Variety Rights Regulations 1988 – Amendment 2<sup>2</sup>

The Plant Variety Rights (Fees) Order 1991<sup>2</sup>

The Plant Variety Rights (Grantee's Rights) Order 1988<sup>2</sup>

The Plant Variety Rights Amendment Act 1996<sup>3</sup>

The Plant Variety Rights (Grantee's Rights) Order 1997<sup>4</sup>

(b) *the definition of "plant variety";*

"Variety" is defined in section 2 of the New Zealand Plant Variety Rights Act 1987. It means a cultivar, or cultivated variety, of a plant, and includes any clone, hybrid, stock, or line of a plant; but does not include a botanical variety of a plant.

(c) *the conditions required for protection;*

To be eligible for protection under the Plant Variety Rights Act 1987 (section 10(2)), a variety must be determined to be new; distinct; homogenous; and stable as required by the 1978 UPOV Convention.

(d) *the extent to which subject-matter that is already known to the public or identical to what occurs in nature is protectable under your country's sui generis system for the protection of plant varieties;*

A candidate variety must be distinct from any other variety whose existence was a matter of common knowledge at the date the application was made (section 10(4)). An unnamed variety may be recognised as one of common knowledge. In case of a variety derived from one already known, or from a plant found in nature, protection would be granted only if the breeder has transformed the original plant material in a significant way.

(e) *the extent to which protection can be based on characteristics of germplasm, as opposed to characteristics of plant varieties derived from such germplasm;*

Protection is only granted based upon characteristics of plant varieties derived from germplasm.

(f) *who is entitled to the rights;*

The 'owner' is entitled to rights in relation to any variety. Section 2 of the New Zealand Plant Variety Rights Act 1987 defines 'owner' as a person "who bred or discovered that variety, and includes a successor of that person".

(g) *the procedure for the acquisition of rights, including the authority in charge of administering the rights;*

Applications must be made in accordance with section 5 of the Plant Variety Rights Act 1987. The Plant Variety Rights Act 1987 is administered by the Ministry of Commerce through the Plant Variety Rights Office of New Zealand.

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<sup>3</sup> This law has been circulated as document IP/N/1/NZL/P/3/Add.1.

<sup>4</sup> This law has been notified and will be circulated as document IP/N/1/NZL/P/4/Add.1 shortly.

(h) *the rights conferred;*

The Plant Variety Rights Act 1987 provides that grantees shall have the exclusive right to produce for sale, and to sell reproductive material of the variety concerned; to propagate the variety for the purposes of the commercial production of fruit, flowers, or other products of that variety (if that variety is a plant of a type specified by the Governor General by Order in Council); to authorise any other person or persons to do any of the things described above; and to assign, mortgage or otherwise dispose of the grant in respect of that variety.

The Act also provides that where there is imported into New Zealand any reproductive material of a protected variety, any propagation, sale or use of that material, as reproductive material and without the authority of the grantee concerned, constitutes an infringement of the rights of that grantee.

The importation into New Zealand from a country that is not a UPOV country, of produce of a protected variety, or from a UPOV country of produce of a protected variety in respect of which, under the law of that country, it is not possible to make the equivalent of a grant without the consent of a grantee, also constitutes an infringement of the rights of the grantee.

In addition, the sale under the denomination of a protected variety of reproductive material of some other variety constitutes an infringement of the rights of the grantee of that protected variety, unless the groups of plants to which those varieties belong are internationally recognised as being distinct for the purposes of denomination.

(i) *exceptions to the rights conferred, such as:*

- *acts performed for research or experimental purposes;*

Yes – excepted.

- *acts performed to develop new varieties of plants;*

Yes – excepted.

- *acts performed to commercialize such newly developed varieties;*

Yes – excepted.

- *any "farmer's privilege" (e.g. acts performed by a farmer on his own land in respect of seed saved from the previous harvest);*

Yes – excepted.

- *acts done privately and for non-commercial purposes;*

Yes – excepted.

- *compulsory licensing.*

Yes – excepted as follows. The Plant Variety Rights Act 1987 provides that any person may at any time after the expiration of three years from the making of a grant, on payment of the prescribed fee, request the Commissioner [of Plant Variety Rights] to consider whether or not reasonable quantities of reproductive material of a reasonable quality of the variety concerned are available for purchase by members of the public at a reasonable price. Where such a request is made, the Commissioner shall give the grantee concerned notice of it and a reasonable time to be heard in relation to it.

If after considering any submissions made by that grantee, the Commissioner is satisfied that, reasonable quantities of reproductive material of reasonable quality of the variety concerned are not available for purchase by members of the public at a reasonable price, the Commissioner shall issue to the person who made the request one or both of the following:

- a compulsory licence for the reproduction and sale of reproductive material of that variety;
- an order requiring the grantee to sell to that person reproductive material of that variety.

In considering whether or not reasonable quantities of reproductive material of reasonable quality are available to members of the public at a reasonable price, the Commissioner shall not take into account any reproductive material that is available only subject to the condition that all or any of the produce from that material must be sold or offered to a specified person, or to one of a specified group of persons, or to a member of a specified class or description of person.

(j) *the duration of protection;*

Protection in New Zealand is available for:

- 23 years for woody plants including root stock; and
- 20 years for all other plant types.

(k) *transfer of rights;*

A plant variety right may be assigned, mortgaged, or otherwise disposed of; and may devolve by operation of law as noted in 4(h) above.

(l) *enforcement of the rights.*

It is up to the right holders (grantees) to take action in the case of any infringement of their rights. Section 17 specifies the rights of grantees including factors that a Court must take into consideration in awarding damages or in granting any other relief where plant variety rights have been infringed.

## II. RESPONSES TO ADDITIONAL QUESTIONS INFORMALLY SUGGESTED BY CANADA, THE EUROPEAN COMMUNITIES, JAPAN AND THE UNITED STATES (DOCUMENT IP/C/W/126)

### A. PATENT SYSTEM QUESTIONS

1. *In your territory, is there any basis for denying a patent on an invention consisting of an entire plant or animal that is novel and involves an inventive step?*

No. However, “animals” does not include human beings. Human beings are not patentable under section 2 of the New Zealand Patents Act 1953, that is, a manner of new manufacture the subject of letters patent and grant of privilege within section 6 of the Statute of Monopolies.

2. *If the answer to question 1 is yes, please respond to the following questions:*

(a) *Does your patent system exclude entire plants or animals as inventions? If it does, please cite the legal basis for this.*

Not Applicable.

(b) *If your patent system does recognize entire plants and animals as inventions, does it exclude all such inventions from being patentable subject matter, or does it only exclude certain types of plants or animals? If it excludes all, please cite the legal basis for their exclusion (e.g., lack of industrial applicability). If it excludes only certain types, please identify the categories or characteristics of inventions that are excluded and cite the legal basis for their exclusion.*

Not Applicable.

(c) *Is there any other basis in your law that precludes the grant of a patent on any categories of plant or animal inventions that otherwise are novel, involve an inventive step and are capable of industrial application? If so, please cite the legal basis for that exclusion from patent eligibility.*

Not Applicable.

3. *Other than with respect to subject matter you defined as being ineligible to be patented under question (2), is it possible in your territory to obtain a patent claim defined in any of the following ways:*

(a) *A patent claim that is not limited to a specific plant or animal variety.*

Yes.

(b) *A patent claim that is expressly limited to a plant or animal variety.*

Yes.

(c) *A patent claim that is expressly limited to a group of plants or animals, where the group is defined through reference to a shared characteristic such as incorporation of a particular gene.*

Yes.

- (d) *If the answers you provide to question (3)(a) to (c) vary, please provide the definitions of a "plant variety" and an "animal variety" that are used by your examining authority.*

Not applicable.

4. *Is it possible to obtain a patent in your territory on a micro-organism that is novel, involves an inventive step and is capable of industrial application? If not, please identify the legal basis under which these inventions are deemed ineligible to be patented.*

Yes.

5. *Is it possible to obtain a patent in your territory on an essentially biological process for the production of a plant or animal (i.e.: a process limited to those acts that are necessary for sexual or asexual reproduction of a plant or animal)? If not, please identify the legal basis under which a patent on such a process would be denied.*

Yes.

6. *Is it possible to obtain a patent in your territory covering subject matter that is identical to that found in nature (e.g.: a plant or animal found in its natural state)?*

Yes, provided the scope of the claims do not encompass the plant or animal in its natural environment.

#### B. PLANT VARIETY PROTECTION SYSTEMS

7. *Do the laws applicable to your territory provide for a sui generis form of protection for a new plant variety?*

Yes.

8. *If the answer to question 7 is yes, does that protection conform to the standards defined in one of the Acts of the International Convention for the Protection of New Varieties of Plants (UPOV)?*

Yes.

9. *If the answer to question 8 is yes, please specify the Act of the UPOV Convention upon which your legislation is based.*

The 1978 Act.

10. *If sui generis protection for plant varieties is provided in your territory, would any of the following acts require the prior authorisation of the right holder:*

- (a) *acts performed for research or experimental purposes, or to develop new varieties of plants;*

No.



- (b) *acts performed to commercially exploit a variety distinct from the protected variety but sharing its essential characteristics;*

No.

- (c) *acts performed by a farmer of harvesting seed from his or her planting of a protected variety legitimately obtained, storage of that seed, and replanting of that seed on the farmer's land.*

No.

*If prior authorisation is not required for any of the above examples of activities, is there any requirement that the party undertaking the specified actions provide the right holder with remuneration in any form?*

No.

11. *Can protection be obtained for a plant variety that was known to the public, or was publicly available, prior to the application for sui generis protection for that plant variety, and, if so, under what conditions (i.e.: what are the time limits during which public disclosure or availability will not preclude the grant of protection).*

Yes. Protection can be obtained for a plant variety known to the public or publicly available prior to the application for *sui generis* protection for that plant variety provided there has been no sale of that variety with the agreement of any relevant owner of that variety:

- (i) in New Zealand, for more than 12 months before the date on which that application was made; and
- (ii) overseas, for more than six years before that date, in the case of a woody plant, or for more than four years before that date in every other case.

12. *Can protection be predicated on identification of an unexpressed gene, on an unexpressed set of genes present in the genome of the plant variety, or on the characteristics of germplasm, rather than the expressed characteristics of the plant varieties derived from such genes or germplasm?*

No.

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