

Standard Summary Project Fiche – IPA centralised programmes

Project Number 08: Enforcement of Intellectual Property Rights

1 BASIC INFORMATION

- 1.1 CRIS Number** **2011/022-585**
- 1.2 Title** Enforcement of Intellectual Property Rights - with emphasis on destruction and pirated counterfeited products
- 1.3 ELARG statcode** **03.07** European standards. Intellectual property law
- 1.4 Location** Republic of Serbia

Implementing arrangements:

- 1.5 Contracting Authority:** EU Delegation (EUD) to Serbia
- 1.6 Implementing Agency:** European Patent Office
- 1.7 Beneficiary (including details of project manager)**

Ministry: The Beneficiary Institution is the Ministry of Trade and Services.

Name: The Senior Programming Officer (SPO) for the project is Ms. Lidija Stojanović, the Assistant Minister – Chief Market Inspector.

Department: Sector for market inspection

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Steering committee:

A Steering Committee (SC) will be set up to guide the project implementation. The Steering Committee will indicatively include the following representatives:

- Assistant Minister – Chief Market Inspector, and project coordinator from the Ministry of Trade and Services;
- Director General or senior representatives of the IPO (Project Partner);
- Representative from the Customs Administration
- Representative from Ministry of Interior (Department for High-tech Crime Suppression);
- Representatives from the European Union (Contracting Authority);
- Project Director (EPO);

Assistant Minister – Chief Market Inspector will act as Chairman of the SC;

If needed, the Ministry of Justice and the Ministry of Environment and Spatial Planning will also be invited to take part in the Committee.

The role of the Steering Committee is to provide strategic guidance and direction regarding the technical issues on the project. Its main functions will be:

- To assess project progress and performance;
- To jointly discuss any critical points or bottlenecks for further project implementation;
- To propose and discuss remedy actions to be taken in order to tackle problems;
- To discuss issues such as timing, cost or project contents;
- To comment and/or discuss the project's reports.

The EPO will be in charge for the preparation of the agenda and the minutes of the SC meetings, and will further distribute both documents to all SC members.

The EPO may propose to the SC the appointment of smaller, time limited, groups for specific tasks like assessments, workshops and training.

The Committee will meet every six months during the implementation of the project, and it will also discuss and endorse the 6-monthly progress reports.

A Project Implementation Unit (PIU) will be based in the Ministry of Trade and Services. The PIU will be responsible for the day-to-day management of the project. It will act as secretariat for the Project Steering Committee and will provide assistance to the Contractor in order to identify appropriate participants for training, liaise with stakeholders and ensure that project results are disseminated within the participating institutions.

The project will be implemented over a period of 24 months.

Financing

1.8 Overall cost:	EUR 2.8 million
1.9 EU contribution:	EUR 2.8 million
1.10 Final date for contracting:	2 years after the signature of the Financing Agreement (FA)
1.11 Final date for execution of contracts:	4 years after the signature of the FA
1.12 Final date for disbursements:	5 years after the signature of the FA

2 OVERALL OBJECTIVE AND PROJECT PURPOSE

2.1 Overall Objective:

Support the implementation of sector strategies and policies compatible with EU legislation and best practices in the area of protection of intellectual property rights.

2.2 Project purpose:

Further strengthening of the Intellectual Property Rights (IPR) enforcement in Serbia with a focus on the fight against counterfeiting and piracy so as to prepare Serbia for participation in EU Counterfeiting and Piracy Observation.

1. Develop uniform internal procedures and purchase a necessary equipment for all authorities included in the project, which are involved in the enforcement of intellectual property rights, regarding withdrawal, storage and destruction of pirated and counterfeited products.
2. Strengthen the legal, administrative and institutional capacity of the Ministry of trade, and services, the Ministry of interior and the customs office for administrative enforcement of legislation regarding enforcement of intellectual property rights.
3. Provide the continuation of EU support for the activities of the Education and Information Centre (EIC) within the Serbian Intellectual Property Office (IPO), regarding the regular training and cooperation organised for the enforcement authorities in Serbia, i.e. Market Inspection, Customs Office, Ministry of Interior and Judicial authorities, as well as the public awareness activities.

2.3 Link with AP/NPAA / EP/ SAA

European Partnership with Serbia 2008

The European Partnership for 2008 defined that Serbia should “continue to strengthen protection of intellectual property rights (IPR) and strengthen administrative capacity for the granting of patents and sustainable implementation and enforcement of IPR. “

Stabilisation and Association Agreement

Article 75 Intellectual, industrial and commercial property

1. Pursuant to the provisions of this Article and Annex VII, the Parties confirm the importance that they attach to ensuring adequate and effective protection and enforcement of intellectual, industrial and commercial property rights (...).
2. Serbia shall take the necessary measures in order to guarantee no later than five years after entry into force of this Agreement a level of protection of intellectual, industrial and commercial property rights similar to that existing in the EU, including effective means of enforcing such rights.

Progress report Serbia 2010: The chapter 4.1.7 Intellectual property law of the 2010 EC Progress report for Serbia states the following:

"Some progress was made in the field of enforcement. Serbia has set up specialised units (high-tech crime prosecutor, police cyber unit, specialised customs unit, tax unit and tax police) aimed at enforcing the legislation in this area. The length of investigations has been shortened. The frequency of checks by tax inspectors has risen, whereas the number of cases brought for prosecution has dropped, pointing to better compliance overall with the law.

Seizures by market inspectors have further improved. The customs administration has continued to make progress in enforcing intellectual property rights. It fully updated an electronic database of customs offences in the field of intellectual property rights and introduced electronic handling of requests for protection of intellectual property rights. A memorandum of understanding has been signed between the intellectual property office and the judicial academy to provide specialised training.

However, specialisation of judges and court panels in this area needs to be ensured. Inadequate storage space for counterfeited and pirated goods that infringe copyright and related rights or other industrial property rights continues to be a problem.

Overall, Serbia's preparations in the area of intellectual property law remain moderately advanced. Further efforts are needed in terms of alignment with the *acquis*. Concerning enforcement, better coordination among relevant agencies is required, as well as substantial investment in specialised judicial training."

The National Integration Programme (December 2009)

In the NPI it is stated that the ongoing cooperation among institutions in charge of implementation of the IPR is good, it is necessary to further enhance the institutional framework for the efficient protection of intellectual property rights, which means further improvement of personnel and expert training, as well as constant modernisation according to the technological development.

The modernisation of market inspection will be directed towards ensuring material and technical devices for work. In this period, the Ministry of Trade and Services will continue to educate market inspectors in the sphere of the protection of intellectual property rights by the means of organised congresses, seminars and workshops, as well as directives.

In addition, the need was identified to ensure the funds from IPA for the Project 'Enforcement of the protection of intellectual property rights – identification, withdrawal, and destruction of pirated, counterfeited, i.e. goods that violate intellectual property rights and when there are

other reasons for the destruction of products confiscated in the process of the surveillance by the inspection”.

The Law on Special Authorisation with the Aim of More Efficient Protection of Rights to Intellectual Property gives special authority to inspection bodies for performing inspection surveillance over production and trading in goods and provision of services violating intellectual property rights. The Ministry of Trade and Services, through the Market Inspection, pursuant to the same law, performs inspection surveillance over production and trading in goods and provision of services violating intellectual property rights and over production and trading in goods protected by copyrights and related rights.

It is envisaged that modernisation of the work of the Market Inspection will be done through provision of material and technical means, as well as through continuous education and specialised training of market inspectors in the area of protection of intellectual property rights.

2.4 Link with 2011-2013 MIPD¹ for Serbia

Further strengthening of the intellectual property rights in Serbia falls under the Public Administration sector and its objective to improve the efficiency and effectiveness both at central and local level, as well as to support Serbia's adoption, implementation and enforcement of EU-related legislation.

The main goal is to support policy reforms for EU integration. Focus will be on capacity building for policy reforms, and implementation of the existing legal and strategic framework. Particular attention will be paid to the administrative capacities in the European integration process. There is a need to strengthen capacities in all line Ministries dealing with EU *acquis*; to enhance policy coordination and enable the country to align and implement the EU *acquis* effectively, as well as to meet the requirements for the implementation of IPA assistance under the Decentralised Management System (DIS).

2.5 Link with National Development Plan (where applicable) N/A

National EUI Strategy includes, as one of the priorities, the increased responsibility of all administrative structures in order to secure efficient implementation of intellectual property legislation, through training and awareness raising activities. The goals of the National EUI Strategy include: raising competition capacity of the Serbian industry, employment growth, creation of a national innovative system which unites education, science and research development and increased efficiency in protection of intellectual property rights through the education of police, customs and inspection services, judicial bodies and the staff in the republic institutions in charge of procedures of protection of intellectual property and the protection of consumers.

¹ Multi-Annual Indicative Planning Document

2.6 Link with national / sectoral plans N/A

3 DESCRIPTION OF PROJECT

3.1 Background and justification

To create a single market in Europe, restrictions on freedom of movement and anti-competitive practices must be eliminated or reduced as much as possible, while creating an environment favourable to innovation and investment. In this context, the protection of intellectual property is an essential element for the success of the single market. In the growing knowledge-based economies the protection of intellectual property is important not only for promoting innovation and creativity, but also for developing employment and improving competitiveness.

In the framework of the Stabilisation and Association Process, with the aim of fulfilling obligations stipulated in the SAA, the Republic of Serbia is harmonising its legal framework and procedures with the EU Standards. Within the EU there are already a number of legal instruments in place, such as the **Enforcement Directive**, but in order to make them more effective the EU is seeking stronger administrative cooperation between authorities at all levels in the fight against piracy and counterfeiting. On September 2008 the Council adopted a Resolution on a comprehensive EU anti-counterfeiting and anti-piracy plan. This Resolution endorsed the need to step up the fight against fake goods and called for the creation of a **European Observatory on Counterfeiting and Piracy**. Also, in March 2010, based on the Commission Communication to the European Council, the European Parliament and the European Economic and Social Committee on the Enhancing the enforcement of intellectual property rights in the internal market, **the Council** adopted the Resolution on **the Enforcement of intellectual property rights in the internal market**.

The Law on Ministries in Art 40 implicitly stipulate that the **Intellectual Property Office (IPO)** should be the central institution which would coordinate the work of other institutions in charge of intellectual property protection (courts, prosecutor's office, Customs, market inspectorate, etc.), and explicitly stipulate that the Intellectual Property Office would be responsible for the development in the field of IP rights protection and educational-informational activities in the field of IP protection. Its work, among others would include offering appropriate data and the provision of expert trainings, as well as centralising and disseminating all available information concerning intellectual property protection to all interested parties.

The protection of IPR in the Republic of Serbia is regulated by the following laws:

Criminal Code, Customs Code, Law on Special Powers for the Efficient Protection of IPR, as well as Law on Trademarks, Law on Patents, Law on Legal Protection of Industrial Design, Law on Geographical Indications of Origin, Law on Protection of the Integrated Circuits and the Law on Copyright and Related Rights.

Changes in the legislative framework and harmonisation with the EU legislation imposed greater workload and relevant responsibilities for the Sector for Market Inspection of the Ministry of Trade and Services. In the Law on Special Powers for the Efficient Protection of IPR (Official Journal of RS, no. 46/2006), which was adopted in mid 2006 and partially harmonised with the Enforcement Directive, the Ministry of Trade and Services, through the Market Inspection was nominated as the responsible body to conduct inspection surveillance over production and trading in goods violating intellectual property rights (trademark, design,

patent, petty patent, geographical indication, topography of integrated circuits, copyright and related rights) and production and trading in goods protected by copyright and related rights.

Also, Law on Organisation and Competencies of State Authorities in Fight against High-tech Crime which is adopted 2005 and amended in July 2008 defines organisation and competencies of certain organisational units within state authorities responsible for discovering, criminal prosecution and court proceedings of high-tech criminal offences. High-tech crime is undoubtedly increasing possibility for violating IPR. In that regards within the Ministry of Interior is consequently formed Department for High-tech Crime Suppression.

The choice of the European Patent Office as project implementing partner through direct agreement is motivated both by the context and by the nature of the project.

Serbia joined the European Patent Office in October 2010, and the Serbian Government is strengthening its links with the institution and its role as full right member. A project implemented by EPO would make a clear link between assistance and the fulfilment of EPO membership obligations. Besides, the project would bring experience and best practices from all EPO members. It would also stimulate dialogue and give further networking opportunities for Serbian counterparts.

Moreover, the project builds upon the results of an on-going IPA 07 project, implemented by EPO: "Provide the continuation of EU support for the activities of the Education and Information Centre (EIC) within the Serbian Intellectual Property Office". The Education and Information Centre, opened in January 2010, has been entirely set up by the IPA 07 project. In order to ensure its sustainability, it is fundamental to use it as the main institution for training, information, and communication, and as a focal point for all IPR stakeholders. Implementing this project through EPO would ensure the necessary continuity in that respect.

Ministry of Trade and Services - Market Inspection Sector (MI)

Management of wide scope of activities, large staff number (495 employees in the Market Inspection Sector) and coverage of the whole territory of Serbia represents great challenge for the Ministry staff. In the previous period Market Inspectors have not been involved in any significant capacity building activities, apart from attending few workshops on IPR. These activities need to be intensified in the future. There is a plan for employing 5-6 inspectors dealing solely with the matters related to the administrative enforcement of intellectual property rights until 2010. However, in everyday work the market inspectors are facing obstacles in execution of relevant legislation, especially in the area of IPR (availability of the right holders, identification of counterfeited products etc.). Efficient administrative enforcement of the IPR requires multi-sectoral approach and defined procedures among relevant institutions. There is a good cooperation among stakeholders on IPR matters at this moment. However, considering the enforcement of IPR, one of the key priorities in the forthcoming period is to define relevant enforcement legal acts/bylaws, including procedures and book of rules concerning administrative enforcement of IPR, in terms of destroying of piracy and counterfeited products, in line with EU practice.

The major problems in enforcement of the intellectual property rights are related to withdrawal and destruction of piracy and counterfeited products seized in the course of inspection or customs surveillance. There is a need for streamlining and unifying of procedures for the actions of the Market Inspection and the Customs. Due to large quantities of seized goods the Market Inspection and the Customs are facing a lack of storage space and, especially, lack of proper equipment for regular destroying of the products violating intellectual property rights. There is only one machine in Serbia specialised for destroying of

these products, and it is owned by a Belgrade utility company “City Waste Disposal”. The type of machine is roughly worth about 350-450,000 EUR, and it is made in Germany, and weighs several dozen tons. The machine is already old, not well maintained, and is basically available for this purpose for only about two months a year. Use of this particular machine costs 350 EUR per hour and for that amount of time it can destroy around 3-5,000 items of footwear, leather products, textile products etc. Maintenance is done by the service people from the country of origin. This project should address this issue as well in terms of a supply contract for three specialised machines (two for the Market Inspection and one for the Customs). Thus, the destroying process would be more efficient, saving time and money for storage and dealing properly with the waste.

Customs Office

Serbian Law on Customs, in force since 1 January 2004, for the first time states the provisions on the measures for protection of intellectual property rights, and the manner of enforcing those measures is regulated by the Decree on handling of customs goods, release of customs goods and payment of customs fee. These acts define the role, scope and content of the competences of the customs authority, thus giving it an active role in the protection of intellectual property rights. In 2004, the Department for Protection of Intellectual Property was established within the Customs Office. In order to have an efficient protection of intellectual property rights it is necessary for all authorised customs officers to be included, especially those in direct contact with goods and working on clearance.

Final effect of all measures and actions undertaken in case there is a suspected violation of intellectual property rights is destroying of counterfeited and pirated goods. Considering the variety of good to be destroyed, as well as the fact that the Republic of Serbia does not have the plant for destruction, the goods under customs surveillance is stored, thus increasing the costs of storage charges for the Customs Office. These costs could be reduced with establishing continuity in destroying of counterfeited goods, i.e. with specialised machines used regularly only for this purpose.

The Customs Office has found some alternative solutions for destructions, but which are only temporary and are not applicable to all types of goods; such as suppression with heavy machinery and burying in special holes for waste disposal (automobile parts, watches, packaging etc.), or microbiological disintegration (cosmetics). However, the products such as batteries, perfumes, lighters etc. cannot be destroyed this way because these products are characterised as dangerous waste.

Key stakeholders Ministry of Trade and Services, Ministry of Interior, Intellectual Property Office, Customs Office

Other stakeholders: Ministry of Justice, other inspections, Ministry of Environment and Spatial Planning.

3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact (where applicable)

The project will:

1. Develop uniform internal procedures and purchase a necessary equipment for all authorities included in the project, which are involved in the enforcement of intellectual property rights, regarding withdrawal, storage and destruction of pirated and counterfeited products

2. Strengthen the legal, administrative and institutional capacity of the Ministry of trade, and services, the Ministry of interior and the customs office for administrative enforcement of legislation regarding enforcement of intellectual property rights

3. Provide the continuation of EU support for the activities of the Education and Information Centre (EIC) within the Serbian Intellectual Property Office (IPO), regarding the regular training and cooperation organised for the enforcement authorities in Serbia, i.e. Market Inspection, Customs Office, Ministry of Interior and Judicial authorities, as well as the public awareness activities

Impact:

Implementation of this project will boost capacity of the Market Inspection and the Customs Office, as the bodies involved in enforcement of IPR, enhance their mutual cooperation and notably improve results in domains such as identification, withdrawal and destruction of counterfeited products. The project will directly contribute to the improvement of the quality of work of all employees in MI and CO dealing with protection of IPR and shall strengthen the coordination between the involved institutions. It shall also significantly improve the enforcement structure of IPR and as such reduce the exposure of consumers to counterfeited, and thus unsafe and low quality, products.

Also, this project will provide further support to the operation of the Education and Information Centre within the IPO of the Republic of Serbia, which is established under the IPA 2007 project "Support to the Education and Information Centre of the Serbian Intellectual Property Office". The support will be focused on some aspects of the training which will target the enforcement authorities, i.e. the IPR network of the enforcement authorities which has already been established under the project, such as Market Inspectorate, Customs Office, Ministry of Interior, and the judiciary in Serbia. Under the current project, following the completion of the activities (A3.3.1 and A3.3.2 i.e. the milestone 9) of the needs assessments and the training curricula and appropriate training material, EIC/IPO will start with organising the trainings for IPR enforcement authorities network after the summer break in 2010 (A 3.3.4) The training curricula comprise basic and advanced training modules. While basic modules will be delivered by EIC/IPO staff, advanced modules of the training, which include seminars for IPR enforcement network, i.e. exchange of the best practice and international expertise as well as cooperation between enforcement authorities, and on the job trainings, will be organised by EIC/IPO while the training will be delivered by competent foreign experts for each enforcement area.

Sustainability:

The implementation of the proposed activities related to the operation of the EIC within IPO, which are included in this project proposal, will guarantee the smooth continuation of both modules of the training, particularly the advanced training in the following years, in which our EU accession activities are going to be intensified, especially in the area of the Internal market, and the Interim Agreement in force. IPO and the enforcement authorities in the Republic of Serbia recognise the importance of this advance training, especially taking into account the attention which enforcement of the IPR has in the EU and the new mechanisms which are been set up in the EU recently, particularly the creation of a **European Observatory on Counterfeiting and Piracy**.

The Ministry of Trade and Services is committed to making available the necessary resources to sustain the outputs of this project. The sustainability will also be ensured since the employees who attend the trainings will be able to deliver this training further through

participation in a Training of Trainers programme. The Project will intend, where ever is possible, to promote training using mentorship and gaining experience in a practical “learning by doing” approach.

It is the responsibility of relevant authorities to ensure that methods learnt are put in practice; the relevant procedures and legal acts that will be drafted are adopted and therefore put into force.

Although the fragmentation of the current system of IPR enforcement may challenge inter-institutional coordination, the strong willingness of all involved actors in enhancing functional and operational collaborations will bring sustainability to this intervention.

3.3 Results and measurable indicators

Result 1

Improved legislation for efficient administrative enforcement of IPR has been enacted (procedures for withdrawal, storing and destruction of pirated and counterfeited products)

Measurable indicators related to result 1

- Number of procedures developed
- Number of operations done according to new procedures
- Increased number of destroyed pirated and counterfeited products pursuant to improved legislation

Result 2

Institutional structure strengthened and improved capacity of relevant authorities such as Ministry of Trade and Services, Ministry of Interior, Customs Office and other Stakeholders (professional bodies, Chamber of Commerce, universities, business associations, etc.) for enforcement of IP rights

Measurable indicators related to result 2

- Job descriptions are available for all staff and the assigned staff members meet the job requirements of the job descriptions
- Number of training/workshop sessions
- Number of staff trained
- Reduced time required for destruction of the counterfeited goods compared to the period before the procurement of machines
- Ability of Ministry staff to successfully answer a questionnaire on legal, administrative and technical aspects of administrative enforcement of IPR

Result 3

Upgraded technical capacities of institutions involved in the withdrawal and destruction of the goods violating intellectual property rights in accordance with EU standards

Measurable indicators related to result 3

- Number of machines procured
- Number of trained staff for use of installed equipment
- Reduced time required for destruction of counterfeited goods compared to the period before the procurement of machines
- Number of destroyed pirated and counterfeited products
- Level of fulfilment of storage capacities before and after procurement of machines

Result 4

Cooperation on IPR enforcement both within the Republic of Serbia and with the corresponding administrations in Western Balkans and in the EU Member States embedded

Measurable indicators related to result 4

- Number of international experts engaged by EIC/IPO
- Number of participants to the events

Result 5

Development and uniformisation of statistics in accordance with methodology prepared by the European Observatory on Counterfeiting and Piracy

Measurable indicators related to result 5

Statistical data collected through a compatible system and a common methodology

Result 6

Public awareness regarding enforcement of Intellectual Property rights improved

Measurable indicators related to result 6

- Number of publication disseminated
- Number of events
- Number of participants

3.4 Activities:

Activities related to result 1

1.1. Assessment of procedures for withdrawal, storing and destruction of pirated and counterfeited products applying in EU members states

1.2. Developing procedures for withdrawal, storing and destruction of pirated and counterfeited products

1.3. Support in defining procedures for withdrawal, storing and destruction of pirated i.e. counterfeited products, which have to be destroyed pursuant to legally binding decisions – written procedures, legal grounds, the process of getting consent and decision; technical procedure – selection of the company for destruction of counterfeited products

1.4. Defining procedures for handling confiscated goods by competent institutions, with environmental impact assessment of incineration in existing industrial facilities, and destruction with specialised machines

1.5. Defining special procedures for handling dangerous waste

Activities related to result 2

2.1. Analysis of the current institutional framework of relevant Authorities dealing with Protection of Intellectual Property rights and proposing recommendations

2.2. Formalising cooperation between relevant Authorities dealing with Protection of Intellectual Property rights such as Market Inspection and Customs Office (Customs-suspected violation → Market Inspection-control)

2.3. Continuation of the EIC/IPO activities in the realisation of the training curricula, developed under the IPA 2007 Project, by supporting the advanced training modules, i.e. organising the seminars or study visit for acquiring the EU best practices on IPR enforcement, to the IPR enforcement network in Serbia

2.4. Basic and advance training of civil servants dealing with IPR enforcement (including unfair competition, unauthorised use of patents and trademarks in advertising by use of new technology, on tracing and tracking of organisations involved in counterfeiting – control of documentation at high-risk points (supply chain) and other related topics)

2.5. Training of trainers in the Market Inspectorate (IPR training should be delivered to all inspectors)

2.6. Study visits for the purpose of exchanging knowledge and experience with market inspectors and customs officers from EU countries (best practice) on risk analysis and techniques

Activities related to result 3

3.1. Acquisition of three specialised machines for destruction of counterfeited and pirated products

3.2. Conduct training for use of the machines, means of personal protection and first aid equipment

3.3. Conduct training on waste management

Activities related to result 4

4.1. International Conference on enforcement of IPR - exchange of experiences knowledge and best practices at regional level (Western Balkan) and EU level.

4.2. Conduct international comparative studies in the field of enforcement of IPR – identify best practices and provide exchange of experience

Activities related to result 5

5.1. Analysis of the current system for collecting data

5.2. Further development of a system capable to provide adequate data regarding threat assessment and reports on trends and hotspots (including further development of ICT applications/tools for IPR enforcement)

5.3. Developing and delivering training programme for use of ICT applications and data

Activities related to result 6

6.1. Preparation of awareness publications regarding enforcement of Intellectual Property rights

6.2. Public awareness events on enforcement of Intellectual Property rights in cooperation with appropriate stakeholders – IPR holders

3.5 Conditionality and sequencing:

Conditionality:

The commitment and the mutual agreement among the institutions involved in enforcement of IPR on the establishment of a functional structure in this area is the substantial prerequisite for the definition of rules ensuring proper coordination among the IPR enforcement authorities and avoiding overlapping and conflict of competences. Memorandum on Understanding with the Customs Office will be signed as a precondition for the project. The IPO, who is in charge for drafting the National IPR Strategy, already initiated this issue, and the Action Plan which will follow the adoption of the Strategy will define the particular activities and the responsible institutions. In addition:

- The MTS must commit sufficient resources in terms of human resources and budget throughout the life time of the project and to ensure that the outputs are sustainable in the future.
- The MTS is responsible for the coordination of all actors to ensure project success and facilitate joint programmes/activities. The MTS will be responsible for ensuring that all relevant actors attend training and instruction.
- The MTS is responsible for inter-ministerial relations in relation to the outputs of this project.

Sequencing:

Realisation of activities 3.3.2 and 3.3.3 will follow the acquisition of the machines under the activity 3.3.1.

3.6 Linked activities

There is an ongoing project within the Market Inspection “Development of Information Infrastructure: Inspection Authority Network”. The first stage of the project is completed. Namely, the concept of the software for the data base on the Market Inspection’s daily activities has been developed. In the second stage, this software will be tested and its effects

analysed in order to identify potential problems and to develop improved solution. At the same time, the second stage includes cooperation with other inspections and customs office on upgrading the data base with information from their respective scope of work.

The Intellectual Property Office has a project within IPA 2007 “Support to the Education and Information Centre of the Serbian Intellectual Property Office”. The purpose of this project is to increase the knowledge on intellectual property, its requirements and protection, in compliance with the needs of the stakeholders such as the Intellectual Property Office, courts, police, **market inspectorates**, universities and economic operators; this will be accompanied by setting up of a system which would unite the available relevant information in the field and dissemination of information on the importance of intellectual property. Overall objective of the project is to provide the support to the Republic of Serbia in meeting the requirements set in the framework of Stabilisation and Association Process and EU integration in the IP field. The project is financed by the EU, with the contribution provided by the European Patent Office. The project was initiated in February 2009, and will end in February 2012, while the project budget is 2.2 MEUR. The Education and Information Centre (EIC), which was established during the first phase of the project will, since September 2010, start the activities on delivering the trainings to the stakeholders. This training will be funded from the project budget until the end of the project.

The regional IPA Programme on Industrial and Intellectual Property Rights in the Western Balkans and Turkey started end of 2010. The overall aim of the programme is to contribute to the development of administrative capacities, harmonisation of legislation, strengthening enforcement authorities, sustainability of IPO institutional framework and creation of public awareness campaigns.

The Regional CARDS 2002 project on intellectual property rights and the National CARDS 2004 project on capacity building on IPR also represent relevant past experience.

3.7 Lessons learned

In this context, the Intellectual Property Office (IPO) of the Republic of Serbia has already benefited from a series of EU funded projects:

- Regional CARDS 2002 project on intellectual property rights
- National CARDS 2004 project on capacity building
- IPA 2007 project, creation of an Education and Information centre on IP (implementation as from 2009).

All these projects have been implemented by the European Patent Office. The CARDS 2004 project aimed at the reconstruction of the technical infrastructure at the IPO, including IT infrastructure and physical security of the building, and at the electronic publication of the available IP documentation: trademarks, design and patent databases. It was an objective of the project to set up electronic registers but the absence of software supporting the granting process in the patent area made this effort superfluous. Towards the end of the project, it was possible to install the process supporting software IPAS of the WIPO, so that electronic registers can now be envisaged. According to the European Agency for Reconstruction's quarterly activity report (Jan-March 2008) that was submitted to the European Parliament, Serbia's Intellectual Property Office (IPO) and the European Patent Office have worked hand-in hand since 2005 to improve and streamline the process of granting patents in Serbia. The

CARDS 2004 project improved the IPO's internal infrastructure and supplied hardware and software to carry out the digitisation and conservation of 30 years of granted patents archives.

Once Serbia becomes a member of the European Patent Organisation, the IPO will be entitled to participate to the cooperation programme for EPO member states, co-financed by the member states and the EPO, comprising on-line filing, electronic registers for patents and electronic publication systems for IP rights and IP related decisions.

The current project is conceived as a support to and as a consolidation of this ongoing integration and harmonisation process with the Western European that is coordinated by the EPO. The complementary source of funding through the current project would considerably speed up these developments and enable Serbia to catch up with Western European standards much faster, thereby permitting in a foreseeable future a reliable enforcement of IP rights and enabling Serbia to fulfil its commitments under the SAA (Art 75).

The IPO is further beneficiary in an IPA 2007 regional project on IP rights, also implemented by the EPO. Under this regional project, the IPO will be entitled to ask for technical assistance activities on demand and therefore will have the possibility to further increase the level of harmonisation with technical and legal standards. With regard to technical standard, the IPA 2007 regional project will aim at defining terms of reference that can be shared between the IP Offices of the region. The resources under the IPA 2007 project will, however, not permit for the implementation of all necessary technical assistance; similarly, no hardware will be purchased under this project, so that, practically, its output will be limited to the definition of terms of reference. The current project will therefore be the source for synergy with the IPA 2007 regional project.

For these reasons, the implementation of the current project by the European Patent Office will consolidate the technical assistance that Republic of Serbia received over the last years in IPR area. It will also significantly contribute to the sustainability of the activities developed by the IPO. Through the EPO membership of Serbia, the IPO will also benefit after the project's implementation of continuous technical assistance through the EPO. Therefore, the implementation of the current project by the EPO will be a significant factor of the sustainability of the project's results.

In the previous period there have not been sufficient funds or technical conditions to carry out necessary trainings for enforcement of IPR in the inspection procedure. First general and practical experiences were acquired in the course of inter-sectoral cooperation on drafting legislation, as well as in communication with economic operators and their associations related to recognition of the need for practical enforcement of IPR and identification of the scope of piracy and counterfeiting in the business activities under the surveillance of the market inspectorate.

Changes in the relevant legislation have brought about many novelties with the obligation of urgent action in procedures and efficiency in undertaking of measures, which requires continuous education of inspectors and in larger scope, not only on general issues of protection of IPR, but rather on very specific issues of enforcement of those rights in procedures that are significantly different from traditional previous practice in the work of inspection authorities. All this leads to the need for continuous exchange of information among surveillance authorities in Serbia, as with the authorities of the neighbouring states, however lack of funds presents great risk for further development of these activities. The cooperation and information exchange refers to monitoring and identifying flows of piracy and counterfeited products, their exclusion/withdrawal from trading and destruction in appropriate manner.

The activities developed and carried out through other projects do not meet the needs of the market inspectorate, especially in the area of risk assessment and application of sampling methods and examining specific types of products, monitoring the flows of these products, connection between counterfeiting and piracy with other forms of illicit trading, technical aspects in application of procedures for identification, withdrawal, confiscation and destruction of counterfeited and piracy products. Ongoing projects do not cover education and training for the purpose of drafting and enforcement of all necessary procedures for identification and prevention of violation of various types of IPR related to different types of products and services, which can be carried out in a comprehensive way only within a separate project such as the one proposed by this project fiche..

In the period 2008-2009, market inspectors had the opportunity to attend several very useful seminars/workshops. Positive effect of these seminars was obtaining basic information on certain type of counterfeited products (textile products, leather, cosmetics, and tobacco products). The number of seminars, as well as the scope of topics covered is small in relation to the actual needs.

In the same period the following trainings had positive effect in terms of acquiring knowledge, exchange of experience and promotion of cooperation:

- WIPO - Methodology, best practice and experiences in development of national intellectual property strategies November 2008
- WIPO - Regional symposium on enforcement of IPR, October 2009, Skoplje
- WIPO - Regional symposium on enforcement of IPR, November 2008, Sofia
- Workshops on violation of trademark, patent, copyrights according to the plan of the Serbian European Integration Office in 2008

4 INDICATIVE BUDGET (AMOUNTS IN M€)

Title: Enforcement of Intellectual Property rights			TOTAL EXP.RE	SOURCES OF FUNDING								
				IPA EU CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB	INV	M€ (a) = (b) + (c) + (d)	M€ (b)	%*	Total M€ (c) = (x) + (y) + (z)	%*	Central M€ (x)	Regional / Local M€ (y)	IFIs M€ (z)	M€ (d)	%*
Contract: Grant	X	X	2.8	2.8	100%							
TOTAL IB+INV			2.8	2.8	100%							
TOTAL PROJECT			2.8	2.8	100%							

Amount net of VAT

- (1) In the Activity row use “X” to identify whether IB or INV
- (2) Expressed in % of sum of each line of the **Total** Expenditure (column (a))

5 5.INDICATIVE IMPLEMENTATION SCHEDULE

Contracts	Start of Tendering	Signature of contract	Project Completion
Grant (TA+Supply)	T+1Q	T+2Q	T+8Q

All projects should in principle be ready for tendering in the 1ST Quarter following the signature of the FA

6 CROSS CUTTING ISSUES

Cross-cutting issues will be addressed in the project so as to comply with the best EU standards and practice in that area and in a way which demonstrates how they will be dealt with within the project's framework, its activities and outputs.

6.1 Equal Opportunity

The project will be implemented in a way which provides equal opportunities for participation for those within the Ministry of Trade and Services and those in other participating Line Ministries. No discrimination will be made on the basis of gender and activities such as training will be organised in a way which makes them accessible for both men and women. The number of men and women participating in training events will be monitored during the project and this information will be used to identify any potential discrimination.

6.2 Environment

Since the project supports the destruction of counterfeited goods, it will make sure that all the equipment and procedures for its use and destruction will be implemented in a way which is as environmentally friendly as possible, and through the consultation with the Ministry of Environment and Spatial Planning.

6.3 Minorities

The project will be implemented in a way which does not discriminate against any individual on the grounds of their gender, ethnic origin, race or religion. Training will be organised in a way which makes events accessible for all potential participants. Information on the individuals receiving support under the project will be monitored during the project and this information will be used to identify any potential discrimination.

ANNEXES

- I. Logframe in Standard Format
- II. Indicative amounts contracted and Disbursed per Quarter over the full duration of Programme
- III. Description of Institutional Framework
- IV. Reference to laws, regulations and strategic documents:
 - Reference list of relevant laws and regulations
 - Reference to AP /NPAA / EP / SAA
 - Reference to MIPD
 - Reference to National Development Plan
 - Reference to national / sectoral investment plans
- V. Details per EU funded contract (where applicable)
- VI. Details per EU-funded contract where applicable

ANNEX I: Logical framework matrix

LOGFRAME PLANNING MATRIX FOR Project Fiche		Project Number 08: Enforcement of Intellectual Property Rights	
Title: Enforcement of intellectual property rights - with emphasis on destruction and pirated counterfeited products, i.e. goods violating intellectual property rights, and when there are other reasons for destruction of products seized in the course of inspection surveillance		Contracting period expires two (2) years after signature of Financing Agreement	Disbursement period expires five (5) years after signature of Financing Agreement
		Total budget : EUR 2.8 million	IPA budget: EUR 2.8 million
OVERALL OBJECTIVE	Objectively verifiable indicators	Sources of Verification	
Supporting the implementation of sector strategies and policies compatible with EU legislation and best practices in the area of protection of intellectual property rights	<p>Adequate administrative capacity ensured to apply the legislation.</p> <p>The administrative capacity of the authorities for intellectual property rights in terms of implementation and enforcement further strengthened.</p>	<p>EC Progress Report</p> <p>Strategy documents,</p> <p>Internal rules and procedures</p> <p>Information on cases handled</p>	
SPECIFIC PROJECT PURPOSE	Objectively verifiable indicators	Sources of Verification	Assumptions

Further strengthening of the IPR enforcement in Serbia with the focus on fight against counterfeiting and piracy as to adopt all necessary procedures for Serbia's participation in the EU Counterfeiting and Piracy Observatory	<p>Procedures and mechanisms of cooperation in place</p> <p>Improvement in the enforcement of IPR legislation</p> <p>The enforcement of the IPR in Serbia is enhanced and in line with the European Standards</p>	<p>EC Progress Report</p> <p>Reports from relevant institutions (Market Inspection, Customs Office)</p> <p>Republic Statistics Office</p>	<p>A: Legislative framework in place</p> <p>A: Priority of the inter-sectoral working group for IPA 2011</p>
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RESULTS	Objectively verifiable indicators	Sources of Verification	Assumptions
1. Improved legislation for efficient administrative enforcement of IPR has been enacted (procedures for withdrawal, storing and destruction of pirated and counterfeited products)	<p>Number of procedures developed</p> <p>Number of operations done according to new procedures</p> <p>Increased number of destroyed pirated and counterfeited products pursuant to improved legislation</p>	<p>Ministerial rules</p> <p>Internal act of the Customs Office</p> <p>Records and reports of MTS, MI and CO</p> <p>Project reports</p>	<p>R: Existing staff in IPR field still dealing with a variety of other unrelated issues,</p> <p>A: Staff motivated to learn</p>
2. Institutional structure strengthened and improved capacity of relevant authorities such as Ministry of Trade and Services, Ministry of Interior and Customs Office and other Stakeholders (professional bodies, Chamber of Commerce, universities,	<p>Job descriptions are available for all staff and the assigned staff members meet the requirements of the job descriptions</p> <p>Number of training/workshop sessions</p> <p>Number of staff trained</p>	<p>Organisation chart and job systematisation</p> <p>Comparative tests of operation with previously used equipment and the procured</p>	

RESULTS	Objectively verifiable indicators	Sources of Verification	Assumptions
business associations, etc.) for enforcement of IP rights	<p>Ability of Ministry staff to successfully answer a questionnaire on legal, administrative and technical aspects of administrative enforcement of IPR</p> <p>Reduced time required for destruction of the counterfeited goods compared to the period before the procurement of machines</p> <p>Number of destruction operations according to unified procedures</p>	<p>machines</p> <p>Records and reports of MTS CO and MI</p> <p>Training reports</p> <p>Evaluation questionnaire</p> <p>Training certificates</p>	
3. Upgraded technical capacities of institutions included in the withdrawal and destruction of the goods violating intellectual property rights in accordance with EU standards	<p>Number of machines procured</p> <p>Number of trained staff for use of installed equipment</p> <p>Reduced time required for destruction of counterfeited goods compared to the period before the procurement of machines</p> <p>Number of destroyed pirated and counterfeited products</p> <p>Level of fulfilment of storage capacities before and after procurement of machines</p>	<p>Project reports</p> <p>Reports on conducted training</p> <p>Participants' lists</p> <p>Training certificates</p> <p>Records and reports of MTS and CO</p>	
4.Cooperation on IPR enforcement both within the Republic of Serbia and with the corresponding	Number of international experts engaged by EIC/IPO	<p>Reports on expert visits</p> <p>Project's Progress report</p>	

RESULTS	Objectively verifiable indicators	Sources of Verification	Assumptions
administrations in Western Balkans and in the EU Member States embedded	Number of participants to the events	Participants' lists Questionnaire results Project reports	
5. Development and uniformisation of statistics in accordance with Methodology prepared by the European Observatory on Counterfeiting and Piracy	Quality of statistical data collected through a compatible system and a common methodology improved	Reports from Ministry of Trade and Services	
6 Public awareness regarding enforcement of Intellectual Property rights	Number of publication disseminated Number of events Number of participants	Project reports	

Activities	Means & Costs	Assumptions
<p>Activities related to result 1</p> <p>1.1. Assessment of procedures for withdrawal, storing and destruction of pirated and counterfeited products applying in EU members states</p> <p>1.2. Developing procedures for withdrawal, storing and destruction of pirated and counterfeited products</p>	<p>Grant contract</p> <p>Indicative budget : 2.8 M€ (TA+Supply)</p> <p>Supply: 3 specialised machines for destruction of</p>	

Activities	Means & Costs	Assumptions
<p>1.3. Support in defining procedures for withdrawal, storing and destruction of pirated i.e. counterfeited products, which have to be destroyed pursuant to legally binding decisions – written procedures, legal grounds, the process of getting consent and decision; technical procedure – selection of the company for destruction of counterfeited products</p> <p>1.4. Defining procedures for handling confiscated goods by competent institutions, with environmental impact assessment of incineration in existing industrial facilities, and destruction with specialised machines.</p> <p>1.5 Defining special procedures for handling dangerous waste</p>	<p>counterfeited and pirated products</p>	
<p>Activities related to result 2</p> <p>2.1. Analysis of the current institutional framework of relevant Authorities dealing with Protection of Intellectual Property rights and propose recommendations</p> <p>2.2. Formalising cooperation between relevant Authorities dealing with Protection of Intellectual Property rights such as Market Inspection and Customs –e (Customs-suspected violation → Market Inspection-control)</p>		

2.3. Continuation of the EIC/IPO activities in the realisation of the training curricula, developed under the IPA 2007 Project, by supporting the advanced training modules, i.e. organising the seminars or study visit for acquiring the EU best practices on IPR enforcement, to the IPR enforcement network in Serbia

Activities	Means & Costs	Assumptions
<p>chain) and other related topics)</p> <p>2.5. Training of trainers in the Market Inspectorate (IPR training should be delivered to all inspectors)</p> <p>2.6. Study visits for the purpose of exchanging knowledge and experience with market inspectors and customs officers from EU countries (best practice) on risk analysis and techniques</p>		
<p>Activities related to result 3</p> <p>3.1. Acquisition of three specialised machines for destruction of counterfeited and pirated products</p> <p>3.2. Conduct training for use of the machines, means of personal protection, and first aid equipment</p> <p>3.3. Conduct training on waste management</p>		
<p>Activities related to result 4</p> <p>4.1. International Conference on enforcement of IPR - exchange of experiences knowledge and best practices at regional level (Western Balkan) and EU level.</p> <p>4.2. Conduct international comparative studies in the field of enforcement of IPR – identify best practices and provide exchange of experience</p>		
<p>Activities related to result 5</p>		

5.1. Analysis of the current system for collecting data

Activities	Means & Costs	Assumptions
<p>5.2. Further development of a system capable to provide adequate data regarding threat assessment and reports on trends and hotspots (including further development of ICT applications/tools for IPR enforcement)</p> <p>5.3. Developing and delivering training programme for use of ICT applications and data</p>		
<p>Activities related to result 6</p> <p>6.1. Preparation of awareness publication regarding enforcement of Intellectual Property rights</p> <p>6.2. Public events on enforcement of IPR in cooperation with appropriate stakeholders - IPR holders</p>		

Preconditions: Memorandum of Understanding with the Customs Office signed

ANNEX II: Indicative amounts (in M€) Contracted and disbursed by quarter for the project (IPA contribution only)

Contracted	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Total
Contract 1 Grant		2.8							2.8
Cumulated		2.8							2.8
Disbursement	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Total
Contract 1 Grant		1.6	0.4	0.0	0.4	0.0	0.0	0.4	2.8
Cumulated		1.6	2	2	2.4	2.4	2.4	2.8	2.8

ANNEX III: Institutional Framework – legal responsibilities and statutes

Primary authority in policy making and drafting of legislation in the area of intellectual property rights is the Intellectual Property Office. In the process of implementing intellectual property rights, the main participants are: the Ministry of Trade and Services - market inspection, the Ministry of Finance - Customs Office and the Tax Administration, the Ministry of the Interior, the Ministry of Justice, as well as courts and prosecution.

The Intellectual Property Office

The Intellectual Property Office is an institution which is responsible for the tasks related to industrial property rights (patents, trademarks, industrial designs, indications of geographical origin, and topographies of integrated circuits), copyright and related rights. The Office is independent organisation within framework of the Serbian Government.

There are certain differences between the competences of the Office in relation to industrial property rights and its competences in relation to copyright and related rights. With respect to industrial property rights, the Office is responsible for normative regulation of relationships in that field and for the conduct of administrative procedures for the granting of patents, trademarks, industrial designs, indications of geographical origin and topographies of integrated circuits. With respect to copyright and related rights, the Office has a norm-creating competence (monitoring the situation in that field and preparing draft regulations) and the competence of administrative supervision of the work of organisations for collective management of copyright and related rights.

The Office maintains public registries where requests for the grant of industrial property rights (applications) are registered, as well as decisions in administrative procedures and granted rights. After an entry has been made in the relevant registry of a granted industrial property right, the holder of the right is issued with a certificate on the granted right.

The official gazette of the Office, which is issued bimonthly, publishes information on applications for patents for inventions and granted industrial property rights. The publication of an official journal is a Convention obligation of the Office.

On the basis of the recommendation set out in the Paris Convention, the Office is exchanging its publications (the Intellectual Property Gazette and patent specifications) for newsletters and specifications of offices in other countries. In this manner, a rich collection of patent documents has been formed, which the Office uses to examine the novelty of inventions in the patent procedure and to inform the professional public outside the Office about the state of the art in the world. The Office also has a public reading room, where patent information is available to researchers and engineers from institutes and companies, inventors, entrepreneurs and all other interested persons, which is an obligation of the Office under both the Convention and the Law. Upon written request and on commercial terms, the Office provides information (search report) on the state of the art for any technical problem. The Office also provides information on other industrial property rights in a similar manner.

In compliance with the job positions, adopted by the Government on March 2010, and after the passing of the Law on the determination of the maximum number of employees in the republic administration, IPO has 101 employees. From that number, work on the tasks referring to European integration (harmonisation, application, enforcement) is performed by 70 employees.

Copyrights and related rights

In the sphere of copyright and related rights, IPO performs activities regarding: producing draft laws and bylaws; producing grounds for negotiations; following the development of copyright and related rights system; following international regulations and performing obligations related to the applications of conventions belonging to this sphere; supervising the work of organisations for collective implementation of copyright and related rights; preparation of information, analyses and suggestions related to passing and revision of international conventions belonging to this sphere; cooperation with the World Intellectual Property Organisation (WIPO) and respective offices in different countries; providing expert opinions and explanations for the implementation of regulations in this sphere; as well as providing expert information to copyright holders and holders of related rights and users of works authorship and subjects of related rights. The Department of Copyright and Related Rights, which is a separate unit within IPO, contains 5 employees.

IPO Employees have continual training for work, primarily as courses at national offices or within international institutions for intellectual property protection.

Industrial property rights

Patents, Trademark Law, Design, Indications of geographical origin, Topographies of integrated circuits, Protection of Cultivators of Plant Variety

Based on Article 39 of Law on Ministries, IPO performs expert operations and operations of state government referring to: patents and small patents, trademarks, design, indications of geographical origin, topographies of integrated circuits; application of international treaties in the sphere and representing the interests of the Republic of Serbia in specialised international organisations for protection of industrial property; as well as development of informational-educational affairs in the sphere of industrial property.

In the process of determining indications of geographical origin and accepting the status of certified IPO user, in terms of acquiring opinion on fulfillment of conditions for registering, IPO cooperates with the Ministry of Agriculture, Forestry and Water Management.

IPO employees have continuous training (considering their specific line of business), mostly in the form of courses in offices abroad and within international institutions for the protection of intellectual property rights. As far as the protection of plant varieties in Serbia is concerned, the Department for approval and protection of agricultural plant varieties within the Ministry of Agriculture, Forestry and Water Management is in charge. With regard to the administrative capacities from the field of protection of rights of the plant breeders, the Ministry of Agriculture, Forestry and Waterworks performs the experts tasks in the field of protection of the plant varieties, or the protection of the plant breeders.

In order for IPO to take over new functions, both in the sphere of copyright and related rights and the sphere of industrial property, it was necessary to develop an IPO informational-educational center. The Centre has been established in early 2010 with the assistance from the national IPA 2007 project.

The Ministry of Trade and Services

According to the Law on Ministries, Ministry of Trade and Services has created a new internal structure, comprised of five sectors: trade, prices and consumer protection; services; market inspection, legal and normative affairs; and international cooperation.

The main novelties in the Sector for Market Inspection:

- New vacancies for advisory duties concerning development, education and improvement and operational rationalisation in the field of inspection development,
- Within the Market inspection, two departments were established for coordination of inspection supervision duties in the field of trade and services, including coordination of inspection supervision in the field of quality control of the industrial alimentary products, consumer protection, intellectual property protection, prevention of unfair competition. The Sector is headed by the Assistant Minister – Chief Market Inspector

In compliance with the job positions, adopted by the Government on March 2010, and after the passing of the Law on the determination of the maximum number of employees in the republic administration, internal organisation is changed and description of jobs and working assignments is specified, that is, unified for 27 market inspection units, performing direct inspection supervision, with coordination from the Seat of the Ministry within the scope of competences, especially encompassing following priority segments of the inspection supervision: control over turnover of goods and services, quality and safety control of goods and services and consumer protection, intellectual property rights protection and prevention of unfair competition, and in those areas, special sections and groups are formed within the departments.

In the Market Inspectorate, from the total number of 489 employees in the tasks of inspection supervision over the marketing of goods and services on the whole territory of the Republic of Serbia, 36 inspectors have been allocated for the tasks of supervision of the implementation of IP legislation. In the Market Inspectorate, coordination of work has been secured for the market inspectors in the field, as well as coordination with other authorised government bodies.

The main responsibility of the inspection considers supervision over implementation of laws and by-laws regulating registration of economic entities; possession of license, consent or other act of a responsible authority, when it is a requirement for performing of activity; quality of industrial and non-food products; advertising products and services; consumer protection-dealing with consumers' complaints; protection of intellectual (industrial) property rights and prevention of acts of unfair competition.

Market inspectors are authorised to file a criminal report, report on economic violation, infringement or a report to the court of honour; to seize temporarily the goods that are the subject of a felony, economic violation or infringement, to secure the evidence until the completion of court proceedings; to seize permanently the goods when they are the subject of illegal trade; to order elimination of ascertained irregularity in the trade of goods; to ban false/misleading advertising of goods and services; to order adoption of a justified consumer's complaint; to withdraw from the market and retain counterfeited products and other goods (piracy items), that violate intellectual property rights and to temporarily ban performing of activity and to pronounce a fine on the spot, when prescribed by law.

In the period from July 2006 to July 2008, the Ministry of Trade and Services, in accordance with the Law on Special Powers for the Efficient Protection of the Intellectual Property Rights, adopted 108 requests from foreign and domestic companies for the protection of intellectual property rights and withdrew 996,295 pieces of falsified products. In addition, 300,000 sound and picture transmitters were confiscated, as they were the subject of illegal trade. The mentioned products had been kept by the market inspection in the warehouses that were, at the end of 2007, leased by the Ministry of Trade and Services from the funds

provided by the budget of the Republic of Serbia within the Programme 'Support to Protection of Intellectual Property Rights'. For the year 2008, from those funds, 11 warehouses were leased and three contracts with transporters were concluded for the transport of those products from the place where they were confiscated to the warehouses. The number of leased warehouses and their location neither properly respond to the demand of all departments of the market inspection operating in the Republic of Serbia, nor satisfy the need for the extension of the leases in 2009. Therefore, the Ministry of Trade and Services suggested that in the budget for 2009 additional 10,000,000 dinars are to be allocated for the lease and the cost of the storage of goods that were confiscated in the process of supervision by the inspection and 3,000,000 dinars for the costs for the destruction of falsified products, as well as the research concerning the introduction of the procedure for the collection of compensation from the offenders.

At the central annual conference, the Ministry of Trade and Services organised the workshop on the practical implementation of laws in the area of intellectual property rights, inviting the representatives of the EU Integration Office, the Intellectual Property Institute, judicial authorities and line ministries (the Ministry of Justice, the Ministry of the Interior, the Ministry of Economy and Regional Development, the Ministry of Finance, the Ministry of Agriculture, Forestry and Water Management, the Ministry of Health), commercial chambers, professional and consumer organisations and representatives of the market inspections of the neighbouring countries, as well as other stakeholders. The goal of this workshop and the conference in general is to continue the training of inspectors and the exchange of practical experience, as well as to establish guidelines for the development of the plan of activities for the forthcoming period and cooperation among different sectors in the implementation of the plan for the supervision by the inspection

Statistical data for 2009 indicate the measures undertaken for the suppression of IP crime by the Market inspectorate. They approved the 31 request of the holders of rights and confiscated totally 108,550 pieces of counterfeited and pirated products. In the first quarter of 2010, the market inspection approved 7 requests of the holders of rights and withdrew from the market 21,492 pieces of counterfeited and pirated products. With regard to the destruction of the confiscated products, significant budget funds have been reserved.

The modernisation of market inspection will be directed towards ensuring material and technical devices for work. In this period, the Ministry of Trade and Services will continue to educate market inspectors in the sphere of the protection of intellectual property rights by the means of organised congresses, seminars and workshops, as well as directives.

The need was identified to ensure the funds from IPA for the Project 'Support to the process of the protection of intellectual property rights – identification, withdrawal, and destruction of pirated, falsified, i.e. goods that infringe intellectual property rights and when there are other reasons for the destruction of products confiscated in the process inspection surveillance'. In the implementation of this project, the Sector for Market Inspection will be supported by the European Integration Department, as a part of the Project Implementation Unit for this particular project within the Ministry.

The Customs Office

The system of customs is within the competence of the Ministry of Finance – Customs System and Policy Sector (legislative role) and the Customs Administration (executive, operational role). The Customs System and Policy Sector is authorised to propose regulations in the area of customs system and policy and their interpretation. In accordance with the Article 6 of the Law on Ministries (“Official Journal of RS” 48/07), the Ministry of Finance is responsible for, among other things, state administration duties related to the customs system, tariff rate, measures of non-tariff protection and free zones.

Within the Ministry, these matters are in the competence of the Customs System and Policy Sector, which is comprised of 2 (two) departments (Department for the Customs System and the Department of Customs Policy).

The Customs Office is an executive body within Ministry of Finance. Its work is organised in six sectors – customs dealings and international customs cooperation; tariffs dealings; human resources and general affairs; financial, investment and legal affairs; control of implementation of customs regulations; and IT sector, as well as 14 customs offices (regional organisational units).

The Department for Protection of Intellectual Property of Customs Office is within the Sector for Control and Implementation of Customs Regulations. Department for the IP protection of the Customs Administration, at the moment, has 10 employees, customs officers, 6 with university degree, 3 with college degree and 1 with secondary school degree, which is insufficient, especially when the operative aspect of Department’s activity is considered. The employees in the Customs Office attend continuous training, mostly courses in customs offices abroad, as well as within international institutions, primarily World Customs Organisation.

Having in mind duration of the project “Strengthening capacities of the Department for the customs regulations application control of the Customs administration of Serbia in accordance with the best

practice of the EU”, which is planned to be financed by pre -accession funds of the EU – IPA 2008, its implementation represents both short-term and middle-term priority. The project is planned to be implemented gradually, and until the end of 2014. Project components will start in 2009 and it is planned to build technical specification and project work for consultants in charge of training until the end of 2009.

Also, it is planned to adopt new information system development strategy for customs services, application of which will support all working processes, and the emphasis will be put on simplified procedures.

According to the data from the Customs Administration, the goods appearing as the object of counterfeiting and piracy is sports clothes, textile products, cosmetic products, perfumes, parts and equipment for mobile phones, spare parts for cars. In 2009, the Customs Administration passed 135 decisions approving the general requests. In 918 cases, the holders of rights have been informed about the goods where reasonable doubt exists about the violation of IP rights. In 2010, where the data are being incomplete, 36 requests have been filed for the protection of IP rights, including 23 decisions adopting the general demands and 1 conclusion suspending the procedure (Article 134, par.1 of law on General Administrative Procedure)and 440 procedures have been suspended where the holders of rights have been duly notified

Destruction of the confiscated goods under the customs supervision of the Department for IP Rights Protection of the Customs Administration in 2009 and 2010

Methods of destruction:

- cutting and burying in the cassettes envisaged for the purpose;

- 18.05.2010 destruction of 20 kg of goods – Stickers marked as Bratz (2500 packages).

- trampling and burying;

- 12.03.2009 - 2.400 kg jewelry Playboy.
- 02.04.2009 – 6.820 kg (towels, bags, belts, shirts, stockings, etc.. – Mercedes, Disney, BMW, Ferrari, Samsonite, Versace, Gucci, Tommy Hilfiger, Champion, Caterpillar, Marlboro, Nike, Nokia, Casio, Russell Athletic, Snoopy)
- 11.06.2009 – 1.300 kg (parts and equipment for mobile phones , toys, pencils, bags for cameras, jewelry , sports clothes – Nokia, Ninja Turtles, Disney, Burberry, Hugo Boss, Gucci, Canon, Chanel, Nike, Puma)
- 09.09.2009 – 5.000 pieces Stickers marked as „Bratz“
- 05.10.2009 – 521 pieces Wrist watches Rolex
- 12.01.2010 – 1.500 kg of goods (sports clothes, photo-albums, women bags – Puma, Nike, Disney, Louis Vuitton);
- 28.04.2010 – 187 pieces Men shirt marked „Esprit“

composting (microbiological decomposition)

- 11.05.2009. - 1020 DOVE creams

Within the enhancement of the capacities of Customs Administration in the domain of protection of intellectual property rights, the newly-formed database will, at this period, be supplemented by all cases of violation of intellectual property rights since 2004, when the Department for protection of intellectual property rights was established. In this period, this database will be partly accessible for customs clearance units. Furthermore, a direct access to the databases of the Department for protection of intellectual property rights is envisaged to be enabled as well.

Other competent authorities

Within Criminal Police Administration of the Department for Fighting against Organised Crime of the Ministry of the Interior, a Department for Fighting against High-end Technology Crime has been formed, containing a Department for the Protection of Intellectual Property Rights. The Law on Organisation and Authorities of State Organs for Fighting against High-end Technological Crime stipulates the creation of a special Service for Fighting against High-end Technological Crime, which means that the current institutional framework is not adequate.

It is necessary to improve capacities for computer and cyber forensics, primarily by equipping the Ministry of the Interior with suitable hardware and software forensic tools and by training

experts for computer and cyber forensics, as well as training the members of a specialised service for fighting against high-end technological crime.

In order to fulfill the aforementioned obligation of intellectual property protection regarding computer programs and databases, the Ministry of Finance has – in cooperation with Business Software Alliance (BSA) – educated all tax inspectors and tax police inspectors on the topic “How to recognise legal software”. Tax Administration has narrower capacities in the control function, which is a limiting factor in terms of number of inspections in the oncoming period.

In 2010, the reorganisation of the Tax Administration has been planned, which has the goal to improve the functionality of the operations. At the moment, in compliance with the valid act on the internal regulation of job positions, dated from December 28th, 2009, the control of the establishment of the infringement of IP rights – computer programs and data bases is performed by 853 executors in the framework of the their regular control activities, in particular: 741 executor determined for the customs inspector in the field control work, 112 executors performed for the execution of tasks of the inspectors of the tax police.

Civil legal protection of intellectual property rights is under the jurisdiction of district courts, courts of general jurisdiction and commercial courts. At the second instance, it is under the jurisdiction of the Supreme Court, as well as the court of general jurisdiction and the Higher Commercial Court.

Criminal legal protection of intellectual property rights is under the jurisdiction of municipal courts of first instance, and the Court Council of the District Court for legal actions.

Evaluation of the organisation and jurisdiction of courts regarding the protection of intellectual property rights has been envisaged, so as to choose the most adequate model.

Priorities (2011)

Although the ongoing cooperation among institutions in charge of implementation of the IPR is good, it is necessary to further enhance the institutional framework for the efficient protection of intellectual property rights, which means further improvement of personnel and expert training, as well as constant modernisation according to the technological development. In the cases in which the breach of intellectual property rights becomes organised crime, it is necessary to cooperate with the state prosecution and the Ministry of the Interior.

Upon the completion of judiciary reforms and in accordance with the evaluation of the organisation and jurisdiction of courts, relevant amendments of laws which regulate court jurisdiction and court organisation will be performed. This will be the main precondition for further strengthening of the IPR implementation, whereby the Ministry of Justice is a key player. In order to further adjust the domestic legal system with that of the EU, and especially with Protocols on court procedures, rights of exclusion and courts, it is also planned to: found special courts of first instance for the protection of intellectual property rights; found courts of second instance for the protection of intellectual property rights; as well as conduct legal measures which would ensure that the aforementioned courts should fit into the existing organised court network of the Republic of Serbia.

ANNEX IV: Reference to laws, regulations and strategic documents

Area of intellectual property is regulated by separate laws: Law on Copyright and Related Rights, Law on Patents, Law on Trademarks, Law on Legal Protection of Industrial Design, Law on Geographical Indications of Origin, Law on the Protection of Topographies of Integrated Circuits and Law on Protection of Plant Breeder's Rights.

In the domain of exercising intellectual property rights, the following laws apply: Law on Special Powers for the Efficient Protection of IPR, Law on General Administrative Procedure, Criminal Law, Law on Criminal Procedure, Law on Infringements, Law on Civil Proceedings, Customs Law, Law on Courts and Law on Court Organisation.

Legal framework made of these laws regulating certain field of intellectual property rights, as well as international conventions in the area of intellectual property of general character: Paris Convention for the Protection of Industrial Property and Convention Establishing World Intellectual Property Organisation - *WIPO*.

- Law on Special Powers for the Efficient Protection of Intellectual Property Rights (Official Journal of RS, no. 46/2006)
- Law on Patents (Official Gazette of SM, no. 32/04 and 35/04)
- Decree on procedure for the legal protection of inventions (Official Gazette of SM, no. 62/04)
- Law on Trademarks (Official Journal of RS, no. 104/09),
- Decree on procedure for the recognition of trademarks (Official Gazette of FRY, no. 28/05)
- Law on Legal Protection of Industrial Design (Official Journal of RS, no. 104/09),
- Decree on procedure for the recognition of the right to design (Official Gazette of FRY, no. 28/05)
- Law on Indications of Geographical Origin (Official Journal of RS, no. 18/2010)
- Law on the Protection of Topographies of Integrated Circuits (Official Journal of RS, no. 104/09),
- Decree on procedure for the protection of topography of integrated circuits (Official Gazette of SM, no. 24/05)
- Law on Copyrights and Related Rights (Official Journal of RS, no. 104/09)
- Decree on records of author works and subjects of related rights (Official Gazette of SM, no. 24/05)
- Criminal Code (Official Journal of RS, no. 107/2005)

Law on Ministries ("Official Journal of RS", No. 65/2008), Law on Customs ("Official Journal of RS", No. 73/03, 61/05, 85/05-state law, 62/06-state law), Court Law ("Official Journal of RS", No. 46/91, 60/91-amend, 18/92-amend, 71/92, 63/2001- state law, 42/2002-

state law, 27/2003 – state law, 29/2004-state law), Law on Court System (“Official Journal of RS”, No. 63/2001, 42/2002, 27/2003, 29/2004, 101/2005 and 46/2006).

The protection of intellectual property can be performed by the means of civil, administrative, offence, and criminal procedures regulated by the following laws: Law on General Administrative Procedure (“Official Gazette of FRY”, No. 33/97 and 31/2001), Law on Civil Procedure (“Official Journal of RS”, No. 125/2004), Criminal Procedure Act (“Official Journal of RS”, No. 46/06, 49/07) and the Law on Offences (“Official Journal of RS”, No. 101/2005); Penal Code (OJ RS No. 26/77, 28/77, 43/77, 20/79, 24/84, 39/86, 51/87, 6/89, 42/89, 42/89, 16/90 and 21/90,26/91, 75/91, 9/92, 49/92, 51/92, 23/93, 67/93, 47/94, 17/95, 44/910/02, 11/02, 80/02, 39/03, 67/038); Law on Federal Administration Taxes (FRY OG No. 81/94, 85/94, 61/95, 63/96, 29&97, 12/98, 59/98, 17/99, 44/99, 74/99, 73/2000, 21/01, 71/01); Law on Enforcement Procedure (RS OG No. 25/04); Law on Administrative Disputes (FRY OG No. 46/96); Law on Contracts and Torts (SFRY OG No. 29/78, 39/85 and FRY OG No. 31/93)

- Decree on Entry in the Register of Representatives kept by the Federal Office for Intellectual Property (FRY OG No. 39/95)
- Regulation on the Manner of Taking Special Licensing Examination for the Persons Acting as Representatives in the Procedure for the Protection of Inventions, Trade Marks, Models, Samples and Marks of Geographic Origin (FRY OG No. 48/95)

Patents

- Law on Patents (Official Gazette of SM, no. 32/04 and 35/04)
- Decree on procedure for the legal protection of inventions (Official Gazette of SM, no. 62/04)

When passing the Law on Patents in 2004 primary goal was harmonisation of our patent law with provisions of international contracts and conventions: Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), European Patent Convention, which was last revised in 2000, Agreement on cooperation and expansion between EPO and FRY, Directive 98/44/EC from 6 July 1998 of the European Parliament and the Council on the legal protection of biotechnological inventions, Contract on cooperation in the field of patents, as well as partial harmonisation with the provisions of the Contract on patent law.

This law takes into account changes and progress that took place in terms of the international legal protection of patents. This especially refers to Directive 98/44/EC, as well as to introduction of institute of Supplementary Protection Certificate, which is in compliance with Regulation of the Council EEC 1768/92 from 18 June 1992 concerning the creation of a supplementary protection certificate for medicinal products, and with Regulation of the European Parliament and the Council EC 1610/96 from 23 July 1996 concerning the creation of a supplementary protection certificate for plant protection products.

In terms of the international protection of patents the Intellectual Property Office has concluded the Agreement on cooperation and expansion with the European Patent Institute. With this regard, the Law on Patents enables the implementation of this Agreement, according to which application for a European patent in Serbia has the same legal effect and is treated under the same conditions as a national application, whereas foreign applicants, using the system of expansion that is the subject of this agreement, may ensure protection of their

economic interests in our country. Also, our country is in the process of accession to the European Patent Organisation.

Republic of Serbia is a member of the following international conventions on patent protection: Treaty on Cooperation in the Field of Patents (RST), Budapest Treaty on the International Recognition of the Deposit of Micro-Organisms for the Purposes of Patent Procedure, and Strasbourg Arrangement Concerning the International Patent Classification².

Trademarks

- Law on Trademarks (Official Journal of RS, no. 104/09),
- Decree on procedure for the recognition of trademarks (Official Gazette of FRY, no. 28/05)

Law on Trademarks regulates the procedure of obtaining and protection of the right to trading stamp that serves for distinguishing goods i.e. services in trading. When passing the Law on Patents in 2004 primary goal was harmonisation of our trade stamping law with provisions of the international contracts and conventions: with provisions of TRIPS agreement and First Directive of the Council 89/104/EEC, from 21 December 1988 on the legal protection of trade marks. In that sense, a new category of certified trading stamps has been introduced, as well as provisions regulating obtaining and protection of these trading stamps. In addition, the institute of acquired distinctiveness of a mark was introduced, the contents and scope of the law was given in detail, and in the part related to cases of cessation of stamp, special cases of cessation of stamp were prescribed. Also, certain solutions contained in the Directive of the Council 40/94/EC from 20 December 1992, were accepted (separating the application for recognition of trading stamp, introducing *disclaimer*).

Republic of Serbia is a member of the following international conventions on stamp protection: Madrid Agreement for the International Registration of Trademarks, Protocol accompanying the Madrid arrangement, Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, Contract on Trading Stamp Law and Classification of Figurative Elements of Trading Stamps³.

Design

- Law on Legal Protection of Industrial Design (Official Journal of RS, no. 104/09),
- Decree on procedure for the recognition of the right to design (Official Gazette of FRY, no. 28/05)

Solutions in this law are mostly harmonised with the provisions of TRIPS agreements, Directive 98/71/EC of the European Parliament and the Council from 13 October 1998 on the legal protection of designs, as well as of the Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Design. When defining the term design, it was adopted, as the world predominant stance, that design protects outlook of a product, so the division to model and sample as two different rights to protection of tri-dimensional form and two-dimensional pattern of a product has been abolished. There are detailed conditions for the recognition of design (novelty and individual character), as well as conditions for exclusion of

² SFRY on 24 March 1971 signed this convention. It has not been ratified since, but the Institute implements it in practice.

³ SFRY on 12 June 1973 signed this convention, but was not ratified. Intellectual Property Institute* implements in practice this methodology.

protection. Duration of the protection is extended to 25 years, for the first time the exhaustion of rights is prescribed; so-called *disclaimer* is introduced, as well as the option of postponed publication of design and separation of multiple design application.

Republic of Serbia is a member of the following international conventions on design protection: Locarno Arrangement on Establishing of International Classification for Industrial Samples and Models, and the Hague Agreement Concerning the International Application of Models and Samples.

Indications of geographical origin

- Law on Indications of Geographical Origin (Official Journal of RS, no. 18/2010)

Solutions in this law are mostly harmonised with the provisions of TRIPS agreements, as well as with Regulation of the EC Council 535/97 from 17 March 1997 amending Regulation of the Council EEC 2081/92 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs. The main terms (mark of origin, geographic mark, name of origin) are defined in compliance with the relevant international agreements, resulting in appropriate conditions of protection, manner of acquisition and scope of right. Appropriate provisions of TRIPS agreement was adopted, relating to protection of geographic marks, protection from unfair competition was strengthened, temporary measures and measures to secure evidence were introduced. The procedure of registration of a geographic mark and name of origin was regulated in detail, as well as the relation of a registered geographic mark and name of origin according to previously registered stamp or name, protection of traditional, historical and homonym names was enabled and procedure of international registration of the name of origin and geographic mark was prescribed, etc.

Republic of Serbia is a member of the following international conventions on protection of geographic origin: Lisbon Arrangement on Protection of Mark of Origin and Their International Registration, and Madrid Agreement on Combating False and Deceptive Marks of Origin on Products.

Topographies of Integrated Circuits

- Law on the Protection of Topographies of Integrated Circuits (Official Journal of RS, no. 104/09),
- Decree on procedure for the protection of topography of integrated circuits (Official Gazette of SM, no. 24/05)

By passing of the Law on Protection of Integrated Circuits Topography in 2004 we reached high level of compliance of Serbia's legislation with international standards in this field prescribed by the World Trade Organisation and European Union: Contract on intellectual property regarding integrated circuits from 1989 signed by former SFRY, Directive 87/54/EEC of the Council on the legal protection of topographies of semiconductor products from 16 December 1986.

Copyrights and related rights

- Law on Copyrights and Related Rights (Official Journal of RS, no. 104/09)
- Decree on records of author works and subjects of related rights (Official Gazette of SM, no. 24/05)

Law on Copyrights and Related Rights regulates the rights of authors of literary, scientific, professional and art works (copyright), right of performers, right of the first publisher of a free work, right of producers of phonograms, video-grams, shows and data bases as rights similar to copyright (related rights), as well as manner of exercising copyrights and related rights and court protection of these rights.

When passing of the Law on Copyrights and Related rights in 2004 primary goal was harmonisation of the law with provisions of TRIPS Agreement, as well as with the following regulation of the European Union: Directive 91/250/EEC of the Council on the legal protection of computer programmes, Directive 92/100/EEC of the Council on rental right and lending right and on certain rights related to copyright in the field of intellectual property, Directive 93/98/EEC of the Council on harmonising duration period of protection in copyrights and certain related rights, Directive 93/83/EEC of the Council harmonising the term of protection of copyright and certain related rights applied to satellite broadcasting and cable re-broadcasting, Directive 96/9/EC of the European Parliament and the Council on the legal protection of databases, Directive 2001/29/EC of the European Parliament and the Council on the harmonisation of certain aspects of copyright and related rights in the information society, Directive 2001/84/EC of the European Parliament and the Council on the resale right for the benefit of the author of an original work of art.

Republic of Serbia is a member of the following international conventions in this field: Berne Convention for the Protection of Literary and Artistic Works, World (Universal) Convention on Copyrights, *WIPO* Treaty on Copyrights, Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations, Convention for the Protection of Producers of Phonograms Against Unauthorised Duplication of Their Phonograms, Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite, *WIPO* Performances and Phonograms Treaty.

Protection of intellectual property rights on the borders of the Republic of Serbia is regulated by the Law on Customs, which entered into force on 23 July 2003. According to Article 410 of the Law, Articles 240-247 (Measures for protection of intellectual property rights on borders) came into force on 1 January 2004.

Pursuant to Article 407 of the Law, the Decree on handling of customs goods, release of customs goods and payment of customs fee was adopted and came into force on 1 January 2004 (Chapter XV, Articles 286-301)

The legislation regulating the area of intellectual property rights contains the provisions in compliance with the EU law – TRIPS agreement on trade-related aspects of intellectual property rights from 1994, as well as Regulation 1383/2003 (customs procedure for goods suspected to violate intellectual property rights and related measures) and Regulation 1891/2004/EC (provisions for enforcement of Regulation 1383/2003)

International conventions

The Republic of Serbia has ratified the following conventions and agreements in the field of intellectual property:

- Convention on Establishing of the World Intellectual Property Organisation (1967) (member since October 1, 1973)
- Paris Convention for the Protection of Industrial Property (1883) (member since 1883)

- Berne Convention for the Protection of Literary and Artistic Works (1886) (member since June 17, 1930)
- Madrid Agreement Concerning the International Registration of Marks (1891) (member since February 26, 1921)
- Protocol relating to the Madrid Agreement Concerning the International Registration of Marks (member since February 19, 1997)
- Patent Cooperation Treaty (1970) (member since February 1, 1997)
- Hague Agreement Concerning the International Deposit of Industrial Designs (1925) (member since December 30, 1993)
- Universal Copyright Convention (1952) (member since 1966)
- Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks (1957) (member since August 30, 1966)
- Locarno Agreement Establishing an International Classification for Industrial Designs (1968) (member since October 16, 1973)
- Convention Relating to the Distribution of Program-Carrying Signals Transmitted by Satellite (1974) (member since August 25, 1979)
- Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure (1977) (member since February 25, 1994)
- Trademark Law Treaty (1994) (member since September 15, 1998)
- Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (1958) (member since June 1, 1999)
- Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods (1891) (member since May 18, 2000)
- Nairobi Treaty on the Protection of the Olympic Symbol (1981) (member since March 18, 2000)
- Treaty on Intellectual Property in Respect of Integrated Circuits (1989) (signed, not ratified)
- International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations (member since December 20, 2002)
- Convention for the Protection of Producers of Phonograms Against Unauthorised Duplication of their Phonograms (member since December 20, 2002)
- WIPO Copyright Treaty (member since December 20, 2002)
- WIPO Performances and Phonograms Treaty (member since December 20, 2002)

- Agreement between the Federal Government of the Federal Republic of Yugoslavia and the European Patent Organisation on Cooperation in the Field of Patents (Cooperation and Extension Agreement)
- Law on the Ratification of the Singapore Trademark Law Treaty, Regulations for the Implementation of the Singapore Trademark Law Treaty and the Resolution of the Diplomatic Conference amending Singapore Trademark Law Treaty, Regulations for the Implementation of the Singapore Trademark Law Treaty, (“Official Gazette RS” Int. agreements 5/10)
- Law on the Ratification of the Convention the Grant of European Patents (European Patent Convention) from October 5th, 1973, with the amendments of article 63 of the European Patent Convention from december 17, 1991, and amendments from November 29th, 2000, (“Official Gazette RS” Int. agreements 5/10)
- Law on the Ratification of the Geneva Act of the Nice Agreement Concerning the International Classification of Goods and Services, adopted in the National Parliament rs on March 23rd, 2010 (“Official Gazette 19/10)
- Law on the Ratification of the Patent Law Treaty, adopted in the National Parliament RS on March 23rd, 2010 (“Official Gazette RS” 19/10)
- Law on the Ratification of the International Convention on the Protection of New Plant Varieties (UPOV Convention) from 1991, adopted in the National Parliament RS on March 23rd, 2010 (“Official Gazette RS” 19/10)

Reference to SAA: Article 75 of the SAA

Intellectual, industrial and commercial property

1. Pursuant to the provisions of this Article and Annex VII, the Parties confirm the importance that they attach to ensuring adequate and effective protection and enforcement of intellectual, industrial and commercial property rights.
2. From the entry into force of this Agreement, the Parties shall grant to each others companies and nationals, in respect of the recognition and protection of intellectual, industrial and commercial property, treatment no less favourable than that granted by them to any third country under bilateral Agreements.
3. Serbia shall take the necessary measures in order to guarantee no later than five years after entry into force of this Agreement a level of protection of intellectual, industrial and commercial property rights similar to that existing in the EU, including effective means of enforcing such rights.
4. Serbia undertakes to accede, within the period referred to above, to the multilateral conventions on intellectual, industrial and commercial property rights referred to in Annex VII. The Stabilisation and Association Council may decide to oblige Serbia to accede to specific multilateral Conventions in this area.
5. If problems in the area of intellectual, industrial and commercial property affecting trading conditions occur, they shall be referred urgently to the Stabilisation and Association Council, at the request of either Party, with a view to reaching mutually satisfactory solutions.

Reference to the National EUI Strategy includes, as one of the priorities, the increased responsibility of all administrative structures in order to secure efficient implementation of intellectual property regulations, through training and awareness raising activities. The goals of the National EUI Strategy include: raising competition capacity of the Serbian industry, employment growth, creation of a national innovative system which unites education, sciences and research development and increased efficiency in protection of intellectual property rights through the education of police, Customs and inspection services, judicial bodies and the staff in the republic institutions in charge of procedures of protection of intellectual property and the protection of consumers.

ANNEX V: Details per EU-funded contract (where applicable):

This project will be implemented through one contract for the EU contribution with the Implementing Agency, the European Patent Office.

* One contract with the Implementation Agency should cover technical assistance and supply of the machines.

This Grant will cover services and supply contracts

Activities related to results 1, 2, 3, 5, 6 will be covered by the service contract within the Grant

Activities related to result 4 will be covered by the supply contract within the Grant

Technical specifications and tendering for the supply contract will be done through a separate framework contract

List of Abbreviations

CARDS	EU Assistance for Reconstruction, Development and Stabilisation
EA	European Agencies
EC	European Commission
EIC	Education and Information Centre
EPC	European Patent Convention
EPO	European Patent Office
EU	European Union
IP	Intellectual and Industrial Property
IPO	Intellectual Property Office of the Republic of Serbia
IPRs	Intellectual and Industrial Property Rights
IPA	Instrument for Pre-accession Assistance
IT	Information Technology
MIPD	Multi annual Indicative Planning Document
SAA	Stabilisation and Association Agreement
SC	Steering Committee
WIPO	World Intellectual Property Organisation