

## **Patent Non-Disclosure System and Prohibition of Foreign Filing (First Filing Obligation)**

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### **Abstract**

Based on the Economic Security Promotion Act enacted on May 11, 2022, the JPO will introduce a Patent Non-Disclosure System (hereinafter the “System”) from May 1, 2024. Under this System, if a Japanese patent application includes an invention public disclosure of which is expected to pose a significant risk of undermining the security of the nation and its citizens, the Cabinet Office reviews the patent application (hereinafter the “security review”) and designates the invention to be kept non-disclosed (hereinafter the “security-designated invention”) under certain circumstances. In this case, a part of the patent prosecution procedures, such as patent application publication, shall be suspended, and the applicant is prohibited from implementing or disclosing the security-designated invention, in order to prevent information relating to it from leaking. The system applies to direct (non-PCT) Japanese patent applications, including those filed by non-Japanese applicants. In addition, a Prohibition of Foreign Filing (so-called First Filing Obligation) will also be introduced on the same date, under which inventions completed in Japan and subject to the security review, including those invented by non-Japanese residents, must be, in principle, filed in Japan first, before being filed in other countries or regions.

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## **1. Patent Non-Disclosure System**

### **(1) Objective of the System**

The Patent Non-Disclosure System (hereinafter the “System”) is a system established by the Economic Security Promotion Act (Act No. 43 of 2022, hereinafter the “Act”) enacted on May 11, 2022. According to the Basic Guidelines for Patent Non-Disclosure System (hereinafter the “Basic Guidelines”) published by the Cabinet Office, the objective of the System is as follows.

The patent system grants an exclusive right, i.e., a patent, to the applicant in return for making their invention publicly available, and once a patent application has been filed, the invention is automatically made public after a certain period from the filing date, in accordance with the statutory procedure. Therefore, in order to obtain these exclusive rights, inventors must file a patent application on the premise that their invention will be made public, even if they would generally be reluctant to make it public for security reasons, while the nation has no choice but to make the invention publicly available in the form of an application publication and a patent gazette, even if disclosure of the invention raises serious security concerns. Therefore, the System has been introduced to create an exception to the patent prosecution procedures to suspend, under certain circumstances, a part of the procedures, such as patent application publication and decisions, and to take measures to prevent information relating to the invention from leaking. This system is also intended to motivate inventors to create such inventions for which they have previously refrained from filing patent applications, by allowing them to file patent applications without security concerns.

### **(2) Patent applications subject to the System**

Whether or not an invention is designated as an invention to be kept non-disclosed (hereinafter the “security-designated invention”), is determined by two stages of reviews, i.e., a primary review by the Japan Patent Office (JPO) and a secondary review (hereinafter the “security review”) by the Cabinet Office.

The JPO conducts the primary review for *all Japanese patent applications, including those filed by non-Japanese residents, with or without claiming priority under the Paris Convention, except for those that have been entered into the Japanese national phase based on PCT applications* (The Act, Art. 66, paras. 1 and 5).

The JPO sends to the Cabinet Office, in principle, patent applications that satisfy any one of the following for their security review (secondary review).

- (i) ***Patent applications including inventions that fall within the “Specified Technology Fields”***, prescribed in the Enforcement Ordinance of the Act (Ordinance No. 394 of 2022, hereinafter the “Ordinance”), Article 12, paragraph 1; ***or***
- (ii) Patent applications for which the applicant has filed a Request for Security Review.

The “Specified Technology Fields” are defined based on the International Patent Classification (IPC) and include technology fields (1) to (25) shown in Table 1 below, i.e., technologies that involve a risk of being used as means to harm the essential peace and order of the nation or the lives and livelihoods of many citizens. The Specified Technology Fields include not only technologies that are used for defense-and-military purposes only, but also technologies that can be used for both defense-and-military purposes and civilian purposes (hereinafter “dual-use technologies,” items (10)-(19) in Table 1).

*Inventions that fall within the dual-use technologies (items (10)-(19) in Table 1) subject to the security review are only those that satisfy any one of the following “Additional Requirements”* (The Ordinance, Art. 12, paras. 2 and 3) since keeping them non-disclosed may significantly impact industrial development due to the restrictions on civilian economic activities.

- (i) Inventions that are used for defense of Japan or military purposes of other countries;
- (ii) Inventions of patent applications filed by the Japanese government or Japanese national research institutes (excluding those filed jointly with other applicants and the Japanese government or Japanese national research institutes); ***or***
- (iii) Inventions commissioned by the Japanese government or national research institutes<sup>1</sup>.

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<sup>1</sup> Inventions to which the Japanese Bayh-Dole system (Art. 17, para. 1, items 1 to 4 of the Industrial Technology Enhancement Act) or Article 22 of the Act Concerning Stimulation of Science, Technology and Innovation Creation is applied.

Table 1: List of Specified Technology Fields

<b>Technology Fields that include advanced technologies that could have a significant impact on Japan's national security</b>	
	(1) Disguise and cover-up technology for aircraft, etc.
	(2) Technology for unmanned aerial vehicles, autonomous control, etc., related to weapons, etc.
	(3) Technology related to guided weapons, etc.
	(4) Technology related to ballistics of projectiles and flying objects
	(5) Technology related to weapons using electromagnetic launchers
	(6) New offensive or defensive technologies, such as laser weapons and electromagnetic pulse (EMP) munitions.
	(7) Defense technology against aircraft and guided missiles
	(8) Technology related to attack and protection devices deployed on submarines
	(9) Technology for position measurement, etc., using sound waves and relating to weapons
<b>Fields subject to Additional Requirements</b>	(10) Technology related to scramjet engines, etc.
	(11) Technology related to solid-fuel rocket engines
	(12) Technology related to submarines
	(13) Technology related to unmanned underwater vehicles, etc.
	(14) Technology for position measurement, etc., using sound waves, relating to submersibles, etc.
	(15) Technology related to thermal protection, reentry, coupling and separation, and meteorite detection for space vehicles
	(16) Observation and tracking technology for space vehicles
	(17) Technology related to semiconductor photodetectors, etc., with quantum dot/superlattice structures.
	(18) Technology to protect computer parts, etc., with tamper-resistant housings
	(19) Technology related to telecommunications interference, etc.
<b>Technology Fields that include technologies that could be used to cause extensive damage to the lives and economic activities of Japanese citizens</b>	
	(20) Isotope separation technology for uranium and plutonium
	(21) Technology related to decomposition and reprocessing, etc., of spent nuclear fuel
	(22) Technology related to heavy water
	(23) Technology related to nuclear explosive devices
	(24) Technology related to compositions for gas bullets
	(25) Technology related to ammunition that disperses gas, powder, etc.

For details of the relationship between the Specified Technology Fields and IPCs, please refer to [Appendix 1].

### **(3) Procedures of security designation**

Procedures to designate inventions to be kept non-disclosed (hereinafter the “security designation”) can be divided into two stages, i.e., the primary review by the JPO, and the secondary review (hereinafter the “security review”) by the Cabinet Office. Please also refer to [Appendix 2], which shows a flow chart of the security designation.

#### **a. Primary review by the JPO**

In the primary review, the JPO reviews all direct (non-PCT) Japanese patent applications with or without claiming priority under the Paris Convention (The Act, Art. 66, paras. 1 and 5), as to whether or not inventions that fall within the Specified Technology Fields (and, if applied, satisfy the Additional Requirements) are described in the claims, the specification and the figures, etc., thereof. If so, in principle, the JPO sends the patent application to the Cabinet Office for their security review (The Act, Art. 66, Para. 1). However, as an exception, the JPO need not send the patent application to the Cabinet Office, if it is apparently not necessary to send the patent application to the security review, in light of the level or characteristics of the technology relating to the invention or the status of publication of the invention, etc.

Incidentally, the applicant may submit a written Request for Security Review at the same time as filing the patent application (The Act, Art. 66, para. 2). In this case, the patent application is sent to the security review, regardless of whether or not the invention falls within the Specified Technology Fields, except where it is apparently not necessary to send it to the security review.

The primary review is conducted within 3 months from the date when a Japanese translation of the patent application is submitted, for patent applications filed in a non-Japanese language<sup>2</sup> (The Act, Art. 66, para. 4). If, as a result of the primary review, the JPO decides to send the patent application to the security review, they issue a notice notifying the applicant that the patent application has been sent to the Cabinet Office’s security review (hereinafter the “Notice of Sending to Security Review”) (The Act, Art. 66, para. 4). On the other hand, if the JPO decides not to send the patent application to the security review, the applicant is not notified. However, when a Notice of Sending to Security Review is not issued within the 3 months, the applicant will know that the patent application was not sent to the security review. If the applicant wishes to be informed of that fact as soon as possible, for example, in cases where the applicant

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<sup>2</sup> For Japanese language patent applications, 3 months from the filing date (The Act, Art 66, para. 3). For divisional applications, 3 months from the date of division (The Act, Art 66, para. 4).

wishes to file a patent application in non-JP countries or regions as quickly as possible within the 3 months, it is possible to file a written request for notification in the event of non-sending (hereinafter “Request for Notice of Non-Sending”) (The Act, Art. 66, para. 10). A Request for Notice of Non-Sending can be filed any time during the primary review, even after the filing date.

If the patent application is not sent to the security review, then the patent prosecution procedures are carried out as usual thereafter, and the Prohibition of Foreign Filing is lifted. For details, please refer to [Section 2 \(3\)](#) of this article.

The primary review and security review differ from the substantial examination under the Patent Act, and are conducted in parallel with it. Therefore, *it is possible to file a Request for Substantial Examination before obtaining the results of the primary review or security review.*

### **b. Security review (second review) by the Cabinet Office**

In the security review (secondary review), the Cabinet Office reviews each patent application sent from the JPO to determine whether it is appropriate to make a security designation for the invention, considering the following matters (The Act, Art. 67, para. 1).

- (a) Whether or not disclosure of the invention involves significant security concerns, and the degree of such security concerns (Sensitivity);
- (b) Impact of security designation of the invention on the development of the industry; and
- (c) Other circumstances.

In other words, even if the invention involves significant security concerns, it is not necessarily designated as a “security-designated invention”, and is designated only when it is appropriate to retain the invention non-disclosed, taking into consideration the “impact ... on the development of the industry” and “other circumstances.”

The “impact ... on the development of the industry” includes, for example, the following factors (the Basic Guidelines, Chapter 1, Section 1, item (2) and Section 2, item (2)).

- (a) Effects on the economic activities of the parties involved in the invention, including patentees, due to the prohibition of implementation, etc., of the invention;
- (b) Effects on the economic activities of third parties (e.g., risk of duplicative research and investment on the invention) due to not disclosing the invention;

and

- (c) Effects on the creation of innovation in Japan, due to restrictions on the use of the invention or research using the invention, etc.

The “other circumstances” include, for example, circumstances relating to the effectiveness of security designation. For instance, if the information relating to the invention is already well known to the public, and thus the substantial effect of security designation would be small, it may be deemed not appropriate to designate the invention for security (the Basic Guidelines, Chapter 1, Section 2, item (2)).

During the security review, the Cabinet Office may request the applicant and other parties involved to submit materials and explanations, such as those required for understanding the invention and related technology, those for assessing effects on the economic activities of the applicant and third parties, and those regarding the status of disclosure and information management relating to the invention, etc. (The Act, Art. 67, para. 2, the Basic Guidelines, Chapter 3, Section 1, item (3)). The Cabinet Office may also request national organizations and experts to provide cooperation and support, such as materials, information and explanations, etc., required for the security review (The Act, Art. 67, paras. 3 and 4).

In cases where the Cabinet Office intends to make a security designation for an invention, they send the applicant a notice to confirm the applicant’s intent to pursue a patent right for the patent application (The Act, Art. 67, para. 9) (hereinafter “Notice to Confirm Applicant’s Intention”). In the Notice to Confirm Applicant’s Intention, the invention to be security-designated shall be explicitly identified (hereinafter the “identified invention”) (the Basic Guidelines, Chapter 3, Section 1, item (4)).

Therefore, the applicant can decide whether or not to maintain the patent application, knowing which invention described in the patent application may be security-designated.

In response to the Notice to Confirm Applicant’s Intention, if the applicant wishes to maintain the patent application, it will be necessary to submit, ***within 14 days from the notice***<sup>3</sup>, a written reply to the Cabinet Office that describes the following (The Act, Art. 67, para. 9).

- (a) The status of management of information relating to the identified invention, and
- (b) Entities that the applicant has authorized to handle the information relating to the identified invention.

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<sup>3</sup> There are no provisions in the Act and Ordinance that allow extension or exceptions for non-JP residents.



On the other hand, if the applicant does not wish to maintain the patent application, it is possible to withdraw it within the 14 days. If a security designation is made for the identified invention, withdrawal of the patent application is prohibited, and thus, the 14-day period is substantially the last opportunity to withdraw the patent application. If the applicant does not respond to the Notice to Confirm Applicant's Intention, the Cabinet Office may terminate the security review after allowing the applicant to submit a written explanation, and in this case, the JPO will dismiss the patent application (The Act, Art. 69, paras. 1-4).

Upon receiving a reply from the applicant expressing an intention to maintain the patent application, the Cabinet Office will decide whether to make a security designation for the invention. If the Cabinet Office decides to make a security designation, they will designate the identified invention as a "security-designated invention", and issue a notice notifying the applicant that a security designation has been made for the identified invention, and the term of the security designation, which will be one year or less from the date of designation (hereinafter "Notice of Security Designation") (The Act, Art. 70, paras. 1 and 2).

On the other hand, if the Cabinet Office decides that it is not necessary to make a security designation, they will issue a notice notifying the applicant that no security designation was made for the inventions of the patent application (Notice of No Security Designation) (The Act, Art. 71). In this case, patent prosecution procedures for the patent application may be carried out as usual thereafter, and the Prohibition of Foreign Filing for the invention is lifted. For details, please refer to [Section 2 \(3\)](#) of this article.

Although there are no statutory timelines for the security review, the security review is supposed to be conducted within 10 months from the date when a Japanese translation of the patent application is submitted (for patent applications filed in a non-Japanese language), since the prohibition on foreign applications is automatically lifted within the 10 months, according to the "Q&A on Patent Non-Disclosure System" published by the Cabinet Office, Q3-2. This does not mean that a decision will always be made within 10 months, i.e., the applicant will be notified as soon as the Cabinet Office makes a decision (the Basic Guidelines, Chapter 3, Section 1, item (2)).

### **c. Prohibition of disclosure of inventions during the security review**

During the period from the receipt of a Notice to Confirm Applicant's Intention up until the receipt of a Notice of No Security Designation, the applicant is prohibited



from disclosing the invention identified in the Notice to Confirm Applicant's Intention (The Act, Art. 68). If the patent application is abandoned, withdrawn or dismissed, the prohibition is lifted (The Act, Art. 68, proviso). However, if a Notice of Security Designation is issued, the prohibition continues during the security designation period (see [Section 1 \(5\) c](#) of this article).

#### **(4) Suspension of patent application publication and decisions**

The publication of the patent application, decision of allowance, and decision of final rejection are suspended (hereinafter "the suspension of procedures") from the time the JPO initiates the primary review until any of the following events (i) to (iii) (The Act, Art. 66, para. 7).

- (i) 3 months have passed from the date when a Japanese translation of the patent application was submitted (for patent applications filed in a non-Japanese language)<sup>4</sup>, without the patent application being sent to the security review;
- (ii) A Notice of No Security Designation has been issued as a result of the security review; *or*
- (iii) A Notice of Termination of Security Designation has been issued after the Cabinet Office terminated the security designation or the term of the security designation expired without extension.

It should be noted that patent prosecution procedures other than publication of the patent application, decision of allowance, and decision of final rejection are not suspended. In other words, *procedures, such as Request for Examination, Notice of Reasons for Rejection, and filing a response thereto, etc., proceed as usual.*

If a security designation is made, although the patent application describing the security-designated invention is subject to the suspension of procedures, the security designation is made on an "invention" basis, not an "application" basis. Therefore, *it is possible to file a divisional application for the inventions that are not subject to the security designation to obtain a patent right therefor, even if the parent patent application is still under the suspension of procedures.*

#### **(5) Effects of security designation**

##### **a. Prohibition of abandonment, withdrawal and conversion**

During the period from the date of security designation, until a Notice of Termination

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<sup>4</sup> For Japanese language patent applications, 3 months from the filing date (The Act, Art 66, para. 3). For divisional applications, 3 months from the date of division (The Act, Art 66, para. 4).

of Security Designation is issued as a result of the security designation being terminated by the Cabinet Office or the term of the security designation having expired without extension (hereinafter the “security designation period”), the applicant is prohibited from abandoning or withdrawing the patent application (The Act, Art. 72, para. 1).

The applicant is also prohibited from converting the patent application into a utility model or design application during the security designation period (The Act, Art. 72, para. 2).

### **b. Prohibition of implementation**

*During the security designation period, the applicant is prohibited from implementing the security-designated invention without permission from the Cabinet Office (The Act, Art. 73, para. 1). Not only the applicant, but also any persons who were shown the content of the security-designated invention by the applicant or learned in the course of their duties, and know that the invention has been security-designated, are also prohibited from implementing the invention.*

An applicant who wishes to obtain permission for implementation must submit to the Cabinet Office a request for permission that describes the details of the implementation for which permission is sought (The Act, Art. 73, para. 2). Permission may be granted if it is deemed appropriate from the viewpoint of preventing leakage of information relating to the security-designated invention (The Act, Art. 73, para. 3). In this case, the Cabinet Office may require the applicant to follow certain conditions to prevent leakage of the information (The Act, Art. 73, para. 4).

If the applicant, etc., implements the security-designated invention without permission or in violation of the specified conditions, the patent application may be dismissed (The Act, Art. 73, paragraphs 6 to 8), and the offender (including persons outside Japan) may be subject to imprisonment for up to two years or a fine of up to one million yen, or both (The Act, Art. 92, para. 1, item 6, and para. 3).

### **c. Prohibition of disclosure**

*During the security designation period, the applicant is prohibited from disclosing the security-designated invention without justifiable reason (The Act, Art. 74, para. 1). Not only the applicant, but also any persons who were shown the content of the security-designated invention by the applicant or learned in the course of their duties, and know that the invention has been security-designated, are also prohibited from disclosing the*

security-designated invention.

If the applicant, etc., discloses the security-designated invention without justifiable reason, the patent application may be dismissed (The Act, Art. 74, paras. 2 and 3), and the offender (including persons outside Japan) may be subject to imprisonment for up to two years or a fine of up to one million yen, or both (The Act, Art. 92, para. 1, item 8, and para. 3).

#### **d. Obligation to take appropriate information management measures**

An applicant who has received a security designation for an invention of their patent application must take necessary and appropriate measures to prevent information relating to the security-designated invention from leaking (The Act, Art. 75, para. 1). According to the “Guidelines for Appropriate Information Management Measures Relating to Patent Non-Disclosure System (1<sup>st</sup> Edition)” published by the Cabinet Office, the “necessary and appropriate measures” include the following.

- (a) Organizational management measures: Establishment of organizational structure, etc.
- (b) Human management measures: Management and education of information handlers, etc.
- (c) Physical management measures: Limiting the area where information is handled and managing storage, duplication, removal, and destruction of information, etc.
- (d) Technical management measures: Access control and preventing unauthorized access to electromagnetic records (electronic data), etc.

If the applicant has authorized entities to handle the information relating to the security-designated invention (hereinafter the “invention-sharing entities”), the applicant is obligated to have the invention-sharing entities take such measures as set out above, and the invention-sharing entities must take such measures in accordance with the applicant’s instructions (The Act, Art. 75, paras. 1 and 2).

If the applicant newly permits an entity other than the invention-sharing entities to handle the information relating to the security-designated invention, the applicant must obtain approval from the Cabinet Office in advance (The Act, Art. 76, para. 1). In addition, an applicant must promptly notify the Cabinet Office, when they have ceased to allow an invention-sharing entity to handle the information, or when any other changes in the invention-sharing entities has occurred (The Act, Art. 76, para. 2).

If a person other than the applicant implements or discloses the security-designated

invention in violation of the prohibition of implementation or disclosure due to the applicant's failure to take appropriate information management measures, the patent application may be dismissed (The Act, Art. 73, para. 6, and Art. 74, para. 2), and the offender (including persons outside Japan) may be subject to imprisonment for up to two years or a fine of up to one million yen, or both (The Act, Art. 92, para. 1, items 6 and 8, and para. 3).

### **(6) Period and termination of security designation**

The term of a security designation is up to one (1) year from the date of security designation, which is determined by the Cabinet Office (The Act, Art. 70, para. 2).

The Cabinet Office shall review, before the expiration of the term of a security designation, the necessity of continuing the security designation, and if it is deemed necessary, they may extend the term of security designation for up to 1 year (The Act, Art. 70, para. 3). In this case, the Cabinet Office shall notify the applicant and the Commissioner of the JPO to that effect (The Act, Art. 70, para. 5). There is no statutory upper limit on the number of extensions.

If the Cabinet Office finds no need to continue the designation of a provisional remedy, it will lift the designation. When the Cabinet Office terminates the security designation, or the term of the security designation expires without extension, the Cabinet Office shall notify the applicant and the Commissioner of the JPO to that effect ("Notice of Termination of Security Designation" in this article) (The Act, Art. 77, paras. 1 and 2).

Factors that may reduce the necessity of continuing security designation include, for example, the following (The Basic Guidelines, Chapter 3, Section 2).

- (a) The sensitivity of the security-designated invention has decreased due to development of more advanced technology or countermeasure technology that can prevent undermining the security of the nation and its citizens even when an external force uses the invention.
- (b) Impact on industrial development has increased due to the expansion of civilian use.
- (c) The significance of the security designation has been reduced, since the security-designated invention has become publicly known due to publication of an article on the same technology in Japan or other countries, publication of a patent application for the same technology in other countries, etc.

## (7) Compensation for losses

A person or entity who has suffered a loss due to the prohibition of implementing or disclosing the security-designated invention (hereinafter the “demandant”) can submit to the Cabinet Office a request for compensation for “losses normally incurred” by the security designation (The Act, Art. 80, paras. 1 and 2). According to the “Q&A on Compensation for Losses” published by the Cabinet Office, for example, the following losses are subject to compensation.

- (a) Losses relating to profits lost due to the prohibition of manufacturing and selling products during the security designation period, since a request for permission to implement the security-designated invention was rejected.
- (b) Losses relating to profits lost based on the fact that the demandant could not claim an amount equivalent to license fees, etc., from a third party who implemented an invention included in the scope of the security-designated invention since granting a patent right is suspended during the security designation period.

The amount of compensation is determined by the Cabinet Office, and is notified to the demandant (The Act, Art. 80, para. 3). In determining the amount, the Cabinet Office shall objectively calculate a loss that is attributable to the security designation, and that is reasonable under socially accepted conventions to be incurred as a result of the security designation, by reviewing the total amount and its breakdown, etc., claimed by the demandant, while communicating with the demandant, and asking relevant ministries and agencies or experts for their opinions (The Act, Art. 80, para. 4, The Basic Guidelines, Chapter 4, Section 6).

A demandant who is dissatisfied with the amount of compensation can file a lawsuit to increase the amount against the nation as a defendant, within 6 months from receiving the notification (The Act, Art. 80, para. 5 and 6).

## 2. Prohibition of Foreign Filing (First Filing Obligation)

### (1) Inventions subject to the Prohibition

Inventions that satisfy all of the following conditions, *including those invented by non-JP residents*, must be, in principle, filed in Japan first before filing foreign applications therefor in other countries or regions (The Act, Art. 78, para. 1).

- (a) Inventions that were invented in Japan,
- (b) Inventions that have not been publicly disclosed, *and*
- (c) Inventions that are, if filed in Japan, subject to the security review.

The reference to “foreign applications” in this context is directed to patent applications<sup>5</sup> filed in countries or regions other than Japan, *and include PCT applications* (The Act, Art. 78, para. 1). Therefore, filing a PCT application at the JPO as a Receiving Office with or without claiming priority is also prohibited.

Whether or not an invention was “invented in Japan” as stated in condition (a) is determined based on the place where the invention was completed<sup>6</sup> (the Basic Guidelines, Chapter 4, Section 5), regardless of the applicant’s address, etc.

The condition (c) directed to “Inventions that are, if filed in Japan, subject to the security review” is determined based on whether or not the invention falls within the Specified Technology Fields (and satisfies the Additional Requirements, if applied). For details, please refer to [Section 1 \(2\)](#) of this article. Therefore, if it is apparent that an invention does not fall within the Specified Technology Fields (or does not satisfy the Additional Requirements, if applied), it is possible to file a foreign application(s) without filing in Japan first.

If it is unclear whether or not foreign filing is prohibited for an invention, the following two options can be considered.

- (i) File a patent application in Japan first: If the patent application was not sent to the security review as a result of the primary review (maximum 3 months), foreign applications can be filed after that. Even in cases where the patent application was sent to the security review, if a security designation was not made as a result of the security review (maximum 10 months), foreign applications can be filed after that.
- (ii) Use the JPO’s Prior Confirmation System for Foreign Filing: If the JPO issues a notification that the invention is not subject to the Prohibition of Foreign Filing, foreign applications can be filed after that (see [Section 2 \(2\)](#) of this article).

## **(2) Prior Confirmation System for Foreign Filing**

An applicant who wishes to file a foreign application(s) before filing in Japan for an invention that may possibly be subject to the Prohibition of Foreign Filing (hereinafter

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<sup>5</sup> There are no provisions to prohibit filing utility model applications in the other countries or regions.

<sup>6</sup> According to a Supreme Court decision on October 3, 1986 (No. S61 (O) 454), “An invention is a creation of technical idea utilizing the laws of nature (Article 2, paragraph 1 of the Patent Act), and is completed through the steps of setting a certain technical problem (purpose), adopting technical means to solve the problem, and confirming the effect that the technical means can achieve the desired purpose. Thus, *in order for an invention to have been completed, it is necessary and sufficient that the technical means are established specifically and objectively so that a person skilled in the art is able to achieve the desired effect repeatedly by implementing the technical means.*”

referred to as “the possible applicant”) can file a request at the JPO to confirm whether or not the invention is subject to the Prohibition of Foreign Filing (The Act, Art 79, para. 1) (hereinafter the “Prior Confirmation System”).

To utilize the Prior Confirmation System, the applicant must file a written request to the JPO, along with necessary documents specifying the invention for which confirmation is requested, which may correspond to the claims, specification and figures of an ordinary patent application.

The Prior Confirmation System is a procedure to confirm whether or not an invention is, if filed in Japan, subject to the security review (inventions as defined in the Act, Art. 66, para. 1). More specifically, upon request, the JPO will review whether or not the invention falls within the Specified Technology Fields (and satisfies the Additional Requirements, if applied), and if not, notifies the applicant to that effect, and it then becomes possible to file a foreign application(s) for the invention (The Act, Art. 79, para. 2). On the other hand, if the JPO deems that the invention falls within the Specified Technology Fields (and satisfies the Additional Requirements, if applied), the JPO sends the documents to the Cabinet Office for their quick review as to whether or not “it is apparent that disclosure of the invention will not affect the safety of the nation and its people through external actions.” In this case, foreign filing will most likely be prohibited. Only if the Cabinet Office answers in the affirmative (i.e., the invention will not affect safety), will it become possible to file a foreign application(s) for the invention (The Act, Art. 79, paras. 3 and 4).

The applicant can expect to receive a notice from the JPO within about 10 business days from the date of filing the request, according to the “Q&A on Patent Non-Disclosure System” published by the JPO, Q2-8.

This Prior Confirmation System may be used, for example, in order to file a foreign application as soon as possible for an invention which is probably not subject to the Prohibition of Foreign Filing and for which it is not necessary to obtain a patent right in Japan. Since a result can be obtained within about 10 business days from the filing of a request, it may be possible to file a foreign application earlier than filing a Japanese patent application first to await the result of the primary or security review.

However, it should be noted that a broader range of inventions may be allowed for foreign filing by filing a patent application in Japan first, rather than requesting prior confirmation for foreign filing. In other words, if a patent application is filed in Japan first and is subject to the security review, the application is thoroughly reviewed from the viewpoint of whether it is deemed appropriate to keep the information non-



disclosed (The Art. 67, para. 1), by taking into consideration the degree of security concerns, impact on the development of the industry, etc., and as a result, foreign filing may be possible if a security designation is not made. On the other hand, under the Prior Confirmation System, if the JPO deems that the invention is subject to the security review, foreign filing is, in principle, prohibited unless the Cabinet Office states that “it is apparent that disclosure of the invention will not affect the safety of the nation and its people” (The Act, Art 79, para. 3). Therefore, by filing a patent application in Japan first to undergo the primary and security reviews, it is more likely for an invention to be exempted from the Prohibition of Foreign Filing, compared to requesting prior confirmation for foreign filing.

It should also be noted that filing a request for prior confirmation for foreign filing cannot give rise to a right of priority. Therefore, even if it is not necessary to obtain a patent right in Japan for an invention which may not be subject to the Prohibition of Foreign Filing, it could be contemplated to file a patent application in Japan first to obtain a right of priority, and then file a foreign application claiming priority under the Paris Convention based on the Japanese patent application, after it is confirmed that foreign filing is not prohibited as a result of the primary review (and, if necessary, the security review).

### **(3) Lifting of the Prohibition of Foreign Filing**

The Prohibition of Foreign Filing is lifted in any of the following events (The Act, Art. 78 para. 1, proviso).

- (i) The applicant did not receive a Notice of Sending to Security Review within 3 months from the date when a Japanese translation of the patent application was filed (for patent applications filed in a non-Japanese language)<sup>7</sup>;
- (ii) The applicant filed a Request for Notice of Non-Sending, and received a Notice of Non-Sending within the 3 months;
- (iii) The applicant did not receive a Notice of Security Designation within 10 months from the date when a Japanese translation of the patent application was filed (for patent applications filed in a non-Japanese language)<sup>8</sup>;
- (iv) The applicant received a Notice of No Security Designation within the 10 month; *or*
- (v) The applicant received a Notice of Termination of Security Designation due to the security designation being terminated by the Cabinet Office or the term of the security designation having expired without extension.

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<sup>7</sup> For Japanese language patent applications, 3 months from the filing date (The Act, Art 66, para. 3). For divisional applications, 3 months from the date of division (The Act, Art 66, para. 4).

<sup>8</sup> For Japanese language patent applications, 10 months from the filing date (The Act, Art. 78, para. 1).

However, if a patent application is abandoned or withdrawn by the applicant or dismissed by the JPO and, as a result, falls within (i) or (iii) above, foreign filing will continue to be prohibited.

It should be noted in the case of (v) that, after the termination of security designation, the 1-year priority period may have expired in most cases, since the term of security designation can be up to 1 year from the date of security designation and can be extended (see [Section 1 \(6\)](#) of this article). In this case, a foreign application cannot claim priority based on the Japanese patent application. In addition, even if the patent application publication is suspended during the security designation period, if 1 year and 6 months have already passed from the filing date when the security designation is terminated or expired, the application will be published soon. Therefore, an applicant who wishes to obtain a patent right in other countries or regions for a security-designated invention after the security designation period must file a foreign application(s) promptly after receiving a Notice of Termination of Security Designation and before the Japanese patent application is published.

Incidentally, the security designation is made on an “invention” basis, not an “application” basis. Therefore, *it is possible to file a foreign application(s) for the inventions that are not subject to the security designation to obtain a patent right therefor in other countries or regions, even if the Prohibition of Foreign Filing remains in effect for the security-designated inventions.*

#### **(4) Penalties for violation of the Prohibition**

Violation of the Prohibition of Foreign Filing may result in dismissal of the patent application (The Act, Art. 78, paras. 5 and 7), and imprisonment of up to one year or a fine of up to 500,000 yen, or both, for the offender including persons outside Japan (The Act, Art. 94, paras. 1 and 2).

### **3. Date of commencement and transitional measures**

The JPO will commence the Patent Non-Disclosure System and Prohibition of Foreign Filing on May 1, 2024.

Specifically, the primary review by the JPO will be conducted for all direct (non-PCT) Japanese patent applications filed on or after May 1, 2024, with or without claiming priority under the Paris Convention (The Act, Art. 66, paras. 1 and 5).

The Prohibition of Foreign Filing will apply to inventions which are subject to the security review if filed in Japan on or after May 1, 2024, and that satisfy the other prescribed conditions (see [Section 2 \(1\)](#) of this article). However, the Prohibition does not apply to inventions described in patent applications which have been filed in Japan by April 30, 2024, and it is possible to file a foreign application(s) for such inventions on or after May 1, 2024 (The “Q&A on Patent Non-Disclosure System” published by the JPO, Q2-14).

#### 4. Our comments

Many countries have provisions, mainly for security reasons, to keep patent applications secret in specific technology fields, and prohibit foreign filing or oblige first filing in their own country under certain conditions. Although Japan has long had no such provisions, the recent Economic Security Promotion Act has introduced the Patent Non-Disclosure System and Prohibition of Foreign Filing.

These provisions may significantly impact business activities and patent practices for entities with businesses based in multiple countries, including Japan, since, under certain circumstances, these provisions may apply to inventions completed by non-Japanese inventors and patent applications filed by non-Japanese applicants.

Therefore, it would be advisable for such an entity to investigate whether or not there is a possibility that inventions in the “Specified Technology Fields” may be developed in the course of its business, as well as whether such inventions may be completed in Japan, and if so, to prepare in-house rules or regulations, etc., for handling such inventions and information relating to them.

END

#### [Links]

##### **Laws and Regulations:**

Economic Security Promotion Act (Act No. 43 of 2022) ([Japanese](#))

Enforcement Ordinance of Economic Security Promotion Act (Ordinance No. 394 of 2022) ([Japanese](#))

##### **The Cabinet Office:**

Background and Purpose of Enactment of Economic Security Promotion Act ([Japanese](#))

Patent Non-Disclosure System ([Japanese](#))

Basic Guidelines for Patent Non-disclosed System ([Japanese](#))

Specified Technology Fields and Additional Requirements ([Japanese](#))

Q&A on Patent Non-disclosed System under Economic Security Promotion Act  
([Japanese](#))

Q&A on Compensation for Losses ([Japanese](#))

Guidelines for Appropriate Information Management Measures Relating to Patent  
Non-Disclosure System (1<sup>st</sup> Edition) ([Japanese](#))

**The Japan Patent Office:**

System for Non-Disclosure of Patent Applications ([English/Japanese](#))

Q&A on Patent Non-Disclosure System ([Japanese](#))

[Appendix 1] Specified Technology Fields and IPCs

Technology Fields that include advanced technologies that could have a significant impact on Japan's national security		
(1) Disguise and cover-up technologies for aircraft, etc.	Technologies that fall under <i>both</i> B64 and F41H3/00	
(2) Technologies for unmanned aerial vehicles, autonomous control, etc., related to weapons, etc.	Technologies that fall under <i>both</i> B64C39/02, B64U or G05D, <i>and</i> F41 or F42	
(3) Technologies related to guided weapons, etc.	Technologies that fall under <i>both</i> F41G7 and F42B15	
(4) Technologies related to ballistics of projectiles and flying objects	Technologies that fall under F42B10	
(5) Technologies related to weapons using electromagnetic launchers	Technologies that fall under F41B6	
(6) New offensive or defensive technologies, such as laser weapons and electromagnetic pulse (EMP) munitions.	Technologies that fall under F41H13	
(7) Defense Technologies against aircraft and guided missiles	Technologies that fall under F41H11/02	
(8) Technologies related to attack and protection devices deployed on submarines	Technologies that fall under <i>any one of</i> B63G8/28 to B63G8/33	
(9) Technologies for position measurement, etc., using sound waves and relating to weapons	Technologies that fall under <i>both</i> : any one of B63C7/26, B63C11/48, G01S1/72 to G01S1/82, any one of G01S3/80 to G01S3/86, any one of G01S5/18 to G01S5/30, any one of G01S7/52 to G01S7/64, or G01S15, <i>and</i> F41	
Fields subject to Additional Requirements	(10) Technologies related to scramjet engines, etc.	Technologies that fall under F02K7/14
	(11) Technologies related to solid-fuel rocket engines	Technologies that fall under <i>any one of</i> F02K9/08 to F02K9/40
	(12) Technologies related to submarines	Technologies that fall under B63B3/13, any one of B63G8/00 to B63G8/26, B63G8/34, B63G8/38 <i>or</i> B63G8/39
	(13) Technologies related to unmanned underwater vehicles, etc.	Technologies that fall under <i>both</i> B63C11/00 and G05D
	(14) Technologies for position measurement, etc., using sound waves, relating to submersibles, etc.	Technologies that fall under <i>both</i> : B63C7/26, B63C11/48, any one of G01S1/72 to G01S1/82, any one of G01S3/80 to G01S3/86, any one of G01S5/18 to G01S5/30, any one of G01S7/52 to G01S7/64, or G01S15; <i>and</i> B63G
	(15) Technologies related to thermal protection, reentry, coupling and separation, and meteorite detection for space vehicles	Technologies that fall under B64G1/58, B64G1/62, B64G1/64 <i>or</i> B64G1/68
	(16) Observation and tracking technologies for space vehicles	Technologies that fall under B64G3
	(17) Technologies related to semiconductor photodetectors, etc., with quantum dot/superlattice structures.	Technologies that fall under any one of G01J1/02 to G01J1/08, any one of H01L27/14 to H01L27/148, or any one of H01L31/08 to H01L31/119, <i>and</i>

		relate to quantum dot/superlattice structures
(18) Technologies to protect computer parts, etc., with tamper-resistant housings		Technologies that fall under G06F21/86 <i>or</i> G06F21/87
(19) Technologies related to telecommunications interference, etc.		Technologies that fall under H04K3

<b>Technology Fields that include technologies that could be used to cause extensive damage to the lives and economic activities of Japanese citizens</b>		
(20) Isotope separation technologies for uranium and plutonium		Technologies that fall under B01D59, <i>and</i> relate to uranium and plutonium
(21) Technologies related to decomposition and reprocessing, etc., of spent nuclear fuel		Technologies that fall under any one of G21C19/33 to G21C19/50
(22) Technologies related to heavy water		Technologies that fall under C01B5/02
(23) Technologies related to nuclear explosive devices		Technologies that fall under G21J1 or G21J3
(24) Technologies related to compositions for gas bullets		Technologies that fall under C06D7
(25) Technologies related to ammunition that disperses gas, powder, etc.		Technologies that fall under F42B5/145, or any one of F42B12/46 to F42B12/54

The “Additional Requirements” for the dual-use technologies (items (10)-(19)) are to satisfy any one of the following:

- (i) Inventions that are used for defense of Japan or military purposes of the other countries;
- (ii) Inventions of patent applications filed by the Japanese government or Japanese national research institutes (excluding those filed jointly with other applicants and the Japanese government or Japanese national research institutes); *or*
- (iii) Inventions commissioned by the Japanese government or national research institutes<sup>1</sup>.

<sup>1</sup> Inventions to which the Japanese Bayh-Dole system (Art. 17, para 1, items 1 to 4 of the Industrial Technology Enhancement Act) or Article 22 of the Act Concerning Stimulation of Science, Technology and Innovation Creation is applied.

[Appendix 2] Flow of security designation for Japanese patent applications in a non-Japanese language

