



BIODIVERSITY INFORMATION POLICY FRAMEWORK

Policy Series

INTELLECTUAL PROPERTY RIGHTS POLICY

March 2010

1. INTRODUCTION

- 1.1. SANBI recognises the imperative that open access to biodiversity information is in the public interest. As a general principle, biodiversity information in the possession or control of SANBI should be made freely available to Data Users who want to use such information in the public or environmental interest.
- 1.2. SANBI also recognises that Intellectual Property Rights (IPRs) vesting in information within SANBI's control might require SANBI to restrict or control access to biodiversity information which is protected by IPRs. This encompasses both the situation where the IPRs vest in SANBI and also the situation where the IPRs vest in a third party.
- 1.3. The principal purpose of this Policy is to prescribe the norms and standards applicable to management, use and control of biodiversity information that is subject to IPRs.

IMPORTANT: This Policy regulates the information management and control of IPRs only. Access to information that is protected by IPRs may need to be restricted for a range of reasons unrelated to IPRs. This Policy must be read together with SANBI's *Biodiversity Information Policy Framework: Principles and Guidelines* for the general rules applicable to the management, use and sharing of biodiversity information as well as the other policies forming part of SANBI's *Biodiversity Information Policy Framework*.

2. BACKGROUND

- 2.1. SANBI is mandated in terms of the Biodiversity Act to manage a wide variety of information relating to South Africa's biodiversity. This mandate includes collecting, generating, processing, co-ordinating and disseminating information relating to biodiversity and the sustainable use of South Africa's biological resources. In fulfilling this mandate, SANBI is obliged to establish and to maintain databases of biodiversity information.
- 2.2. SANBI aims to make biodiversity information freely available, wherever possible, to researchers, organisations and institutions worldwide that have an interest in

biodiversity information. To this end, SANBI has prepared a *Biodiversity Information Policy Framework* which provides the overarching framework and operating principles for managing biodiversity information.

2.3. The *Biodiversity Information Policy Framework: Principles and Guidelines* contains an imperative to ensure easy access to biodiversity information whilst protecting sensitive information and IPRs.

2.4. IPRs relate to rights which enable the holders of such rights to prevent others from using information which is subject to these rights for commercial purposes, without obtaining authorisation from the holder (with the exception of a plant breeder's right,). As such, where SANBI has intellectual property it is in respect of biodiversity information as opposed to the biodiversity itself. The difference with the plant breeder's right is that it entitles the holder to produce or reproduce, condition for the purpose of propagation, sell or market, export, import, stock, propagating material for the relevant variety or harvested material, including plants. Anyone else intending to undertake these activities must obtain a licence from the holder of the right.

3. BACKGROUND

3.1. The purpose of this Policy is :

3.1.1. To facilitate the dissemination and use of South Africa's biodiversity information for administrative decision-making, education and research purposes;

3.1.2. To strike an appropriate balance between the imperative of open access to biodiversity information and protecting or safeguarding the IPRs applicable to such information;

3.1.3. To establish general principles applicable to the management, control, dissemination of data which is subject to IPRs;

- 3.1.4. To describe the main factors that need to be taken into account by SANBI, and to provide guidance, when considering whether or not to disseminate biodiversity information which is subject to IPRs of third parties.

4. LEGAL PRINCIPLES APPLICABLE TO INTELLECTUAL PROPERTY RIGHTS

Introduction

- 4.1. Any attempt to manage and regulate issues relating to IPRs must comply with, and be consistent with, applicable South African laws. Intellectual property law deals with the regulation of rights of inventors, authors and other intellectual property owners in relation to their intellectual property.
- 4.2. Once a person has an intellectual property right, he or she may issue exclusive or non-exclusive licences to other people to exploit such rights in exchange for reward.

Statutory requirements

- 4.3. In South Africa, IPRs are governed by a suite of four pieces of legislation (namely, the Patents Act 57 of 1978; Copyright Act 98 of 1978, the Designs Act 195 of 1993, and the Trade Marks Act 38 of 1997). For the purposes of SANBI, the provisions of the Plant Breeders' Rights Act 15 of 1976 are also of importance.
- 4.4. With the exception of copyrights, as a general rule IPRs arise only after registration of such rights with the relevant authorities. Only the copyrights, patents and plant breeders' rights are important for the purposes of this Policy. These are discussed below.

Copyright

- 4.5. Copyright refers to an exclusive right given to an author in respect of the author's original work. For every original work which is eligible for copyright and which is made by or under the direction or control of SANBI, the copyright of that work belongs to SANBI. This includes work done by SANBI's employees and, in certain instances, contractors.

4.6. In order to be eligible for copyright, work must be written down, recorded or otherwise reduced to material form. This includes research papers, books, reports, articles, photographs and computer programmes.

4.7. The lifespan of a copyright depends on the type of work concerned. In general the lifespan of copyright is for a period of 50 years.

Patent

4.8. A patent refers to an intellectual property right granted by the government to the holder in compliance with the provisions of the Patents Act. It may be granted for any new invention which “involves an inventive step and which is capable of being used or applied in trade or industry or agriculture”.

4.9. SANBI’s entitlement to the inventions of its employees arises from the employment relationship and the contract regulating employment. The Patents Act prohibits an employer (such as SANBI) from requiring an employee to assign to his or her employer an invention made by the employee outside the course and scope of his or her employment. In addition, a condition in a contract of employment which “restricts the right of an employee in an invention made by the employee more than one year after the termination of the contract of employment” is unlawful.

4.10. In general, the lifespan of a patent is a period of 20 years.

Plant breeders’ right

4.11. The essence of a plant breeders’ right relates to the entitlement to produce or reproduce propagating material, or condition (for the purpose of propagation, sale or another form of marketing, exporting, importing, stocking) propagating material for the relevant variety or harvested material, including plants. The right is granted to a person who bred, or discovered and developed, the variety in question. Where the relevant breeding, discovery or development was undertaken during the course and scope of employment, the employer (such as SANBI) is entitled to apply for the right.

4.12. Where a plant breeders’ right is granted, its lifespan is a period of 25 years, in the case of vines and trees, and of 20 years in all other cases.

Other legal requirements

- 4.13. Additional legal requirements which are relevant to intellectual property arise out of common law principles including those in respect of employment contracts. These include confidentiality and restraint provisions in such contracts in respect of key employees who have access to know-how which gives the employer (such as SANBI) a competitive advantage over its competitors. In certain circumstances, this knowledge may give rise to patents and copyrights.
- 4.14. The common law is also important in regard to the issue of joint ownership of intellectual property. The general rule relating to joint ownership of IPRs is that, in the absence of an agreement between the parties, a joint owner or co-owner of the right has an equal undivided share of the right. This means that a joint or co-owner must secure the consent of the other owner in order to exploit the intellectual property concerned.

5. PRINCIPLES APPLICABLE TO INTELLECTUAL PROPERTY OWNED BY SANBI

Introduction

- 5.1. All intellectual property created by SANBI's employees acting within the course and scope of their employment shall be owned by SANBI. This applies irrespective of whether or not the employee concerned is employed by SANBI on a full time or part-time basis.
- 5.2. SANBI's intellectual property includes the following works produced by its employees within the course and scope of their employment:
- Research findings and/or records;
 - Text books, treatises, essays, articles and maps;
 - Encyclopaedias and dictionaries;
 - Letters, reports and memoranda;
 - Lectures and speeches;
 - Tables and compilations, including tables and compilations of data stored or embodied in a computer or a medium used in conjunction with a computer, excluding a computer programme;

- Paintings, sculptures, drawings, engravings and photographs;
 - Works of craftsmanship not falling within paintings, sculptures, drawings, engravings and photographs;
 - Cinematography films;
 - Sound recordings;
 - Programme-carrying signals;
 - Published editions;
 - Computer programmes;
 - New inventions; and
 - Information relating to plant breeding and/or plant breeders' rights.
- 5.3. Any entitlement, use and/or appropriation of any intellectual property by SANBI's employees upon leaving SANBI's employment must be regulated by way of a written contract between SANBI and the employee concerned. The following three related points are relevant in this regard:
- 5.3.1. No SANBI employee is automatically entitled to any intellectual property created with the involvement of the employee (acting within the course and scope of his or her employment).
- 5.3.2. The contract of employment signed by each of SANBI's employees prior to the commencement of employment must regulate this matter.
- 5.3.3. Any contract of employment entered into between SANBI and any of its employees must comply with the law specifically in so far as the contract limits the rights of SANBI to appropriate intellectual property created within the course and scope of SANBI's employees.

IMPORTANT: Two issues are important in order to protect intellectual property created by SANBI's employees in the course and scope of their employment. Firstly, each employee is obliged not to disclose SANBI's trade secrets. Secondly, where the intellectual property right concerned requires to be registered in order to come into existence (or be better protected); the relevant

employee must take all necessary steps to assist SANBI to register the intellectual property. This is specifically the case in respect of the intellectual property which is subject to patents and/or must be registered in terms of Plant Breeders' Rights Act.

Sharing of information

- 5.4. SANBI may share with anyone biodiversity information which is subject to its IPRs including copyright.
- 5.5. SANBI may also share with anyone information that is not subject to its IPRs where such information is already in the public domain.
- 5.6. Where such information is shared SANBI must communicate to the Data User(s) concerned that SANBI does not bear any responsibility for the accuracy or otherwise of such information.

Posting of information on SANBI's website or any other Internet-based database

- 5.7. SANBI may post on its own website or on any other Internet-based database any information which is subject to its IPRs. In posting such information, SANBI must include certain limitations to which the information accessed from its database or any other Internet based database may be used. The terms and conditions for accessing (and using) such information should include the following:
 - 5.7.1. A prohibition on use of the accessed biodiversity information for any purposes which will cause or might cause significant harm to biodiversity;
 - 5.7.2. A stipulation that the information may not be used in a manner that harms the rights and interests of SANBI;
 - 5.7.3. A stipulation that accessed information must be used subject to recognition or acknowledgment of SANBI as the source of the information; and
 - 5.7.4. Information supplied by SANBI, in any format, through any media, may not be sold in whole or in part. The information may be used to inform an opinion, recommendation, interpretation, conclusion and policy as a derivative product and/or service. SANBI will not be held liable for any opinion,

recommendation, interpretation, conclusion and policy derived through the use of its information.

Commercial exploitation of SANBI's intellectual property

5.8. In terms of the Biodiversity Act, SANBI's powers include collecting royalties resulting from any discoveries, inventions or computer programmes. This includes SANBI's right to exploit information which is subject to its IPRs for financial gain.

5.9. In certain circumstances SANBI may not be equipped with the research, breeding, marketing, large-scale propagation and distribution abilities necessary for the effective exploitation of its IPRs. SANBI should deal with such situations by acting, on its own, or, in collaboration with other persons, or, appoint other persons to act on its behalf.

5.10. Where registration of IPRs is required by law, in order to protect and/or enhance effectively the commercial exploitation of its intellectual property, SANBI must register IPRs as soon as the intellectual property is created. To this end, SANBI must develop operational procedures with a view to identifying such intellectual property as soon as it is created. This applies mainly to patents and plant breeders' rights.

5.11. Where appropriate, SANBI may issue exclusive or non-exclusive licences to third parties authorising the use or exploitation of any of SANBI's intellectual property in exchange of appropriate financial rewards. Where SANBI acts in conjunction with others or appoints others to act in the exploitation of its intellectual property, the relationship between SANBI and those parties must be regulated by written contracts.

IMPORTANT: Any of SANBI's activities relating to commercial exploitation of SANBI's IPRs must guard against the appropriation of indigenous knowledge. Where indigenous knowledge is used in the commercialisation of SANBI's intellectual property, the prior informed consent must be obtained from the indigenous communities concerned. Any benefits arising from such commercialisation must be shared with the relevant communities in a fair and equitable manner. All agreements between SANBI and the affected communities must be in writing.

6. PRINCIPLES APPLICABLE TO INTELLECTUAL PROPERTY OWNED BY THIRD PARTIES

6.1. The following principles are applicable to biodiversity information which is in the possession of SANBI where such information is subject to IPRs owned by third parties.

6.1.1. SANBI must identify the biodiversity information in its possession or control which is subject to the IPRs of third parties. Specifically, SANBI must identify the constraints relating to the use, dissemination or exploitation of such information. Two related issues are important in this regard:

- SANBI may post on its website or any other Internet-based database only information which it has authority to post.
- SANBI may only share biodiversity information with Data Users, where such information is subject to IPRs of others, if SANBI has authority to share such information as derived from the respective agreements with the providers of the information.

6.1.2. SANBI must maintain adequate descriptions of datasets and access-related issues in order to make it easier to identify the IPRs of third parties and ensure that due recognition and/or acknowledgment is afforded where such biodiversity information is used by SANBI and third parties.

6.1.3. SANBI must engage Data Providers in communication and negotiation in respect of IPRs. In this regard, the intellectual property issues must be dealt with at the outset, that is, when the information is provided to SANBI. Any agreements in this regard must be in writing.

6.1.4. Any sharing of information which is not subject to copyright of SANBI must be regulated by the conditions under which that information was provided to SANBI. If, in terms of the respective agreements with providers of information, SANBI has a right to share that information with third parties, SANBI is free to do so subject to specified limitations.

6.1.5. Any agreement between SANBI and a third party information provider must clarify the following issues:

- The third party's consent for SANBI to reproduce, store, and/or distribute the information for the purpose for which the information was provided;
- The ownership of IPRs involved; and
- Any warranties and/or indemnity as is necessary to protect the interests of SANBI is using or disseminating such information.

6.1.6. SANBI must develop procedures to ensure that the terms and conditions of any agreements with third parties or Data Providers are complied with.

7. JOINT OWNERSHIP OF INTELLECTUAL PROPERTY

7.1. Instances of joint ownership of intellectual property (and the IPRs in such property) may arise in a number of cases where SANBI's employees are involved in research and other activities which include the use of data prepared by individuals and/or organisations not in the employ or control of SANBI.

7.2. In the absence of a contract between SANBI and the relevant individuals and/or organisations assigning to SANBI all IPRs arising from joint activities, the possibility of joint ownership of IPRs would arise. This underlies the importance of ensuring that written contracts are entered into prior to SANBI undertaking joint activities with other individuals and/or organisations.

7.3. Joint ownership of IPRs with other parties may limit SANBI's ability to discharge its obligations in terms of the Biodiversity Act. On the one hand, SANBI may desire not to exploit a particular intellectual property right in order to protect biodiversity while, on the other hand, the joint owner of that intellectual property right may want to exploit the right in order to derive financial benefits attendant to that right.

7.4. A related issue is that of SANBI's employees utilising intellectual property of others (e.g. primary sources) in order to undertake further research and other activities and, in that context, creating new intellectual property. In such cases,

SANBI must acknowledge primary sources and must give due recognition to IPRs concerned.

8. REQUESTS FOR ACCESS TO INFORMATION SUBJECT TO IPRs OWNED BY THIRD PARTIES

8.1. The following principles are applicable to requests for access to information where such information is subject to IPRs owned by third parties.

8.1.1. When a request for access to information is received by SANBI, it must be determined whether the record which is the subject of the request contains information generated by third parties. If that is the case, it must be determined whether or not the information is subject to IPRs of such third parties.

8.1.2. If the requested information is subject to IPRs owned by third parties, the nature and/or type of ownership must be ascertained. It is also critical to establish whether such information is the subject of an existing agreement with the third party who provided the information and whether the information may be made publicly available in terms of the agreement. If there are any conditions restricting the use or dissemination of such information that need to be complied with before the information may be made publicly available, SANBI must comply with these conditions prior to releasing the information.

8.1.3. If the agreement between SANBI and the third party who supplied the information does not allow SANBI to make the information publicly available, SANBI must refuse the request if granting the request would disclose financial, commercial, scientific or technical information of the third party and the disclosure would be likely to cause harm to the commercial or financial interests of the third party. See SANBI's *Biodiversity Information Policy Framework: Principles and Guidelines* for further guidance in this regard.

8.1.4. Prior to the making of the decision on whether or not to grant the request for access to such information, SANBI must inform the third party to which the information relates immediately after determining that the request relates to

a record to which the third party has IPRs. The notice to the third party must inform the third party that:

- SANBI is considering a request for access to a record which might contain information that the third party has IPRs to;
- The details of the requester, including the name of the requester;
- SANBI's preliminary views on whether the request should be granted or refused; and
- The third party has an opportunity to make representations to SANBI within a reasonable time period which must not be less than 21 days.

8.1.5. If a request relates to information which is not subject to IPRs owned by third parties, the request must be dealt with in accordance with SANBI's *Biodiversity Information Policy Framework: Principles and Guidelines* and other applicable policies.

9. GUIDELINES FOR MANAGING INFORMATION CONTAINING THIRD PARTY CONFIDENTIAL INFORMATION AND OTHER INFORMATION

Personal or private information

9.1. Personal or private information relating to third parties must be handled with great care. The following principles are applicable to such information:

- 9.1.1. When such information is supplied by the third party concerned, the third party must indicate whether such information should be made available to the public;
- 9.1.2. Where possible, such information must only be available to the employees of SANBI who have a legitimate need to know such information;
- 9.1.3. Any requester of such information must disclose the purpose for which such information is requested;

- 9.1.4. Any request for access to a record which contains such information must be refused if granting the request would amount to unreasonable disclosure of such information;
- 9.1.5. A request for information relating to an individual who is or was an employee of SANBI and which relates to the position or functions of the individual must be granted.

Trade secrets

9.2. Where the information in the possession of SANBI contains trade secrets of a third party, SANBI must take reasonable measures to ensure that such information is not disclosed to other persons including the general public. The following guidelines are applicable in this regard:

- 9.2.1. SANBI must not collect and/or store trade secrets of third parties unless it is necessary for the purposes of SANBI's operations;
- 9.2.2. Where such information is in the possession of SANBI, such information must be stored in as few places as possible and duplicated only when necessary. Importantly, such information must not be stored on or copied to mobile, external storage devices such as CD, DVD, floppy disks, laptops, USB memory keys, cell phones, or any other device that can easily be stolen or compromised;
- 9.2.3. Such information should not be sent, received, or stored using e-mail under any circumstances.

Commercial information

9.3. Commercial information relating to third parties must be handled with care with a view not to compromise the third parties concerned. Importantly, requests of access to such information must be refused if the record contains information the disclosure of which would be likely to cause harm to the commercial or financial interests of the third party. See SANBI's *Biodiversity Information Policy Framework: Principles and Guidelines* in this regard.

Scientific/research information

9.4. A distinction must be drawn between scientific or research information where the research has been completed and the situation where the research is either continuing or is still to be undertaken.

9.5. Where research has been completed, the scientific/research information of a third party must be handled by SANBI like all information which is subject to IPRs of third parties.

9.6. Where the research has not been finalised, or is still to be undertaken, and such information is in the possession of SANBI, SANBI must guard against the disclosure of such information especially where the third party concerned, or a person carrying out the research on behalf of the third party, or the subject matter of the research, would be exposed to serious harm or disadvantage.

9.7. As a general rule, scientific or research information relating to pending research or research still to be undertaken, must not be disclosed except in exceptional circumstances and only where the third party concerned has consented to the disclosure.

Contractors

9.8. The relationship between SANBI and contractors must be regulated by written contracts which clarify the IPRs created in the context of a particular situation.

9.9. Where SANBI seeks to own intellectual property created as a result of a contractor undertaking work agreed upon with SANBI, a written contract must be concluded between SANBI and the contractor concerned which contract must set out the relevant terms including: the compensation to be paid; ownership of intellectual property; and services to be performed under the contract.

Effective date of this Policy:

DEFINITIONS

“The Biodiversity Act”	means the National Environmental Management: Biodiversity Act 10 of 2004;
“Biological diversity” or “biodiversity”	means the variability among living organisms from all sources including, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part and also includes diversity within species, between the species, and of ecosystems;
“Biodiversity information”	means scientific information, primarily about biological species and specimens including: the scientific names of species and all of its synonyms; the common names of the species; other information about species; samples of molecular analysis; location of the species to which a specimen belongs;
“Contractor”	means an entity or a natural person whose proposal to undertake appropriate research and/or investment in biological biodiversity or biodiversity knowledge and related fields has been accepted and is funded by SANBI. Without derogating from the generality of this definition, the term “contractor” includes persons employed or contracted by the contractor; or the contractor himself or herself; and/or any other person, including a student, a student employee, a graduate student, a post-doctoral fellow, and a non-employee who participates in the creation or generation of applicable intellectual property and/or knowledge in the scope of a project funded by SANBI;
“Data Users”	means any person accessing the Data through the Data Portal and making use thereof;
“Intellectual property”	means all intellectual property regardless of whether it is protected by patent, copyright, trademark, trade secret or common law and includes any new or useful process, machine, composition of matter, life form, article of manufacture, software, and any know-how and information associated therewith and includes new or improved devices, circuit layouts, chemical compounds, genetically engineered biological organisms, data sets, databases, software, or unique and innovative uses of existing inventions;
“IPRs”	means all IPRs, whether registered or otherwise, but limited to, patents, plant breeders’ rights, copyright and the right to claim something and the right to apply for registration of any of the foregoing;
“Person”	means a natural or a juristic person;
“SANBI”	means the South African National Biodiversity Institute established in terms of section 10 of the Biodiversity Act;

“Third party”

means any person other than SANBI;

“Variety”

means any grouping within a single botanical taxon of the lowest known classification, which grouping, irrespective of whether or not the conditions for the grant of a plant breeder’s right are fully met, can be –

- (a) defined by the expression of the characteristics resulting from a given genotype or combination of genotypes;
- (b) distinguished from any other plant grouping by the expression of at least one of the said characteristics; and
- (c) considered as a unit with regard to its suitability for being propagated unchanged.