



European  
Commission

# A Single Market for Patents: New rules on Compulsory Licensing

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The new EU patent rules will help companies, especially small and medium-sized companies (SMEs), make the most of their inventions, leverage the latest technologies and contribute to the EU's sustainable competitiveness and technological sovereignty by creating a more predictable, futureproof and crisis-ready intellectual property rights framework. They will complement the Unitary Patent (UP) system entering into force on 1 June 2023.

## Ensuring availability of critical IP in crises

Compulsory licensing is a last resort mechanism which allows a government to authorise the use of a patented invention without the consent of the patent holder – it helps provide access to key products and technologies in times of crisis. Currently, there is a patchwork of 27 national compulsory licensing regimes even though many value chains operate across the EU.

The new rules provide a new compulsory licensing instrument applicable in the whole EU territory.

## Benefit of the proposal

### Less fragmentation, crisis ready

- Negotiations would take place only once at the EU level, instead of ca. 4-5 procedures in each jurisdiction that could be needed otherwise (75% - 80% less resources involved)
- Faster and EU wide supply of patent protected critical goods in the event of an EU crisis for the Single Market
- Complements current EU efforts to enhance its resilience to crises, such as the Single Market Emergency Instrument, Chips Act or HERA regulations.

# How would compulsory licensing work in practice?

