

Foreign Filing License Requirements in Malaysia

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An applicant or an inventor may wish to first-file a patent application in a foreign country other than their country of residence. In such instances, many countries have a first filing requirement under which patent applications must be first-filed in the country of residence before subsequent filing in a foreign jurisdiction. Some countries require prior approval of the Patent Office to first-file patent applications directly in a foreign country. The approval is given in the form of a foreign filing license which serves as an exemption to the first filing requirement.

The statutory provision (Section 23A) for foreign filing license requirement in Malaysia was first introduced into the Patents Act in 1986, and these provisions were amended by the Patents (Amendment) Act and Regulations 2022. These 2022 amendments, which came into force on 18 March 2022, introduced the requirement for an official form accompanied by an official fee as well as the need to submit an Appointment of Agent Form (Form 17) when requesting for a foreign filing license.

Malaysian patent law requires a resident of Malaysia, who wishes to first-file a patent application outside of Malaysia, to obtain a foreign filing license from the Malaysian IP Office (MyIPO). A foreign filing license is also required before filing a patent application outside of Malaysia, if the foreign application is to be filed less than two months after the application was first filed in Malaysia.

Specifically, Section 23A reads as follows.

Section 23A – Applications by residents to be filed in Malaysia first

(1) No person who is a resident shall, without written authority granted by the Registrar, file or cause to be filed outside Malaysia an application for a patent for an invention unless-

- (a) an application for a patent for the same invention has been filed in the Patent Registration Office not less than two months before the application outside Malaysia, and
- (b) either no directions have been issued by the Registrar under section 30A in relation to the application or all such directions have been revoked.

(2) An application for the grant of a written authority by the Registrar referred to in subsection (1) shall be made by the resident in the prescribed manner together with payment of the prescribed fee.

Issuance of a foreign filing license under Section 23A indicates that the invention does not pertain to subject matter that may be detrimental to Malaysia's national security interests. Under Section 30A of the Patents Act, if a patent application contains information which may be prejudicial to the security or interest of the nation, the Registrar may prohibit or restrict the publication of that information.

The Patents (Amendment) Act 2022 also introduced a definition of “resident” by way of amendments to Section 3 of the Act. A “resident” is now defined to include the following.

- (a) A citizen of Malaysia who is residing in Malaysia.
- (b) A non-citizen of Malaysia who has obtained permanent resident status in Malaysia and is ordinarily residing in Malaysia or is residing in Malaysia by virtue of a valid pass to enter and remain in Malaysia.
- (c) A body corporate, incorporated or unincorporated, established or registered under the laws in Malaysia.

If any applicant or inventor is resident in Malaysia, regardless of citizenship, a foreign filing license must be obtained from MyIPO for the first filing of a patent application outside of Malaysia. This foreign filing license cannot be validly obtained retroactively. Non-compliance with this requirement can lead to a monetary fine or imprisonment not exceeding two years, or both.

First-filing a PCT application with MyIPO as Receiving Office will not count as first-filing in Malaysia. A foreign filing license will still be needed before filing a priority PCT application with MyIPO.

In addition to amendments to Section 23A and introduction of the accompanying Regulation 7A in March 2022, MyIPO also issued a practice Directive which included formal guidance on the documentary requirements to be observed when submitting a request for a foreign filing license. In particular, it is necessary to submit a brief description of the invention of at least one hundred fifty words that must contain a title of invention. Any related drawings may also be included. Although a full formal specification is not required, MyIPO may request for additional information if the description submitted is deemed to be insufficient.

The following are some examples for determining the applicability of a foreign filing license as per Section 23A of Malaysia’s Patents Act.

Scenario #1

Applicant A wishes to file a patent application in foreign country A for an invention invented by a Malaysia citizen residing in foreign country B. Applicant A is a company registered in foreign country A. In this instance, a foreign filing license will not be required from MyIPO prior to first filing in country A as neither the applicant nor the inventor was resident in Malaysia, within the meaning of Section 3.

Scenario #2

There are instances where multiple inventors have jointly contributed to an invention but are all residing in different countries with different restrictions with respect to foreign filing requirements. For example, the first inventor is a Malaysian citizen residing in Malaysia while the second inventor is a citizen of foreign country X who is residing in country X. If first filing in country X is desirable, it would be necessary to obtain a foreign filing license from MyIPO before first filing in country X.

The determining factor on the applicability of the foreign filing requirement in Malaysia is the residency of each applicant and inventor. If any of them is resident in Malaysia, as defined in Section 3 of the Patents Act, a foreign filing license is needed.

Currently, according to the World Intellectual Property Organization (WIPO), 30 countries including Malaysia have provisions in patent law related to foreign filing licenses. Applicants, particularly multinational corporations with research facilities (inventors) located in various countries, must carefully ensure that the necessary steps have been taken to safely navigate the national laws of all relevant countries so that any requisite foreign filing license can be validly obtained before the first-filing of a patent application.