

Compulsory licensing of patents issued by The Patent Office of the Cooperation Council for the Arab states of the Gulf

First:

where the patent owner has never exploited the patented invention, or has insufficiently exploited it according to Article (13), the Board of Directors may grant a compulsory license, with observation of the following:

1. At least three years have elapsed after the grant of the patent.
 2. the applicant proves that he exerted, over a reasonable period of time, efforts to obtain license from the patent owner for an adequate compensation, under fair terms.
 3. that the license is not exclusive.
 4. that the license is essentially granted to meet the demands of the local market.
 5. that the license decision defines the scope and terms of the license, according to the purposes for which it was granted.
 6. that the patent owner shall be paid an adequate compensation.
 7. that the exploitation of the patent shall be limited to the licensee.
- The license shall not be transferable to others except in case of change of ownership of the licensee's establishment, or the section, which exploits the patent, provided the Board of Directors, approves such transfer.

Second:

- 1- The decision granting the compulsory license shall not prevent granting of other compulsory licenses or deprive the patent owner from exploiting the same invention himself or granting other exploitation licenses.
- 2- The Board of Directors may disregard clauses (First, clause 1, 2) of this Regulation if the request of compulsory license was due to a state of emergency, or due to a dire public necessity, or for noncommercial use, in one or more council States.
- 3- if a government agency in a Council Member State requests a compulsory license to exploit a certain invention, based on the public interest, the Board of Directors may approve the grant of the license according to the terms of Article (First), with observation of clauses Second (1&2).

Third:

Should the exploitation of an invention is of a significant technical advance and a considerable economic importance which require use of another invention, the Board of Directors may grant one or both parties a compulsory license to exploit the other invention unless they mutually agree on exploitation in an amicable manner. In such case, provisions of articles (First, and Second), shall be observed.

Fourth:

The Compulsory license shall be cancelled in the following cases:

- 1- If the beneficiary of this license fails to exploit it sufficiently in the Cooperation Council States within two years from the date of the grant of the license, renewable for another two years should the delay be found to be due to a legitimate reason.
- 2- if the beneficiary of the compulsory license fails to pay the due amounts and the amounts stipulated in the Bylaws within three months from the date of maturity.
- 3- if the beneficiary of the compulsory license fails to satisfy any other term that is stipulated in the decision granting the license.
- 4- if the circumstances due to which the license was granted end, and are unlikely to reoccur, if the legitimate rights of the licensee shall be observed.

Fifth:

The grant of a compulsory license worth a financial equivalent in accordance with the provisions of the Patent Regulation of the Cooperation Council for the Arab States of the Gulf