National Strategy on Industrial Property of the Republic of Macedonia

Project No. IPA/TAIB2011/6.9/LOT10/07

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LIST OF ACRONYMS

AIPRA	The Association of Intellectual Property Agents of the Republic of Macedonia
AJPP	The Academy of Judges and Public Prosecutors
APERM	Agency for Promotion of the Entrepreneurship
BC	Beneficiary Country
CA	Contracting Authority
CARM	Customs Administration of the Republic of Macedonia
CBIP	Coordinative Body for Intellectual Property
CDEPS	Customs Declarations and Excise Documents
CEN	Customs Enforcement Network
CFCD	Central Financing and Contracting Department
DIS	Decentralized Implementation System
DS	Design
E	Expert
EDMS	Electronic Documentation Management System
EPN	European Patent Network
EPO	European Patent Office
EUD	European Union Delegation
EUIPO	European Union Intellectual Property Office
FITD	Fund of Innovation and Technology Development
GDP	Gross Domestic Products
GI	Geographical indication
IP	Industrial Property
IPA	Instrument for Pre-Accession Assistance
IPM	Interfaced Public Member
IPR	Intellectual Property Rights
ITC	The Industry and Trade Chambers
MAFW	The Ministry of Agriculture, Forestry and Water Management
ME	Ministry of Economy
MJ	Ministry of Justice
NPAA	National Programme for Adoption of the Acquis
OHIM	Office for Harmonization in the Internal Market
OLAF	European Antifraud Office
PAO	Programme Authorizing Officer
PCT	Patent Cooperation Treaty

PRAG	Practical guide to contract procedures for EU external actions
R & D	Research and Development
RM	Republic of Macedonia
SAA	Stabilization and Association Agreements
SME	Small Medium Enterprise
SMI	State Market Inspectorate
SOIP	State Office of Industrial Property
SPO	Senior Programme Officer
SWOT	Strengths Weakness Opportunities Threats
TAF	Technical Assistance facility Envelope
TAIB	Transition Assistance and Institution Building
TAIEX	Technical Assistance and Information Exchange
TL	Team Leader
TM	Trademark
ToR	Terms of Reference
TRIPS	Trade-Related Aspects of Intellectual Property Rights
VAT	Value Added Tax
wco	World Customs Organization
WIPO	World Intellectual Property Organization

INTRODUCTION

The authors wish to express their deep appreciation to all those who contributed to this paper.

One of the most significant achievements of the modern human society is the establishment of a system for intellectual property protection, for protection of the results of the creative human activities, both at national and international level. The industrial property objects, namely- inventions, utility models, trademarks, geographical indications, industrial designs, plant varieties and animal breeds and integrated circuit topographies take important part of that system. The importance of the intellectual property for the economic development and the welfare of the national economies as well as of the individual itself is undeniable. For more than 20 years the Republic of Macedonia puts the issues related to the development of the national industrial property protection system at an important place in its state policy. There is constant attention and systematic approach to the determining of the current status, the issues and the necessary steps and measures for further development of the national industrial property system, its unification and harmonization with the European and the international standards.

The protection of Industrial Property objects in the Territory of Macedonia dates back in 1919. Until World War II, it saw a sustained and successful development, compared to the other European countries. With the advent of the socialist system, the Industrial Property field suffered a heavy blow from which it has not recovered yet. This is a known process in all the countries coming out of the socialist regime. It killed the spirit of free enterprise and creativity and abolished individual ownership.

Enforcement of Industrial Property objects plunged dramatically. IP became almost non-existent until the early '90s. The fall of the Berlin Wall triggered the IP recovery, like in any post-socialist country. Since then, Macedonia has made major efforts to strengthen IP protection and has made great strides in that regard.

The National Industrial Property Strategy 2016-2018 aims to ensure the same degree of IP protection as in other European countries. This strategy- besides classical actions such as capacity building measures and training—will devote more attention to raising IP-awareness across the whole society. It will also contain detailed measures on how to increase the value of IP objects.

All post-socialist countries suffer from a substantial lack of awareness and from very poor exploitation of IP opportunities. Marketing of Industrial Property objects has a short history and this is one of the reasons why local well-known brands are not part of the landscape in these countries.

This strategy seeks to address these shortcomings through well-designed measures. The IP legal framework is firmly in place and broadly aligned with EU directives. More efforts must be invested to safeguarding Industrial Property rights at national, regional and international level.

We can say that this will be a strategy for IP promotion, IP awareness-raising, IP evaluation and IP marketing.

The Republic of Macedonia recognizes the significance of the creation, exploitation and protection of the industrial property objects as an important factor for development and sustainable economic growth in the modern global economy. For that reason, the Government has adopted a systematic cross-sectoral policy approach to industrial property, in order for its role in the national economic and cultural framework to be defined more precisely, and to create a network of governmental and non-governmental stakeholders through which the intellectual property to become a main tool for development.

Innovation plays a key role as a driver of the economic growth and prosperity of each country. The Global Innovation Index (GII) who seeks to improve the way innovation is measured and understood, in 2015 covers 141 economies around the world and uses 79 indicators across a range of themes. The GII 2015 is calculated as the average of two sub-indices. The Innovation Input Sub-Index gauges elements of the national economy which embody innovative activities grouped in five pillars: (1) Institutions, (2) Human capital and research, (3) Infrastructure, (4) Market sophistication, and (5) Business sophistication. The Innovation Output Sub-Index captures actual evidence of innovation results, divided in two pillars: (6) Knowledge and technology outputs and (7) Creative outputs. According to GII 2015 the Republic of Macedonia is ranked on 56 position out of 141 countries and displays dynamism and an upward trend.

The focus on the research and development possibilities, the significance of innovations, the activities of innovators, inventors and creative industries will provide an enabling environment for a more competitive and knowledge-based economy of the Republic of Macedonia. A well-developed and adequately financed intellectual property system is a prerequisite for achieving the strategic economy and social development goals.

Focusing their attention on the development of a national IP system, the competent authorities of the Republic of Macedonia have initiated the preparation of industrial property strategy with the idea the capacity of the responsible institutions to be concentrated to the accomplishment of more significant results in a shorter time. The present Strategy covers relatively short period of time, so that the measures provided in it will be intended to achieve the possible results promptly, as well as to form the basis of models and processes, consistent with the main objective for subsequent period of time. Therefore, the Strategy shall in particular address the following critical areas of the industrial property system in the country - strengthening the national IP legislation system; increasing the capacity of the SOIP towards its service orientation and the capacities of the law enforcement agencies for more efficient and up-to-date protection of the industrial property rights; improvement of the capacity of the local business community for generating and utilizing industrial property and last but not least raising the IP for Society.

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¹ Global Innovation Index 2015

CHAPTER 1. THE STATE OF THE NATIONAL IP SYSTEM

1.1. RELEVANT COUNTRY BACKGROUND

In the last years the state policy of the Republic of Macedonia in the industrial property protection field reveals its consistency in a number of important strategic documents, legislative acts and initiatives, as well as a system of measures and actions. They are all directed at raising the level of protection, the capacity of the engaged institutions and their employees, establishment of an objective environment and opportunities for all members of the society—business, universities and researchers, consumers, to raise their awareness in the said field in order to use the adequate means for protection of their IP rights.

NATIONAL INTELLECTUAL PROPERTY STRATEGY (IP STRATEGY) 2009-2012.²

The most recent official document treating this issue in the described manner was the National intellectual Property Strategy (IP Strategy) 2009-2012.

The National Programme for the Adoption of the European Union for 2009 in the Chapter 7 (intellectual property) с оглед to build capacity for implementation and enforcement of the *acquis* in all areas, this document is a priority of the Accession Partnership of the Republic of Macedonia in the European Community³.

SOIP got support by USAID project for business environment for the creation of the National Strategy on Intellectual Property for 2009-2012, which in September 2009 the National Strategy on Intellectual Property 2009-2012 was adopted and published together with an Action Plan. The common goal of the IP Strategy was the level of efficiency of the protection and enforcement of the intellectual property rights in the Republic of Macedonia to be increased, in compliance with the rules and requirements of the Community. Four strategic objectives were defined according to this goal:

- The legal framework in the area of intellectual property to be strengthened;
- The enforcement of intellectual property rights to be strengthened;
- The capacity of the individual right holders and the business community for protection and enforcement of intellectual property rights to be developed;
- The public awareness and the benefits from intellectual property to be strengthened.

³ A conclusion was made by the Government of the Republic of Macedonia during the preparations for the Stabilisation and Association Committee for 2008, which obliges the State Office of Industrial Property (SOIP) to draft a National Strategy on Intellectual Property 2009-2012 as a coordinator of the National Programme for Adoption of the Acquis (NPAA) of the EU in the IP field. Prior to their work on the strategy, SOIP and the Ministry of Economy, together with other involved institutions had been working on preparation of the National Programme for enforcement of industrial property rights and on the Action Plan for implementation thereof.

² http://www.wipo.int/edocs/lexdocs/laws/en/mk/027en.pdf

Evaluation Report was issued with the support of WIPO by the end of 2012, after the successful execution of the National Strategy on Intellectual Property 2009-2012.⁴

Main conclusions and recommendations for the next period have been made in it. The reporting and implementation of the results and the progress were assessed as not very strict. Taking this fact into consideration, it was concluded that trainings in project management might be needed.

Great enthusiasm and commitment was shown by the state administrations, while the private sector had a minor role in the implementation of the Strategy because of their lack of response and participation in the assessment process. It was concluded that all institutions should be encouraged to take an active part in the process in order for better results to be achieved.

The involvement of the researchers from the technology and science area was negligible. The capacity of the research institutions has to be developed in order for the same to be able to properly manage the commercialization of their inventions. Highly important recommendation for his sector is the same to enter into a closer relationship with the industry, especially with the small and medium enterprises, in order to be able to develop the market demand and to promote the technology transfer.

The Evaluation report concludes that there was no good coordination and integration between the IP Strategy and the various programs and initiatives undertaken by the institutions. It was also concluded that a highly important aspect of the IP Strategy is the same to be focused on supporting the programs of the institutions, in order to enhance the competitiveness of the Macedonian trade and industry and to provide better consumer's choice and protection. It should not be targeted to the intellectual property as a separate issue.

Further, upon the request of SOIP, WIPO approved a financial support for preparation of Guidelines for drafting a new three-years National Strategy this time focusing only on industrial property. The document is published on the web site of SOIP⁵.

Through TAIEX programme, the EU provided support to stakeholders in the project on matters of protection and enforcement of IP rights through financing trainings and workshops for the personnel of various institutions related to IP of the central administration. A regional workshop aimed at enforcement agents (Police, Customs and Prosecution) and financed through TAIEX and performed by Interpol, took place in Skopje in 2013. For discussion of the future collaboration in the context of the forthcoming adoption of Croatia in the EU, a delegation of SOIP visited the Croatian IP Office in 2014.

INDUSTRIAL POLICY OF THE REPUBLIC OF MACEDONIA 2009-2020 5

The vision outlined in this strategic document is aimed at a proactive policy in the industrial property field which will uphold the Macedonian industry to produce products and services with high added value, based on knowledge, innovation and cooperation. The future of the Macedonian industry is in the

⁴ http://www.wipo.int/edocs/lexdocs/laws/en/mk/mk027en.pdf ⁵ http://ippo.gov.mk/MK/NovostiView.aspx?id=4144&cat=GM).

 $^{^{5}\} http://www.konkurentnost.mk/Strateski \underline{Dokumenti/IndustriskaPolitikaNaRepublikaMakedonija 2009-2020.pdf}$

development of the scientific research potential and also in the production of sustainable, organic and specialized high-tech products and services that meet the needs of the international markets.

Five strategic goals were defined for realizing the vision of the Macedonian industrial policy: enhancing the international cooperation between the key players in the economic development; increasing investments in research and development by the public and private sectors, cooperation between the industry, the science, the research and the government institutions; using green energy as a prerequisite for the establishiment of sustainable production of organic products; creation of suitable business climate, as well as promoting fast-growing innovative small and medium enterprises through the introduction of new financial instruments; network cooperation directed at increasing the level of awareness in the areas of development, procurement, sales, expansion of knowledge and sharing innovative solutions, joint marketing and trainings.

To become more competitive, the Macedonian industry needs to be aligned with the priorities of the Lisbon strategy, which is aimed at increasing investment in R & D to 3% of the RDA. It is now important innovation to be increased to cover the entire creative process of exploring new ideas and developing new business concepts.

Some important assessments of relevance to the current situation in the country are indicated in the document. A significant increase in the gross domestic expenditure on R&D as a share of GDP, which is far below the average, should necessarily be achieved. The business investments in R&D are minor, causing minor export of high technology as part of the total exports of Macedonia. The low costs for R&D, the low level of technological readiness and exports of high-tech, the low complexity of the business processes are considered to be the biggest drawbacks of the Macedonian competitiveness. In the field of applied R&D and innovation, the Macedonian industry has weaknesses in terms of technical understanding, low capacity in entry of new technologies, lack of opportunities for training and insufficient cooperation and networking between the key actors, involved in innovation and R&D- industry, universities and other educational/ research institutions. The Macedonian companies emphasize the need to provide infrastructure support operations in R&D and innovation. An access to specialized facilities for research is required, as well as a cooperation between industry and science. There is a need of fostering the development of R&D and innovation, adequate to business environment, a need of for encouragement of the government investments in R&D and support of innovation, as well as technological development through the legal framework. The introduction of stronger measures to increase the applied R & D and innovation is highly necessary.

The results that are expected to be achieved include raising the awareness of the important role of the research, development and innovations for the improvement of the competitiveness of the Macedonian enterprises, as well as enhanced cooperation between research organizations and universities with the industry. The industrial property policy has to be clearly linked to the policies for research and development, training and education, in order for the same to allow input for the implementation of other interrelated policies. It is expected for the Macedonian companies to develop effective innovative projects, as a result of the increased capacity building activities.

Thus, the Republic of Macedonia could develop a stronger position to attract innovative international companies and thereby redirect foreign investments towards new technologies and R&D, which would result in creating new jobs and more sustainability of the existing ones.

PROGRAMME OF THE GOVERNMENT OF THE REPUBLIC OF MACEDONIA FOR THE PERIOD 2014- 2018.6

The program of the Government for the period 2014-2018 focuses on the development of the economy through new investments that will contribute to creating new jobs, which will result in better quality of life. The Government will continue supporting the private initiative and the liberty of the creator and its progress in the society. Their support for the private sector for new investments will continues through further development of the business sector, the economic infrastructure and also support for raising the innovative capacity of the companies.

In order for the Competitiveness of the industry in the Republic of Macedonia to be improved, reforms for better business climate; investments in the infrastructure; **measures for better application of knowledge and innovation in companies**; investments in education for improvement of the quality of the work force; further promotion of the use of IT services in the public sector and reforms for better public administration and also support of the agriculture through subsidies and IPA funds will be required.

INNOVATION STRATEGY OF THE REPUBLIC OF MACEDONIA FOR 2012-2020 7

In the long term it is very important for the Republic of Macedonia to support the increasing of the competitiveness of the private sector, based on innovation and knowledge. Thereby, the country would be able to create a competitive economy on the international market. The process of innovation consists of the implementation of improved products, new marketing methods, new processes, new methods for business organization and communication with external partners.

The encouragement of innovation is a main priority for the Government of The Republic of Macedonia in order for development of the economy. Therefore, the Innovation Strategy 2012-2020 was adopted in 2012, with an action plan for implementation for 2013-2015, with a concept to change the situation, to promote new ideas and projects.

A Law on Innovation Activities (Official Gazette no. 79/13, 137/13) was adopted, through which the legislative framework for innovation encouragement was established. Through the Fund for innovation and technological development (www.fitr.mk), the efficient development of innovation, creation and commercialization of research, linking the business sector with the academia and the research centers by creating financial and material conditions for SMEs that want to increase their own innovation and competitiveness become possible.

The following financial instruments will be implemented through the fund: Mini Grants - cofinancing grants for start- ups, spin- off companies and innovation; Grants and loans- co-financing grants and conditional loans for commercialization of innovations, Technical assistance, accelerator- technical assistance through business-technology accelerators; Technology transfer- co- financing grants for technology transfer.

The following institutions will cover the measures for supporting and investing in R&D and innovation in the Republic of Macedonia: the Innovation Fund, the Ministry of Education and Science, the Ministry of Economy, APE and SIPO. A very important role has the Advisory Group for innovation as an inter- ministerial group monitoring the implementation of the Action plan for implementation of the Strategy

 $^{^6\} http://www.\underline{konkurentnost.mk/StrateskiDokumenti/Strategija\%20za\%20inovacii_final_oktomvri2012.pdf$

⁷ http://www.konkurentnost.mk/StrateskiDokumenti/Strategija%20za%20inovacii final oktomyri2012.pdf

for innovation. The role of the National committee for entrepreneurship and innovation as the highest advisory body under the direct guidance of the prime Minister is also essential.

The main priority of the Program for Research and Development is the public investments in innovation and R&D to be increased. The Program predicts growth of the part designated for R&D from 0.22% to 1.8% of GDP by 2020.

Given the shortcomings in the implementation of the previous strategy 2009-2012, that covered intellectual property and the several relevant institutions, it was decided for the period 2016-2018 a strategy only for industrial property to be developed.

Moreover, in view of the fact that a specific strategic aim of the government of the Republic of Macedonia is innovations, a Law of innovations was adopted and a special innovation and technology development fund was created, which should increase the number of innovations in the Republic of Macedonia, and thus raising the number of applications for protection of industrial property rights.

In addition, according to the cooperation agreements concluded with EPO, OHIM and WIPO, the same have made commitments for specific activities in the industrial property field. It is therefore pertinent a strategy to be prepared only for the part of industrial property in order to be possible to successfully execute the activities and obligations.

Narrowing the scope of the strategy to industrial property is anticipated to result in better outcomes in the field of trade marks, patents, industrial designs and geographical indications, and in such a way - for a successful achievement of the goals set.

Enhancing the effectiveness of the preparation for joining the country to the EU and providing greater efficiency and impact of EU programs in the country – these are the overall goals of the IPA 2011 twinning project on Straightening the enforcement of Intellectual Property Rights, where the SOIP is also committed. The aim of the project is effective and quality support to be provided to the competent authorities in the field of protection of intellectual property and to enhance institutional and administrative capacity of the SOIP. Furthermore, the project will expand the operational capacity of CARM in the fight against the violation of intellectual property rights according to their powers.

1.2. NATIONAL LEGAL IP FRAMEWORK

The national IP system does not have very long history. However, the short period since its constitution reveals an extremely intensive process of further development and construction, harmonization with the European and the international legal sources and placing a firm legal basis for existence in the public interest.

In Republic of Macedonia the principle of protection of intellectual property is established in the Constitution and the current legislation. Article 47, guarantees the rights that stem from the scientific, artistic or other intellectual works, i.e. the Republic encourages, supports and protects the scientific and technological development. At the same time, Article 30 guarantees the ownership and inheritance rights. Pursuant to the Constitution of the Republic of Macedonia, the ownership creates rights and obligations and it should serve for the benefit of the individual and the community, while the property and rights that arise from it, may not be taken away nor limited, except in case of public interest defined by law. Pursuant to Article 31 of the Constitution of the Republic of Macedonia, a foreigner may acquire the ownership right in the Republic of Macedonia under conditions defined by law. Article 55 of the Constitution guarantees the

freedom of market and entrepreneurship and imposes an obligation to the Republic to ensure equal legal status for all entities in the market.

In the National Strategy on Intellectual Property 2009-2012 the national and international legal sources of the industrial property law in the Republic of Macedonia were described comprehensively. ⁸

Some of the more important legal acts that regulate the industrial property rights in the Republic of Macedonia are the following: Law on Industrial Property (Official Gazette 42/93, 47/2002, 21/2009 and amendments of the Law 2003, 2004, 2006, 2007, 2014, 2015); Law on Protection of Topography of Integrated Circuit; Law on Wine; Law on Agriculture and Rural Development (Official Gazette of RM no.134/07), Law on Customs Measures to Implement the Protection of Intellectual Property Rights (Official Gazette of RM no.88/15, 154/15, 192/15 and 23/16.

After 2009 the following legal acts and amendments to the existing ones were adopted:

- Law on Industrial Property (Official Gazette 21/09);
- Amendments to the Law on Industrial Property (Official Gazette 24/11); Amendments to the Law on Integrated Circuits (Official Gazette 136/2011).

The Republic of Macedonia is a member state of some of the most important international legal acts in the industrial property. This is the list of some of the most important of the international agreements and conventions:

- On July 23 1993, Republic of Macedonia became a member of the World Intellectual Property Organization. With the declaration of the Government, Republic of Macedonia became a party to the following convention and treaties:
- The Convention Establishing the World Intellectual Property Organization ("Official Gazette of SFRJ MD" 31/72) entered into force on September 8,1991
- The Paris Convention for the Protection of the Industrial Property ("Official Gazette of RM" 5/74) entered into force on September 8, 1991
- The Madrid Agreement Concerning the International Registration of Marks ("Official Gazette of RM" 2/74) entered into force on September 8,1991
- Patent Cooperation Treaty ("Official Gazette of RM" 19/95) entered into force on August 10,1995
- The Hague Agreement Concerning the International Deposit of Industrial Designs-The Hague Act and Complementary Act of Stockholm ("Official Gazette of RM" 71/96) entered into force on March 18,1997
- Protocol relating to the Madrid Agreement Concerning the International Registration of Marks ("Official Gazette of RM" 12/02)—entered into force on August 30,2002
- Budapest Treaty on the international Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure and Regulations ("Official Gazette of RM" 13/02)—entered into force on August 30, 2002
- Convention on the Grant of European Patents (European Patent Convention) ("Official Gazette of RM" 126/08) entered into force on January 1, 2009.

After 2009 the country last eight acceded treaties from the above list have been acceded.

Thereby the tasks and measures set in the previous Strategy with regard to the country's accession to important international sources are accomplished.

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⁸ http://www.wipo.int/edocs/lexdocs/laws/en/mk/027en.pdf

The process of harmonization of the national legislation with the legislation of the European Union is within the focus of attention of the Government based on the obligation undertaken according to Article 71 of the Stabilisation and Association Agreement⁹. During the last 15 years a remarkable progress was made with this regard. A list of the legal sources of industrial property law is indicated in **Annex 1 – Legal Framework**, as well as the European law sources with which the national legislation is harmonized.

The National intellectual Property Strategy (IP Strategy) 2009-2012 remarked the high degree of harmonization of the national legislation with the European, in particular LIP, but simultaneously pointed out the necessity certain interventions to be done. In particular - it is the necessity to ensure horizontal harmonisation of legislation in terms of the measures for enforcement of the intellectual property law, covered by Directive 2004/48/EC, and also the necessity to review the national legislation that regulates matters such as the transfer of intellectual property rights.

Taking into consideration the circumstance that the present strategy focuses on the industrial property, in particular on patents, trademarks, industrial designs and geographical indications, the improvement of the legal regime of protection of these IP objects and the existing conditions for their successful creation and commercialization in favor of the economic development of the country is of great importance.

The legal protection of the inventions is regulated in the Law on Industrial Property and the Patent regalutions. After filing the patent application, the first act that the Office issues is the Filing date notification. Second phase is the formal examination and the third phase is the examination before the Office. After this, follows the final decision on whether to grant the patent or not. Depending on the response of the applicant, the procedure lasts around 3 months. The patent is registered in the register of the patents and the decision is published,

Regarding the registration of the Trademarks the first document that is issued by the Office is the notification for filing date. After that the Office is sending a notification for paying the publication fees. After this the application is being published and is waiting for 3 months in order to see whether there is any opposition or not. After that, if there isn't any opposition, the Office issues a notification for the payment of registering fee. After the payment of the fee, the trademark is registered. The trademark is registered in the register of the trademarks and the decision is published the entire procedure lasts around one year according to the actual practice.

Regarding the registration of the Industrial design the first document that is issued by the Office is the notification for filing date. After that the Office is sending a notification for paying the publication fees. After this the application is being published and is waiting for 3 months in order to see whether there is any opposition or not. After that, if there isn't any opposition, the Office issues a notification for the payment of registering fee. After the payment of the fee, the industrial design is registered. The industrial design is registered in the register of the industrial design and the decision is published. The entire procedure lasts around three months according to the actual practice

⁹ Stabilisation and Association Agreement with the European Communities and Their Member Countries (SSA) was signed on 9 April 2001 in Luxembourg, which upon the ratification by all signatories, has entered into force on 1 April 2004. Article 71, Intellectual, Industrial and Trade Property: (1) Pursuant to the provisions of this Article and the Annex VII, Parties acknowledges the importance given to ensuring relevant and effective protection and implementation of intellectual, industrial and trade property rights. (2) The Republic of Macedonia shall undertake all the necessary measures with the aim of guaranteeing, not later than 5 years from the date when this Agreement enters into force, a level of protection of intellectual, industrial and trade property rights, similar to the one that exists in the Community, including the effective means for exercising such rights. (3) The Republic of Macedonia shall accede during the aforementioned period to the multilateral conventions for intellectual, industrial and trade property rights stated in Annex VII. (4) In case of occurrence of any problems in the area of intellectual,

Geographical indications the procedure for geographical name protection i.e. for granting the right to use a protected geographical name shall be initiated by application which contains request for geographical name protection i.e. request for granting the right to use the protected geographical name and other supplements. The steps are as follows: the first step is the formal examination after which we are issuing a decision to register the same (no fees at all). The registered right is registered in the registers of the Office for GIs and it is published. The entire procedure lasts around one month.

Conclusion: Although the legislative framework is harmonized with the European and the international standards, the primary tasks for the coming years are:

1. Continuous monitoring of the development of the European and international legislation in the field of industrial property in order to take timely measures of implementation and/ or amendment of the

industrial and trade property that have impact on the trade conditions, they will be urgently notified to the Stabilisation and Association Council, upon request by any of the Parties, with the aim of reaching mutually acceptable solutions.

- relevant national acts, as well as accession to international legal acts significant to the development of the IP in the Republic of Macedonia.
- 2. It is necessary to systematically monitor the impact of the legal framework on the public relations connected with the protection of industrial property objects, in particular the regulation of the various types of proceedings for legal protection in order to optimize it and increase the efficiency and time to conduct them.

1.3. INSTITUTIONAL CAPACITY

The competent institutions in the field of Industrial property are: the State Office of Industrial Property (SOIP); the Ministry of Economy; the Ministry of Agriculture Forestry and Water Economy; the Ministry of Interior; the Customs Administration; the State Market Inspectorate; the Academy Of Judges And Public Prosecutors; the Universities; the Ministry of Justice; The Association of Intellectual Property Agents of the Republic of Macedonia (AIPRA), The Supreme Court; The Industry And Trade Chambers (ITC); The Agency for Promotion of the Entrepreneurship; the Ministry of Education and Science; The Public Prosecutors Office; the Coordinative Body for Intellectual Property (CBIP), the Fund for Innovation and Technology Development (FITD), The Administrative Court of the Republic of Macedonia and The Foreign State Embassies.

THE STATE OFFICE OF INDUSTRIAL PROPERTY (SOIP)

The national authority for the protection of industrial property (inventions, trademarks, geographical indications, designs, plant varieties, and topology of integrated circuits) is the **SOIP**. It pursues the state policy in the field of industrial property.

The Patent Office was established in 1993 and in its 22-year history has become a significant national and regional factor in the field of industrial property. The main functions of the **SOIP** are defined in Art 11 of the Law on Industrial Property. In general, according to the Article 11 the Office shall perform the following tasks:

a) to accept applications related to the protection of industrial property rights;

- b) to carry out administrative procedure to acquire industrial property rights;
- c) to maintain a register of acquired rights and other registers laid down with this Law; publish
 an official newsletter that includes data on registered and recognised industrial property
 rights;
- d) to conduct examination for the representatives in the field of industrial property to protect the industrial property right; - to prepare proposals to adopt legal and other acts in the field of industrial property;
- e) to promote the protection of industrial property;
- f) to represent the Republic of Macedonia and to stand for its interests in international, European and regional organisations for industrial property.
- g) to launch initiatives concerning the ratification of international agreements and to take care of the delivery of obligations in the field of industrial property arising from the ratification of international agreements signed by the Republic of Macedonia;
- h) to prepare and publish guidelines, manuals and comments in the field of industrial property;
- i) to cooperate with other entities involved in the system of protection industrial property rights in the country and abroad; and to perform other tasks laid down by law

The NIPS09 provided a number of measures with regard to the statute and the institutional capacity of SOIP which mainly refer to the development of plans of the SOIP sectors' structure, thus assessing the need for new jobs and ensuring the new employments; development of a Service Orientation Programme for SOIP; preparation of a continuous training programme for the staff of the SOIP and implementation thereof and technical equipping of the SOIP and provision of software applications so as to ensure a contemporary database and exchange of information.

For the achievement of the set goal and also for the implementation of the envisaged measures the State Office of Industrial Property has conducted a review of the needs and a working group has been established to make the necessary proposals. Two new posts have been added, but new appointments have not been made due to financial constraints. Training and discussion of a new service orientation for the staff of SOIP has taken place but changes have yet to be made. SOIP's databases are now available for online search by the pubic. The training needs of the staff are regularly assessed and training is given on specific topics. SOIP's staff attends many international seminars aimed at increasing their knowledge and skills. Some IT investment has been made. The Office has a public website through which it communicates with the public. A Public Relations Programme has been adopted and will be implemented through seminars, the web, leaflets and press conferences.

An amendment in the industrial property law was made in 2011. With that change the part that is related to the appeals against the decisions of the Office now is as follows: The decisions of the Office referred to in Article 19, paragraph 1 of this Law are final. The party shall have the right to initiate administrative dispute against the decisions of the Office. Administrative dispute shall be initiated with a lawsuit to the Administrative Court of the Republic of Macedonia. The lawsuit shall be filed within 30 days from the date of submitting the decision to the party.

Thus a change was made in the legislation, which resolved the question of a non-functioning system for control of the acts of the Office. On the other hand it should be considered whether it is appropriate acts of the Office to be directly appealed to the administrative court or before this, a special administrative control should be accomplished by a structure specially developed for that purpose. This could appear to be more

useful for the users who, having become familiar with the decision of such a structure, can take a more reasonable and effective decision whether to continue the dispute at the trial stage or not. The latter will certainly lead to procedural economy in the work of courts.

The State Office of Industrial Property, as a facilitating measure in the registration of the first patent, made a change to the Article 1 of the Tariff of the State Office of Industrial Property which is related to patents by exempting the payment of fees relating to the procedure for registration before the Office. Notably, in Article 1 note 5, a new note 6 is added which states: "If the inventor is an applicant at the same time, when submitting the first application for a patent, regarding the amount of tariff items 1.1, 1.2, 1.3, 1.6 and 1.7 is released of the payment of costs. " So, if the inventor is the applicant also, when submitting the first application for a patent will be released from the payment of the costs relating to the registration proceedings before the Office, and that from the following items from the Tariff of the State Office of Industrial Property:

- Correction of defects of the application in formal examination procedure
- Correction of the application in substantive examination procedure Publication of a granted patent
- Issuing of patent certificate
- Printing of patent specification

The amendment of the Tariff of the State Office of Industrial Property will significantly facilitate the registration of the first patent, which will encourage the protection of inventions by patent.

The services that the SOIP are offering are: search of internal databases of IP rights, search of free of charge patent databases for patents (espacenet, webpages of other national offices); to promote the inventors and inventions in different international invention fairs. It can be noted that the set of patent information services is not big and certainly can not ensure the interests of the consumers, especially of the economy of the country that sets out and develops serious policies regarding the national innovation system. This is a situation which certainly has to be changed.

SOIP, pursuant to the European practices in such institutions, should be oriented towards providing services to its clients, which requires preparation of separate acts and capacity building of the personnel. The legal framework covering work of the SOIP is almost consolidated.

The accession to the European Patent Convention gives sufficient legal support also in respect to SOIP role in the European patent system.

The State Office of Industrial Property in 2015 has 4 new employments. The total number of employees is 36 civil servants working in 3 sectors and 10 departments. The situation concerning the personnel in SOIP does not correspond to the needs for efficient and effective performance of their activities. This refers both to the number of employees, as well as to the clear and precise definition of their scope of work and the relevant management mechanisms.

Training - Employees of the Office participated in six training sessions covering topics related to the search and examination of the patent applications as well as training for Administrations of Article 39 of the European Patent Convention concerning the renewal fees and two conferences abroad with the support of the EPO.

The technical equipment is not on a satisfactory level, as well. The State Office of Industrial Property, in order to be updated with the latest technologies, has to provide the following equipment: Servers; Network equipment; Network security equipment; Desktop computers; Scanners; Printers.

The creation of databases and exchange of information with other relevant bodies in the area of protection of intellectual property rights are the basic problems. SOIP and MK– SCRR, have particularly emphasized this in regard to the information on infringement of intellectual property rights that are received. Such information is to be analysed and should generate relevant information that would be useful for creation of mechanisms for increasing the level of efficiency of the protection. At the same time, the public announcing thereof would contribute for the transparency of the operation of state bodies related to the protection, and for raising the public awareness.

Additional activities are needed aimed at modernising the methodology for creation of information, the method of exchanging information, particularly the protection of information flow, and at the same time a methodology for analyses and interpretation of data. Furthermore, there is a need for:

- a) Data exchange platform in which all the institutions that are involved in the industrial property system will benefit;
- b) Platform for all the stakeholders including patent attorneys, universities, Chamber of Commerce ets.

The databases of the registered property rights are available to the public. They are fully searchable databases regarding all the industrial property rights such as patent, trademarks, industrial design. The database except the bibliographic data also provides information about the legal status of the rights.

International cooperation - Representatives of the Office through the participation in 11 meetings of working groups and committees, actively followed the work of the EPO such as the Administrative Council, the Budget and Finance Committee, the TOSC of the European Patent Organisation (EPO). And actively followed the work of the World Intellectual Property Organization (WIPO).

The State Office of Industrial Property continued in the realization of the activities that are part of the Cooperation agreement with the Office for Harmonization in the Internal Market (OHIM) now EUIPO based in Alicante, Spain.

The State Office of Industrial Property in cooperation with the Office for Harmonization in the Internal Market finished three projects. As a result of these projects, the State Office of Industrial Property **joined**: • **TMclass** - TMclass now offers users the opportunity to search and translate terms to and from any of the 34 available languages, including Macedonian)

- **TMview** the State Office of Industrial Property of the Republic of Macedonia (SOIP) has made its trade mark data available to the TMview search tool)
- Designview The State Office of Industrial Property (SOIP) of the Republic of Macedonia has made its industrial design data available to the Design view search tool)

From the bilateral cooperation agreement between SOIP and EPO, 2013-2015, are produced and realized a number of activities within the projects: European language technology services for patents, seminars and workshops related to the search and examination of European patent applications.

Within the project Federated European patent register are taken the following steps:

- Implementation of the first phase deep linking which implies linking between the system of the European patent register and the national patent register of SOIP
- Implementation of the second phase for exchanges of the legal status data using Web services with the European patent register
- Implementation of a new national patent register which will serve for the two aforementioned phases for data exchange and linking systems.

State Office of Industrial Property in cooperation with the European Patent Office during 2015 have undertaken activities to introduce on-line filing of patent applications. In cooperation with the expert team for cooperation of the EPO, was made proper analysis of the IT infrastructure of the Office, and having a lack of proper equipment following activities were undertaken prior to the introduction of on line filing of applications for patents:

- Procurement of adequate equipment such as server machine with Linux OS, SUSE 11 SLE, PatNet Set of CISCO equipment (router and switch)
- Server Configuration
- PatNet Set Configuration
- Establish a safety line with the European Patent Office
- Installation of the system EPTOS
- Upgrading Firewall Systems of the SOIP

After these activities, the finalizing of the establishment of the abovementioned system is in its final phase and is expect to put the e-filing of patent applications into operation in the month of January 2016.

In the final phase is the new Bilateral Cooperation Agreement with the European Patent Office for the period January 2016 - December 2018. The same will be signed in January 2016.

Within the project "Protection of Trademarks on products of cross-border cooperation" in order to contribute to the increase of competition in cross-border business through the promotion and protection of trademarks and patents, were held seminars, workshops and visited companies from several cities in Macedonia . The companies were given a questionnaire that further progress will serve to extract the data and analysis in the field. Within this project seminars and workshops were held in these cities:

- April 2015 in Tetovo
- September 2015 in Struga
- November 2015 in Gostivar and Kicevo

Otherwise, except the SMEs, target groups were also students, inspectors of the regional units of the State Market Inspectorate and customs officers.

State Office of Industrial Property in cooperation with the World Intellectual Property Organization on 30 September and 1 October 2015, organized a national workshop on Building a relationship toward the intellectual property rights for officials authorized for the enforcement of intellectual property rights. The workshop was attended by a number of judges and public prosecutors.

The State Office of Industrial Property in December started the Twinning project with Danish Patent Office: Strengthening the enforcement of intellectual property rights. The project has two components. The first component is related to the State Office of Industrial Property and the second component is related to the Customs Administration. Otherwise, the first component has four subcomponents, namely:

Evaluation of the national legal framework for intellectual property

- Strengthen the capacity of the Office for registration, protection and enforcement of industrial property rights
- Program to raise public awareness of the importance of industrial property rights and their enforcement and
- Activities related to improving the functioning of the working group on Chapter 7 of the NPAA and to improve the methodology for collecting and processing statistical data from the courts and other institutions involved in the IP system in relation to the enforcement of intellectual property rights.

In January and February 2016 will start concrete actions to sub- components 1 and 2. The Twinning Project will fully support the action plan of the National Strategy on IP in Macedonia

The Twinning Project will fully support the action plan of the National Strategy on IP in Macedonia 20162018.

State Office of Industrial Property has started realization of the project "Technical support for developing a national strategy for industrial property 2016-2018".

It is also nearing completion the project "Strengthening the organizational and institutional capacities of the State Office of Industrial Property for more efficient enforcement of legislation in the field of intellectual property for the benefits of users of Intellectual Property", funded by the Kingdom of Norway. The project aims at establishing a system of services and information exchange between Industrial Property Office and key stakeholders in the field of industrial property. The study covers four key aspects which are defined as weak points in the field of industrial property and in which areas should be intervened by proposing specific solutions for their improvement as

- 1. System of information on the services that the State Office of Industrial Property offers to the public.
 - 2. System informing about the practice of the State Office of Industrial Property
 - 3. System for information on decisions of the Administrative Court
- 4. System information about taking a professional exam for industrial property agents and information agents.

So far, they have been prepared and sent to the Norwegian partner for the audit.

Raising the public awareness - bearing in mind the importance of raising the public awareness for the protection of industrial property rights, SOIP has undertaken regular activities aimed at strengthening the public awareness by:

- Training for the students of the Faculty of Law from the University Ss Cyril and Methodius –
 Skopje at the premises of SOIP
- Training for the students from the Faculty of Law from the University Goce Delcev -Stip
- Celebrating the International Day of Intellectual Property by: organizing the traditional manifestation Patent of the year; undertaking of action for public destruction of seized goods that infringe intellectual property.

International exhibitions- In order to encourage and promote the Macedonian invention internationally, SOIP through its representatives actively participated in:

■ The 35th International Exhibition of Invention, Technical Improvements, New Products and Creation of Youth MAKINOVA- EKONOVA 2015, SOIP through their representatives, who

- were members of the international assessment commission presented an award for registered or protected patent, female innovator and young innovator;
- The International exhibition "Innovations of Women Inventors", held from 15 to 18 May in Seoul, South Korea- women inventors from 23 countries participated in the exhibition. Republic of Macedonia was presented by two inventions which were rewarded with a silver and a bronze medal by the Expert Commission of KIWIE 2014 and with special awards by the other participants.

In the Ministry of Economy through the Program for Competitiveness, Innovation and Entrepreneurship for 2015 was provided a sum in order to support patents, totaling 300 000,00 denars which support innovators for: Market research; participation in national and international events for innovation; Application for examination of patents in international organizations and reimbursement of administrative costs in the process of acquiring rights and maintaining the validity of the patent, as well as costs for providing information services for patents. In 2015, through this program were supported 4 innovators.

THE MINISTRY OF ECONOMY (ME)

The remit of the Ministry of Economy is it to make proposals for the implementation and development of accepted economic policy in the various areas of its portfolio - the production, trade, tourism, catering and handicraft; industrial property; consumers protection; small and medium enterprises and associations; observation the trends in international trade and economic relations and their influence on the economic environment in the Republic of Macedonia; supervision over the implementation of legal acts under its jurisdiction. Hitherto, following its strategy, the Ministry of Economy, through the implemented programs and activities considerably contribute to enhancing the situation concerning the protection and promotion of intellectual property rights, especially the rights of industrial property. Pursuant to the program to encourage investments for the period 2007-2010, the situation regarding the rights, protection and promotion of intellectual property was continuously controlled and activities were carried out to build the capacity of institutions that are responsible for intellectual property.

With respect to the measures for strengthening the legal framework in the area of Intellectual Property, it is advisable for the Ministry of Economy to finish its activities associated with the establishment of a unified mechanism for the protection of intellectual property rights as well as those ones associated with the amendment of laws on the transfer of intellectual property rights.

With respect to the measures for developing the capacity of individual right holders and the business community for protection and enforcement of Intellectual Property Rights, the Ministry of Economy developed programs for application of the industrial policy, published in official gazettes 4/2011 and 12/2011, a Program to improve the competitiveness of Macedonian goods and services and a Program for development of entrepreneurship, competitiveness and innovation of SMEs in 2011. These comprehensive programs of industrial policy providing increased opportunities for creating competitive products, market development, technological innovation, financed training in ecological production, financial support of young researchers recruiting and financial support for investment in patented inventions development. Aimed at small and medium-sized enterprises, the program includes financial support for the introduction of quality standards, training in HACCP-system as well as support for the filing of international patent applications.

With respect to the measures for strengthening the public awareness of and the benefits from Intellectual Property, there is a program for Consumer Protection in the Ministry of Economy, published in the Official gazette 3/2009. A media campaign on consumer rights was conducted in 2009 with the help of talking to experts journalists on television and radio. Leaflets on the dangers of pirate and counterfeit goods were distributed to consumers through the retail network in 2010. Several media campaigns about the nature of intellectual property rights and the impact of counterfeits were conducted in 2011.

THE MINISTRY OF AGRICULTURE, FORESTRY AND WATER ECONOMY

Permanent Interdepartmental Advisory Committee on Geographical Indications and Traditional Specialties operates under the **Ministry of Agriculture**, **Forestry and Water Economy**. It submits to the European Commission protected designations of origin and protected geographical indications for listing in the European register. Currently 7 objects are listed.

The Directorate for Seeds and Seedling Material within the **Ministry of Agriculture**, **Forestry and Water Economy** (**MAFW**) **is the** administrative body within whose jurisdiction falls the protection of new varieties of agricultural plants. Its duty is to implement the administrative procedures of the Law on Breeder's Rights for protection of new variety. Protection of geographical indications as an object of intellectual property is governed by the Law on Industrial Property. In the National IP Strategy 2009-2012 it was envisaged a separate act to be adopted, that would contribute to the improvement of the quality of agricultural products for human consumption, corresponding to the European standards for quality of the agricultural products and the relevant European regulations.

A unit for Standards and Quality of Agricultural Products was established at the MAFW that is responsible for Quality Management systems and "indications of quality". In order to enhance the administrative capacity of the Ministry, in the previous strategy it was envisaged to work on a few common projects of the EC and specific actions and activities to be taken.

Amendments and strengthening the structures in charge of quality assurance and technical equipping, provision of suitable software applications and specific MAFW website changes were the proposed measures for strengthening the effective and efficient implementation of the protection of intellectual property rights at the MAFW. By the Law on Quality of Agricultural Products (adopted in 2010) the competence for protection of geographical indications for agricultural products and foodstuffs was assigned to the MAFW. In this regard the law on Industrial Property was also amended.

The Law for quality of agriculture products, Official gazette no.140/10 of Republic of Macedonia is the law relevant to the industrial property protection.

According to **MAFW** excellent mechanisms exist presently, which facilitate the consultation and discussions between business, universities and government institutions and departments.

Presently, the MAFW assesses its commitment in the industrial property system of the Republic of Macedonia as average and considers that it could be included more actively in the activities regarding the National Industrial Property System. According to MAFW, the National Strategy on Industrial Property 2016-2018 should include every mechanism for implementing the law and bylaws.

In order to deal with problems and challenges deriving from the current situation, technical and financial resources are required.

The MAFW, the Phytosanitary directorate and the Seed directorate are the principal institutions that MAFW believes should be involved in managing the implementation of the strategy. The Phytosanitary directorate and the Seed directorate should provide resources to help implement the strategy.

The Ministry of Agriculture, Forestry and Water Management as a body that is directly connected with the acquisition, management and protection of intellectual property rights in their respective domains, should continue its development by directing its efforts towards service orientation. As such, all needed structural changes and adequate provision of human resources and IT equipment should be identified and afterwards – steps must be taken to for the same to be ensured. The areas of potential overlapping of responsibilities should be identified and institutional changes should be considered in order for the most efficient IP system to be delivered.

MINISTRY OF INTERIOR

Another important part of the national IP protection system is The **Ministry of Interior**. The legal framework that defines the competence of the **Ministry of Interior** in the industrial property field includes the Law on Industrial Property; the Criminal Code and the Law on Criminal Procedure.

The Ministry of Interior assesses the activities of the enforcement agencies presently as a whole as very good, as well as their institutional availability. Hoever, they find that the activities provided by the enforcement agencies are not sufficien and believe that it is always possible, the activities of law enforcement authorities to improve. They assess the activities of SOIP presently as a whole as very good, as well as the institutional availability of SOIP. They find that the administrative services provided by SOIP are also very good.

The Ministry of Interior considers that it could be included more actively in the activities regarding the National Industrial Property System. There is possibility to have more active approach, if a specialized unit or department for the protection of intellectual property is predicted. The market size of Macedonia should be taken into consideration wit this regard.

According to **The Ministry of Interior** the implementation of the National Strategy on Industrial Property 2016-2018 should include continuous training, improving the data exchange between the institutions and international cooperation.

THE CUSTOMS ADMINISTRATION

Legal status

CARM is a state institution under the authority of the Ministry of Finance, managed by the Director who is nominated by the Government of RM.

The CARM is an important state institution with a primary function from historical point of view, has been the collection of revenues for the State. In current times, the role of CARM is much different. Besides being an important link of the chain of support of international trade, every modern customs authority plays an exceptionally important role in the security system of the state, as a segment of the Security System in the framework of fight against international terrorism and cross-border crime, but also in the system for general protection of citizens.

The CARM is responsible for initiation of criminal procedures, infringement (misdemeanor) procedures, submission of acts in the first degree instance in Administrative Procedure as well as operational instructions in written form related to all areas of customs work and excise duties operations.

The Customs Administration of RM (CARM) is responsible for enforcement of measures for protection of Intellectual Property and It makes controls during import, export, transit, in custom's bonded warehouses, temporary imports and temporary export of goods through the customs territory of Republic of Macedonia.

In the area of protection of rights related to Intellectual Property, the Law on Protection Measures for Protection of Rights of Intellectual Property is being implemented, as well as the Regulation about the form and content of the Request for extension of the period for undertaking Customs Measures.

In the Official Gazette no. 88 of 28.05.2015 was published the new Law on customs measures for the enforcement of protection of intellectual property. The structure of of the same is made on the basis of the new EU regulation no. 608/2013, with significant difference in relation to the existing Law on Customs Measures for Protection of Intellectual Property Rights, which is based on the old EU Regulation no. 1383/2003.

By the same Law are regulated the conditions and procedures for taking actions by the customs authorities when there are reasonable grounds for suspicion that the goods infringe the intellectual property rights, is or should be subject to customs supervision and customs control in the customs territory of the Republic of Macedonia under customs regulations in cases prescribed by this law.

With the entry into force of this Law, the Law on Customs Measures for Protection of Intellectual Property (,, Official Gazette "No. 38/05, 107/07, 135/11 and 69/13) is no longer in force.

In the Official Gazette of RM no. 106 of 26.06.2015 are published the new Rules on the form and content of the application for customs action and the required documentation and the form and content of the request for extension of the period for customs action. With the same are provided new forms of the request for taking and the request for extension of the period for customs action.

With the entry into force of this Regulation, the Regulation for implementation of the Law on Customs Measures for Protection of Intellectual Property (,, Official Gazette "No. 58/05, 82/11 and 132/13) is no longer in force.

In the Official Gazette of RM no. 139 of 08.17.2015 was published a new decree on the manner of distribution of free goods abandoned by a public authority and a form for free report on the abandoned goods by a public authority. The Decree was made on the basis of Article 30 (8) of the Law on customs measures for the enforcement of protection of intellectual property ("Official Gazette" no. 88/15).

With the entry into force of this Decree, the Decree on the manner of distribution of free goods abandoned by a public authority and form for the free report on the abandoned goods by a public authority ("Official Gazette "No. 143/13) is repealed.

INSTITUTIONAL FRAMEWORK

The Customs Administration, in cooperation with the World Customs Organization organized a seminar on combating counterfeiting and piracy. The seminar took place at the Faculty of Economics at Ss. Cyril and Methodius University in Skopje, 14 -18. 09.2015 and was attended by well-known holders of intellectual property rights.

The purpose of the seminar was to provide customs officials an overview of the best practices and legislation into line counterfeiting and piracy, and to create a favorable environment for the exchange of experiences on various topics such as:

- how to distinguish real and "fake" product and
- introduction to the techniques of risk analysis; methodology which the operational units of customs administrations using it to select high-risk shipments resulting in an increased number of seizing. At the same time, during the training were exchanged experiences and knowledge in the implementation of protection of intellectual property, as well as coordination between the organizational units of the Customs administration in more efficient implementation of the Law on customs measures for protection of intellectual property.

The Customs Administration took part in the project of the World Customs Organization to protect the intellectual property rights, participated in international missions, operations, (BALKAN GATE), has daily communication with the holders of the rights as a beneficiaries of IPM (Interfaced Public Member) platform as the WCO such as application for effective recognition of the authenticity of the products and effective detection and proof of counterfeited trademarks.

During the year 2015, pursuant to Article 19 of the Law Amending the Law on Customs Measures for Protection of Intellectual Property Rights published in the "Official Gazette" no. 69 of 14.05.2013, the Customs Administration gave the Ministry of Labour and Social Policy a total of 5,702 goods, of which 5208 pairs of shoes and 494 pieces of textile products.

Also, pursuant to the same Article 19 of the Law Amending the Law on Customs Measures for Protection of Intellectual Property Rights, the Customs Administration gave the Ministry of Labour and Social Policy a total of 5,400 pieces of textile products.

In September 2015 under Article 30 of the Law on customs measures for the enforcement of protection of intellectual property rights published in the "Official Gazette" no. 88 of 28.05.2015, the Customs Administration in accordance with the Decision on free use of the seized goods by the Government of RM, gave the Ministry of Labour and Social Policy and a total of 380 pieces of textile products (tracksuits) and 360 pairs of sports shoes.

Also, the Customs Administration in cooperation with representatives of the holders of the trademarks, determined the new amounts and consent for free use of seized goods from the warehouses of the Customs Administration and 700 pieces of women's pants for which the procedure is completed and they are submitted to the Ministry of Labor and social policy.

On the occasion of April 26 - World Intellectual Property Day on April 24, 2015 in cooperation with the Coordinative body for intellectual property, in Drisla were destroyed a total of 1,033 pieces and 4 rolls (100 kg) of fabrics - counterfeited goods (1008 pieces of floor mats, 25 pieces textiles and 4 rolls (100 kg) of fabrics.

As of November 30, 2015, at the Customs Administration, the number of registered requests for customs protection of trade marks in respect of intellectual property rights increased to 595 (by the end of 2014 was 345). The growing number of registered requests for customs action is as a result of the

harmonization of the legislation of the Republic of Macedonia with the European regulations relating to the procedure for taking action by customs authorities.

During the year 2015, in 155 actions, were seized 1,173,992 pieces of different goods, suspected of infringing intellectual property rights.

Based on the confirmed violation of intellectual property rights, under customs supervision were destroyed 20,129 pieces of different counterfeited products including: cosmetic products, toys, textiles, fashion accessories, keyrings and more.

KEY FUNCTIONS OF CARM.

Requests for Customs Measures for protection of these rights are submitted and accepted by the CARM:

- Trademarks:
- Industrial Design; ☐ Copyrights:
- Geographical Indication;

Staffing of the CARM

As needed, the Director of CARM has the authority to assign Customs Officers from one duty station to another, with the aim of more efficient and uninterrupted performance of working obligations. In the department for Non-Tariff measures and IPR, currently there are 3 customs officers of which, 2 are deployed at the workplace Senior Advisor for IPR, and having regard to the new systematization priorities would be adequate staffing of the Department of Trade Facilitation and protection of Intellectual Property Rights with the new systematization of the Customs Administration. Continuing education and training of customs officers for protection of intellectual property, as well as coordination of activities with all institutions to implement the protection of intellectual property rights including the State Office of Industrial Property as the competent authority for registration of industrial property.

A large number of trainings are organized by the CARM which are related to the IPR protection. The aim of these trainings familiarize the participants with the stipulations of the new Law on Customs Measures for implementation of protection of rights on IPR, introduction to new trends in the forgery of goods as well as methods of usage of the application for electronic administration in the processes for protection of IPR, and the methodology for using the IPM Database of the WCO for recognition of forged goods.

It is also worth mentioning that the level of Customs Offices, there are coordinators and deputy coordinators for IPR. They also participate on all trainings and workshops organized by the CARM.

The department for Non-Tariff Measures and protection of intellectual property rights is responsible for receiving and acting upon the submitted, requests for undertaking of Customs actions related to protection of rights on Intellectual Property as well as for requests for extension of the period for implementation of Customs actions , delivery of notification to the bearer of the right or his legal representative, extension of the period for handling and drafting of acts related to temporary retention of goods.

Within CARM, exists the Department for internal audit, which is responsible for conducting audits of the work of the Customs Officers and reports to the Director of CARM about the results. The findings of

the internal audits are published on the web page of CARM in the form of Monthly Report about the work of the CARM.

As a challenge would be the proper staff equipment of the Department for non-tariff measures and protection of rights from IPR, that needs to be realized with the new systematization of the CARM. A Service for protection of IPR is foreseen where 4 independent advisors on intellectual property, two operators and Head of Service is necessary to be deployed.

BORDER MEASURES

The Customs Officers in accordance with the Law on implementation of Customs Measures for protection rights from IPR, are responsible for identification and temporary seizure of goods, whereby during a customs procedure, a founded suspicion for infringement of IPR rights has been established.

Temporary seized goods are stored in Customs Bonded warehouses until the bearer of the rights from IPR receives a reply. Depending on the answer of the bearers of the IPR right, the goods can be released to free circulation or being destroyed.

In accordance with the Law on implementation of Customs Measures for protection rights from IPR, temporarily seized goods can be released to free circulation provided the bearer of the right confirms that it does not infringe on the IPR, it can be destroyed if its the bearer confirms infringement of the IPR rights, the goods, or it can be donated, if the bearer of the right gives his consent for donation, in accordance with the Law on implementation of Customs Measures for protection rights from IPR.

The donation of goods (clothes and shoe garments) is done for goods for which it is confirmed that they infringe on the right of IPR, the bearer of the right has agreed to donate, the State Market Inspectorate has issued a certificate that the goods are not in violation of regulations for safety of goods and, all trademarks from the goods are removed.

The customs officers have the authority to order temporary seizure of goods, if there is a grounded suspicion that those goods infringe on the right of IPR. This can be done in all customs procedures.

Whilst the role of the Bearer of the right on IPR is of key importance for the confirmation of the originality of the temporary seized goods, based on the answer of the bearer of the right, the goods can be ordered for destruction or released in free circulation after the completion of the proper customs procedure.

Customs Officers have the competence to act on the level of Customs Offices where they are deployed, while on the level of the whole state, the authority to act have Customs Officers from the Department for Operations with the Sector for control and investigations (mobile teams).

During 2014, in 157 actions, have been temporarily seized **945.302** (in **2013**, there have been **333.799**) items and 768 kg. of goods, for a grounded suspicion of infringement of IPR.

Whilst during 2015 in **163** actions have been temporary seized **1.282.266 items and 700 kg**. of various types of goods because of grounded suspicion of infringement of IPR.

International bodies or systems which is CARM affiliated

The CARM actively supports the programs of the World Customs Organization (WCO) for protection of IP, through regular update of information in the CEN database of the World Customs Organization about realized seizures of goods based on breach of IPR, as well as through participation of in operations and projects related to protection of the rights on IP, at which were invited, and were organized by the World customs organization (project SOCHI-2014 and the operation BALKAN GATE from 2015). IPM (Interfaced

Public Member) – the database of the WCO for exchange of information and data between bearers of the rights and the Customs Authorities is being used regularly by the customs officers.

Also active is the cooperation with SELEC (Southeast European Law Enforcement Center) through regular delivery of information about executed IPR goods seizures, as well as participations in all operations and projects related to protection of Intellectual Property at which we were invited, and were organized by SELEC (operation TROJAN HORSE III from 2013 and the operations CLEAN EARTH and KNOW HOW from 2015).

The CARM had cooperation with OLAF, through participation in operations ERMIS and BITTER PILL from 2014, which were organized by OLAF, in cooperation with the Greek and Italian Customs. Also, there was cooperation with INTERPOL and TAIEX, through participation in operations WHITE MERCURY from 2013, 2014 and 2015, organized by their side.

STATE MARKET INSPECTORATE

Legal Status

The State market Inspectorate is an organ within the Ministry of Economy, with a status of a legal entity and as of May 1, 2014 it has its budget account as a budget user of a first line, it conducts on its own employment procedures according to the law and decides on the rights and duties deriving from the job position. The work and duties of the inspectorate as well as the types and organizational units are confirmed and grouped according to the character of the work and tasks within the frames of the competencies that are confirmed by the law.

SMI is managed by around 40 Laws and above 120 bylaws, some of which are: Law on Consumer Protection; Law on safety of Products; Law on Trade; Law on catering; Law on craftsmanship; Law on tourism; Law on Industrial Property; others laws.

Organizational structure of the SMI

According to the Regulation of the internal organization, the Inspectorate is organized into two sectors:

- SECTOR FOR GENERAL AFFAIRS; - SECTOR FOR INSPECTION.

The following organizational units are within the SECTOR FOR GENERAL AFFAIRS:

- Department for General LegalAffairsDepartment for Information and Communication Technology
- Department for Legal and Administrative Affairs
- Independent organizational units outside the sectors
- Department for HR Management
- Department for Financial Affairs
- Department for Internal Audit
- Department for Risk Management

From the inspection of the organizational structure of the State Market Inspectorate, it is evident that there is no Department for inspection supervision in the field of protection of intellectual property.

In order to realize increased efficiency and business continuity, the Director of SMI on 22.10.2010 by decision, designated 16 state market inspectors who are not only conducting inspections on other laws but are also conducting inspections in the filed of industrial property rights protection and are active participants in seminars and trainings in this area.

The Ministry of Economy conducts supervision on the implementation of the provisions of the Industrial Property Law and the regulations based on this law.

The **State Market Inspectorate** conducts inspection of the comparison of the provisions of this Law regarding the **trade and use** of protected industrial property rights.

The Government of the RM, the State Administrative Inspectorate, State Audit Archive of RM and others control the SMI. The financing of SMI is out of the budget of the RM and there is no income account, only expenditures.

Key functions of the SMI

The State Market Inspectorate does the inspection supervision on comparison of the provisions of this law regarding the operations and use of the protected rights of industrial property. The inspection supervision is done if:

- There has been unauthorized use of a protected invention;
- There has been unauthorized use or imitation of a protected trademark;
- There has been unauthorized use of the trademark ® sign which has not been registered; There has been unauthorized use or an imitation of a geographic name.

SMI-has no judicial function and doesn't play role in the development domestic of domestic and international IP policy.

The State Market Inspectorate has conducted 228 inspection supervisions and it has sent 46 requests to the Primary Courts on instigating criminal procedures. The inspection supervisions are made ex officio or at the request of the right holder.

Staffing

There are 126 inspectors doing inspection supervisions.

Department for inspection of the safety of products-3

Department for inspection –Skopje-20

Department for inspection-Bitola and the cities: Prilep, Resen, Krusevo and Demir Hisar-21

Department for inspection-Gostivar and the cities: Kichevo and Makedonski Brod-11

Department for inspection-Kumanovo and the cities: Kriva Pallanka and Kratovo-12

Department for inspection-Kavadarci and the cities: Veles and Negotino-7

Department for inspection-Ohrid and the cities Struga and Debar-14

Department for inspection-Strumica and the cities: Gevgelija, Valandovo and Radovis-13

Department for inspection-Tetovo-12

Department for inspection-Shtip and the cities: Kochani, Delchevo, Berovo, Vinica, Probishtip and Sveti Nikole-13

Trainings and seminars in 2015

On the World Intellectual Property Day 2015 a seminar was held for inspectors from the State Labour Inspectorate and the Ministry of Interior - in order to raise awareness of the inspectors from the SMI and the Ministry of Interior to direct their attention to this area of their work. The event is organized by the American Chamber of Commerce (28. 04. 2015)

- 1. Workshop on border Enformann of IPR for the Balkan Region (june 15-16. 2015)
- 2. .Participation in a training by the Customs Administration of RM –"COMBATING COUNTERFEITING AND PIRACY" HEALTH AND SAFETY WORKSHOP Draft IPR NATIONAL SEMINAR FOR "COMBATING COUNTERFEITING AND PIRACY" HEALTH AND SAFETY WORKSHOP 14-15 September 2015.
 - 3. National workshop for building an attitude towards the intellectual property rights for officials authorized to implement the intellectual property rights, organized by the World Organization for Intellectual Property (WIPO) in cooperation with the State Bureau for Industrial Property and the Academy of Judges and Public Prosecutors of the Republic of Macedonia-30 Sept.-01. Oct. 2015.
 - 4. On 18th April, 2016, the State Market Inspectorate participated in a counseling on the topic "Legal protection of intellectual property rights" in the Academy of Judges and Public Prosecutors" "Pavel Shatev".

The key achievements in the work of the State Market Inspectorate are:

- Decreased number of counterfeited products on the market (a conclusion during the regular inspections) and
- presence of the state market inspectors in trainings and seminars.

In the coming period all the goals will be focused on education of the inspectors in the field of protection of industrial property rights and in increasing the number of inspections.

THE ACADEMY OF JUDGES AND PUBLIC PROSECUTORS

The Academy of Judges and Public Prosecutors (AJPP) is a public institution established in 2006 under the Law on the Academy for Training of Judges and Public Prosecutors. AJPP is designed to ensure an optimum functioning of courts and the prosecution by providing preliminary training for the candidates for judges and prosecutors at first instance courts, inception training for newly appointed judges and prosecutors, as well as continuing education for existing judges and prosecutors and administrative staff in courts and the prosecution. The proposed at the Academy special training concerning the protection of IP rights is provided within the Programme for Initial Training of Candidates for Judges and Public Prosecutors.

The Academy organizes trainings for specialization of judges on implementation and protection of IP rights comprising Criminal and Civil Law, Misdemeanors and administrative judicial actions. AJPP contributes in the development of own trainers in order to improve and deepen their knowledge in the IP field, their teaching skills and techniques and conducted "train the trainers" events aimed to transfer their knowledge to various relevant target groups.

Regarding the **legal framework** that defines the competence of **AJPP** in the industrial property field: in 2015 a new Law on Judges and Prosecutors (Official Gazette no. 20 of 02.12.2015 year) was adopted and then in November and December 2015 were adopted laws amending the Law on Academy of judges and prosecutors (Official Gazette no. 192 of 11.05.2015 and no. 231 of 31.12.2015). The law governs the Academy of Judges and Prosecutors (hereinafter: the Academy) as a public institution for admission and professional training of candidates for judges and public prosecutors, continuous training and improvement of the competence of the judges and public prosecutors, continuous training on professional services in the judiciary and prosecution service, training of the subjects involved in the implementation of laws related to the judiciary as well as the performance of analytical activities in the judiciary theory and practice.

The **AJPP** performs its activity on the basis of the Academy law and bylaws which closely regulate all segments of the Academy. The initial training of the students - future candidates for judges and public prosecutors are carried out on the basis of initial training program while continuing training to judges and public prosecutors is carried out based on the general program of continuous training. The initial training and the theoretical education includes compulsory topics of industrial property while under the Program for initial training, practical training, trainees are allocated in courts and prosecutor's offices of practical training during which they also work with industrial property objects.

Within the continuous training of judges and prosecutors, according to the program of continuous training, the **Academy of Judges and Public Prosecutors** independently or in cooperation with domestic and foreign partners, mandatory organize trainings dedicated to building relationship with the intellectual property rights covering all aspects of their judicial protection - criminal law, misdemeanour law, civil law and administrative-court protection, depending on which target group are the specific training designed. For conducting training in the field of Industrial Property engage national and foreign experts, who based his lectures on domestic legislation and relevant international sources of law in the field of industrial property and judicial practice in the country and comparative in the region.

Within the legally defined work, the Academy is committed to professional training of candidates for judges and prosecutors and the judges and prosecutors in the field of industrial property rights in order to ensure proper application of regulation in this area and raise the level of protection of these rights in the courts in the country. The Academy of Judges and Public Prosecutors organizes trainings on IP for the judiciary on which it invites representatives of all relevant institutions involved in the system of protection of these rights, depending on which aspect of the judicial protection of rights is subject to specific training.

The **Academy of Judges and Public Prosecutors** suggests that the National Strategy on Industrial Property 2016-2018 should include further continuous education of judges and prosecutors in the field of intellectual property in order to strengthen the capacity of the judiciary to conduct an effective legal protection of those rights and all other relevant subjects in the area of their jurisdiction.

The Academy of Judges and Public Prosecutors should be more actively involved in national and regional projects containing components for strengthening the capacity of institutions involved in the system of protection of industrial property in the part of realization of interdisciplinary trainings that to comprise the primary target groups of the Academy - judges and public prosecutors.

According to the **AJPP** their cooperation with all institutions whose representatives are involved in the Working Group for Chapter 3.7 NPAA - Intellectual property, is very good, especially with the State Office of Industrial Property as coordinator of the working group and includes cooperation in the field of education of judges and public prosecutors and involve representatives of other institutions like the MCA, SMI, MoI, representatives of industrial property rights and other various forms of training such as workshops, conferences and the like, in order to strengthen the capacities of all relevant stakeholders and exchange of experiences and practices. However, cooperation should be further deepened and improved through implementation of joint projects.

According to the Academy of Judges and Public Prosecutors (AJPP) the IP legislation in the Republic of Macedonia is harmonized with the EU regulations but there is always space for improvement and more work is required with this regard.

THE UNIVERSITIES

The Universities of the Republic of Macedonia in a role as education institution are involved in a number of measures/ activities within the previous Strategy for Intellectual Property 2009-2012.

The legal framework that defines their competence in the industrial property field is as follows:

- Law on industrial property rights (Official Gazette of RM 21/2009 and 24/2011)
- Law on quality of agricultural products (Official Gazette of RM 140/10 and 53/2011 and 55/12)
- Law on wine (Official Gazette of RM., 50/2010, 53/2011 and 06/2012)
- Rulebook for labelling of geographical areas suitable for the production of wines with geographical name (Official Gazette of RM.48/11, 113/11, 71,11)
- Law on seed and seeds materials of agricultural plants (Official Gazette of RM., 39/2006; 89/2008; 171/2010 and 53/2011).

The commitment of the Universities in the industrial property system consists of the following: the faculty of Agricultural Sciences and Food-Skopje, as part of the Ss. Cyril and Methodius University in Skopje, applies all the measures implemented by the University for the enforcement of the intellectual property rights. In addition, within the Faculty, Institute of Agricultural Economics trains staff that has PhD and further research in the field of Intellectual property rights in the agri-food sector.

According to the Universities, the types of businesses that the government focuses on are mostly the small and medium-sized enterprises. The support that exists for spin-off companies is the following: cofinanced grants for newly established enterprises "Start-up" and "Spin-off from the National Fund for innovations and technological development; business and technology accelerator; co-financed grants and conditional loans for commercialization of innovations.

The main goal of the Agency for Promotion of Entrepreneurship (SMEs) is to get business and universities closer in order to encourage technology transfer, because according to its point of view the existing mechanisms do not provide sufficient backing to SMEs. The businesses cooperate with the research institutions basically with contract research. The results of the researches are publicized mostly through

conferences. According to the Universities, the information about IP (IP laws, IP mechanisms, costs) is disseminated via the website of the State Office of Industrial Property. The researchers are trained in IP through their own motivation and research in IPR.

The Fund for Innovation and Technology Development was established in December 2013, with the aim of encouraging innovation by providing additional resources to finance innovation.

The educational institutions that provide education and training on IP is the Faculty of Law, "Justinianus Primus" at UKIM, University in Skopje. The students are provided with IP education at the University - graduated, master and PhD students. The researchers are trained in IP and its use through workshops, training courses and summer school in IPR at national and international level.

According to a research of the Universities, the general attitude of citizens towards IP, focused on the wineries' management, the general attitude is very positive but selective; it is mostly positive for trademarks, branding process and protection of industrial designs and labels. They state that the perceived advantages of IP from citizens' point of view are related to brand protection, but the costly procedure and lack of information available are considered as disadvantage

The Universities give suggestion for more active participation in the National IP system as follows: the Faculty to be included in the part that refers to the use of Intellectual Property Rights in agri-food sector, covering all the rights related to the protection of wine regions, vine varieties, seeds and seedlings, producers' rights, use of IPR at the agri-food company level, raising awareness of the importance of IPR among business agri-food company as well as producers and strengthening the capacities at the instructions, responsible for implementation of the agri-food policy measures that cover IPR issues. They have staff that has done the MSc and PhD research in the field of IPR in agri-food industry. Additionally to this, many research papers were prepared for IPR use and awareness among Macedonian wineries, institutional commitment, as well as the enforcement at the producer level. The Faculty of agricultural sciences and food — Skopje to establish more strong cooperation with the responsible institutions regarding the further implementation and enforcement of IPR in agri-food sector, considering the necessary agricultural knowledge.

According to the Universities, the current level of IP education and awareness does not meet the country's needs. The necessary actions for improvement of the current situation is the conduction of IPR research at the University and allocated budget exactly for these activities as well as cooperation between educational institutions as interdisciplinary approach. The National Strategy on Industrial Property should include activities and measures that will: a) improve the current implementation of IPR; b) increase the awareness of the population; c) introduce IPR in the elementary school, high schools and faculties, including mutual cooperation for preparation of projects in IPR, where students will take part; d) possibilities of scientific research and implementation of the results in the practice.

The required key reform, which is the formation of a separate institutional body that will act within the University and will undertake an interdisciplinary research among different faculties.

The priority in terms of developing the IP system over the next five to ten years should be the increasing of the IP awareness as much as possible. The main partners and stakeholders who should be

involved in meeting these priorities are the Universities, Governmental and non-governmental Institutions, NGO, schools, business companies, donors, etc.

In general there is low awareness of the importance of IPR and the need of permanent enforcement in all sectors. The main barriers that businesses face when innovating is the lack of information about procedures and financials.

The specific role of the Universities as carriers of R&D activities in the area of development and technology transfer should be recognized and used. In this regard, universities should be supported in their efforts to develop an IP policies and more active interaction with the business community.

The major problems and challenges created by the current IP situation in terms of creativity and innovation by universities, research organizations, industry, SMEs and individuals is the R&D budget at the Universities and its allocation.

THE MINISTRY OF JUSTICE.

The Ministry of Justice of the Republic of Macedonia as a policy making and implementing institution was involved in a number of measures/ activities within the Strategy for Intellectual Property 2009-2012. It deals with matters related to the judiciary, public prosecution office, public ombudsman; state administration; criminal liability and liability for infringements; notary matters and other forms of legal assistance; inheritance, ownership, substantive rights and obligations; criminal, misdemeanour, litigation, non-litigation, enforcement and administrative procedure; administrative supervision; which are important for the intellectual property.

The legal framework that defines the competence of the Ministry of Justice in the industrial property field is the Criminal Law. The commitment of the ministry in the industrial property system of the Republic of Macedonia is assessed as very good and the Ministry defines their collaboration with the competent institutions in the industrial property field as excellent.

The court, police and prosecutor have the authority to order goods seizures and initiate prosecution/ legal proceedings. Regarding the legal remedies that are available - everyone has the right to appeal and request for interim measures. The right holders may initiate appropriate proceedings before the competent authorities in cases where goods are seized within the borders of the country. Each year there are 46 prosecutions for such crimes. The Ministry assesses the existing level of coordination between the agencies dealing with counterfeiting as very good.

With regard to civil disputes – the basic courts hear cases related to the challenging of decisions made by the national IP office. Copyright cases are heard in the civil courts. The Basic court has jurisdiction when deciding between parties – irrespective of whether the parties are individuals or legal entities. The party that bears the burden of proof is the applicant. The applicable timescales for legal proceedings are from 6 months to 1 year. The judges receive permanent training and all judges who have received such training deal with IP cases. The lawyers and judges specialize in IP cases on the highest level.

According to the **Ministry of Justice** the needed reforms for the improvement of the current situation of the IP enforcement is constant training. The general level of IP awareness in the country is assessed as

good. However, the current level of IP education and awareness does not meet the country's needs entirely. More campaigns to raise awareness would be necessary in order to improve the current situation.

According to the Ministry, the situation with the industrial property in the country has improved as a whole. The activities of SOIP are assessed as excellent. Regarding the institutional availability of SOIP – it is assessed as poor with regard to the budget, very good in regard to personnel and good with regard to infrastructure.

The Ministry of Justice stated that there is no IP enforcement court in the Republic of Macedonia.

THE ASSOCIATION OF INTELLECTUAL PROPERTY AGENTS OF THE REPUBLIC OF MACEDONIA (AIPRA)

The Association of Intellectual Property Agents of the Republic of Macedonia, as an implementing institution, was involved in a number of measures/ activities within the Strategy for Intellectual Property 2009-2012.

Essential elements of the system for protection of IP rights are the intellectual property representatives. The main aim of this association is to improve the protection of IP rights by undertaking specific actions, required with this regard. The role of the representative of intellectual property rights in the system for enforcement of the IP protection is of high importance, taking into consideration their direct contact with the right holders. Therefore, it is necessary to further improve their professional skills.

In the National IP Strategy 2009-2012 envisages the following actions to be taken for the strengthening of the role of the intellectual property rights agents: the possibilities for professionalization of the association of intellectual property rights agents to be determined; the implementation of a cooperation programme for agents and the authorized institutions to be developed; continuous education of agents in intellectual property rights to be performed.

The legal framework that defines the competence of The Association of Intellectual Property Agents of the Republic of Macedonia (AIPRA) in the industrial property field covers the Law on Industrial Property, the Criminal Law, the Law On Customs Measures For Protection Of Intellectual Property Rights.

Presently, the Association of Intellectual Property Agents of the Republic of Macedonia assesses its and its members' collaboration with the competent institutions in the industrial property field as very good and finds that the situation with the industrial property in the country has improved as a whole and especially regarding the proactivity of the institutions.

The IP representatives are now covered in various non-governmental associations and communities-Societies of representatives of intellectual property rights (SRIPR), Association of intellectual property rights agents (AIPRA) etc. Their common ultimate goal is to improve the protection of rights to intellectual property objects. Therefore, it is advisable to work for establishment of uniform common professional organization based on amending of the relative normative acts for reorganization aimed to continuous enhancement of the professional qualification, competence and specific skills of IP representatives.

THE SUPREME COURT

The Supreme Court of the Republic of Macedonia in a role as a judiciary institution is involved in a number of measures/ activities within the Strategy for Intellectual Property 2009-2012.

The Supreme Court overall assessment of the level of the industrial property legislation in the Republic of Macedonia is good. According to SC the legislation on industrial property is in its great part harmonized with the EU regulations but there is always space for improvement and it should be worked in that field.

The Supreme Court of the Republic of Macedonia within the frames of its authorizations from the civil law in the field of industrial property takes decisions according to the audits made according to article 372 from the Law on Civil procedure. The importance of the protection of the industrial property rights is seen in the possibility to announce audits for disputes connected to the industrial property rights with regard to the value of the dispute (article 372 paragraph 3, item 5 from the Law on Civil Procedure). From the criminal legal aspect the Supreme Court takes decisions according to the articles 285 and 286 from the Criminal Law.

With regard to their commitment in the industrial property system of the Republic of Macedonia - acting upon its legal framework the Supreme Court protects the rights of the industrial property by bringing correct and lawful decisions. At the same time it is insisted on the professional development of the judges and judicial advisors in the area of industrial property rights with the purpose of ensuring adequate implementation of the regulation from this field and to raise the level of protection of these rights in front of the court instances in the Republic of Macedonia.

The Supreme Court of the Republic of Macedonia considers that it should be more actively involved in national and regional projects that have topics of strengthening the institutional capacities that are involved in the system for the protection of the rights of industrial property, particularly in the area of participating in interdisciplinary trainings in the country and abroad.

The SC assesses its collaboration with the competent institutions in the industrial property field as poor and states that the cooperation should be deepened and promoted through implementing joint projects.

According to the SC, the National Strategy on Industrial Property 2016-2018 should include continuous education in the area of intellectual property of judges and judge advisors, with the purpose of strengthening the capacities for the implementation of an efficient judicial protection of the IP rights in front of the Supreme Court of the Republic of Macedonia.

THE INDUSTRY AND TRADE CHAMBERS (ITC)

In the National MK Strategy 2009-2012 it has been found that the interest in the protection of industrial property rights among the domestic holders of IP objects is very low. This was due to low awareness of the business community about the benefits of protecting IP rights. Therefore the domestic Agency for support of entrepreneurship in 2009 has planned activities and budget in order to enhance the public awareness of the importance of IP rights protection. Simultaneously, the economic chambers have recognized the importance of IP rights protection in relation to the growth of the entire economy and in all

economic sectors evenly. That is why it has been found that it is necessary to increase and intensify the activities for encouragement of the businesses to protect their rights on objects of IP and to strengthen its awareness of the economic effect of it. The active participation of the relevant state agencies and the economic chambers should be strengthened.

In order to raise the knowledge base, skills and awareness of the business community of intellectual property rights, it has been found that specific actions and activities should be taken for improving shortterm plans and programmes for general training of small and medium enterprises and associations under the chambers of commerce.

The Industry and Trade Chambers (ITC) overall assessment of the level of the industrial property legislation in the Republic of Macedonia is good. The Law of chamber of commerce is the normative act that defines their competence in the industrial property field. There is good collaboration between the chambers and their members and the competent institutions in the industrial property field.

ITC finds that the situation with the industrial property in the country has improved as a whole, but not significantly.

According to the **Industry and Trade Chambers**, the awareness of the stakeholders is a major challenge - the available resources are not sufficient to deal with this challenge. More informative sessions are needed in order to improve the current situation of the IP enforcement. Raising the awareness about the importance of developing the IP system (with respect to IP enforcement) should be a priority over the next five to ten years. Stakeholders, government are the main partners involved in meeting these priorities.

In THEIR opinion skills shortages are the main barrier that businesses face when innovating/ seeking to innovate. Universities, research organizations, industry, SMEs and individuals are still not implementing creativity and innovation and this is the major challenge created by the current IP situation.

A comprehensive reform is needed in general and regulatory and legal ones in particular. Promoting innovations and creativity importance and attracting those who innovate or create are the priorities in terms of developing the IP system over the next five to ten years. Government, universities and business agencies are the main partners and stakeholders who will be involved in meeting these priorities. The government and the chambers of commerce should be involved, in order to manage the implementation of the strategy as key stakeholders. Government and business should work together to develop and implement the strategy by the mediation of the economic chambers.

In ITC point of view the IP affects the education system and the methods of teaching through patents, copyrights and industrial designs and teachers and lecturers are aware of such IP-related issues. ITC finds that no educational institution provides education and training on IP. The responsibility for IP matters is almost not dealt with at individual educational institutions. Researchers are not trained as much as is needed in IP and its use.

According to the Industry and Trade Chambers, businesspeople, government officials, designers and students are educated by trainings in relation to the principles of IP and the impact of IP on society and business. This education is followed by specific job-focused training for individuals in a very low extent. No educational courses in IP law are available at university. No IP faculties are there in the country's universities.

The general level of IP awareness in the country is very low according to ITC. The level of IP awareness doesn't differ from sector to sector in ITC opinion. No evaluation exercise of IP awareness throughout the country has been undertaken and there is a strategy in place for enhancing IP awareness.

According to the experience of ITC, the citizens in Macedonia do not take the IP protection seriously in general. Bringing a greater safety is the perceived by the citizens' point of view advantage of IP. Citizens are not consulted on the development of IP policy or other IP-related economic / social / cultural policies. Therefore, the current level of IP education and awareness doesn't meet the country's needs. That is why it is advisable in ITC view the citizens and especially those who are directly related to this to be informed through the media, trainings, info sessions.

ITC has also stated that the country's universities and research institutions do not have technology transfer offices (TTOs).

According to ITC there are no mechanisms in place for assessing the value of IP assets. No policies in place to promote IP valuation. Industries are not in the extent needed encouraged to carry out regular valuations of their IP assets.

THE AGENCY FOR PROMOTION OF THE ENTREPRENEURSHIP

The Agency for Promotion of the Entrepreneurship (APERM) as an implementing institution was involved in a number of activities within the Strategy for Intellectual Property 2009-2012.

Regarding the measures for developing the capacity of the business community for protection and enforcement of Intellectual Property Rights – according to the Evaluation report of the Strategy For Intellectual Property Of The Republic Of Macedonia 2009 – 2012 the Agency for Promotion of Entrepreneurship together with the Ministry of Agriculture, Forestry and Water Management organized a seminar on "Protection of agricultural and food products with quality labels" as an opportunity to increase competitiveness and innovation of SMEs.

The Agency has also developed short-term plans for training of SMEs in partnership with the Chambers of Commerce. In 2011 training in the use of certification marks and geographical indications took place.

One of the main aims of the Agency for Promotion of Entrepreneurship (SMEs) was to work in the direction of bringing the business and the universities closer together for technology transfer.

In the previous Strategy for IP (2009 - 2012) it was stated that the low level of knowledge of the business community concerning the economic benefits of the IP resulted in low level of registration of industrial property rights by domestic applicants. It was also pointed out that the low level of knowledge is evident in the small and medium enterprises and in the agricultural sector. In its Programme for Development of Entrepreneurship, Competitiveness and Innovations in Small and Medium Enterprises for 2009, the Agency for Supporting the Entrepreneurship of the Republic of Macedonia planned activities and budget for raising the awareness concerning the importance of intellectual property rights. The activities for capacity building of the business community for protection of intellectual property rights and their economic effect should be extended and strengthened in the future.

APERM considers that they could be included more actively in the activities regarding the National IP System via organization of educational and promotional activities for SMEs in the field of IPR, based on their previous positive experience. The collaboration of APERM with the competent institutions in the industrial property field consists of organization of educational and promotional activities for SMEs – cooperation established during implementation of the former IPR action plan.

According to APERM the national priorities with regard to the national technological development are defined in the competitiveness strategy, innovation strategy, industrial policy, objectives of the SKILLs project/ Ministry of education and science.

The main barriers that businesses face when innovating are the lack of skills and lack of access to finance. The major problems and challenges created by the current IP situation in terms of creativity and innovation by universities, research organizations, industry, SMEs and individuals are the lack of information, skills and access to finance.

According to APERM the main partners and stakeholders who will be involved in meeting the priorities for development of the IP system with regard to innovation and creativity are SOIP, the relevant enforcement institutions, the universities, the R&D institutes and APERM. The key stakeholders which should be involved, in order to manage the implementation of the strategy are SOIP and the relevant enforcement institutions.

MINISTRY OF EDUCATION AND SCIENCE

The Ministry of Education and Science has responsibility for strategy formulation and planning in the field of science and technology, it manages project development, takes responsibility for the legislative aspect of science and technology, technological development and technical culture and organises international scientific cooperation and bilateral, multilateral and European activities in FYR of Macedonia. It supports and encourages the development of scientific research infrastructure in the FYR of Macedonia (institutes, universities and independent research groups), aiding the development of young researchers and the overall technological development of the country. In the framework of this responsibility, the Ministry has defined the following priorities in the development of science, research and technology in the country: Energy, Transport and Ecology, Chemistry, Materials, Agriculture, Veterinary Medicine, Biotechnology and Food Production, Informative technology, Water resource management and Earthquake Engineering. The FYR of Macedonia maintains scientific and research cooperation with more than 35 countries. With some of which, the FYR Macedonia has concluded inter-ministerial protocols, memorandum of understanding and other forms of official cooperation. It has also established intergovernmental cooperation in terms of umbrella agreements on educational, cultural and scientific research cooperation.

PUBLIC PROSECUTORS OFFICE

History

In November 1991, the new Constitution of the Republic of Macedonia is adopted, by which the Republic of Macedonia is constituted as a independent, sovereign, democratic and civil state whose fundamental values are based on the principle of the rule of law and the protection of the human freedom and rights. Considering, the Public Prosecution Office of the Republic of Macedonia as unique and independent state body that is carrying out the prosecution of the doers of crimes and other offences determined by the law, rises in to the most important state body for practicing and protection of the fundamental values of the new constitutional order.

¹⁰ https://www.zsi.at/en/object/partner/1618

Function

The public Prosecutor's general right and duty is to take necessary measures in relation of crimes and criminals and to direct the preliminary procedure; to demand investigation; to enforce and present the prosecution act i.e.prosecution proposal before the competent court; to appeal against court decisions which are not final and to propose extraordinary remedies against final court decisions to conduct other activities determined by this Code.

Structure

According the Public Prosecution Act the Public Prosecution is organized on three levels as follows: The Public Prosecution Office of the Republic of Macedonia; High Public Prosecution Offices in Skopje and Primary Public Prosecution Offices.¹¹

COORDINATIVE BODY FOR INTELLECTUAL PROPERTY (CBIP)

The Coordinative Body for Intellectual Property (CBIP) was established with the Decision on establishing and scope of CBIP taken by the Government of the Republic of Macedonia on 24 April 2007. Its main purpose is the establishment of coordination in providing efficient system for protection and enforcement of intellectual property rights. It consists of representatives from all state bodies dealing with IP enforcement. CBIP is responsible to the Prime Minister of the Macedonian Government and connected to WIPO, EPO, OHIM, AMCHAM, USAID, INTERPOL, the EU. The CBIP is managed by a board appointed by the Government of the Republic of Macedonia. It includes 11 representatives of state bodies and the OIIP, Ministry of Interior, European Affairs, Ministry of Justice, Ministry of Economy, State Market Inspectorate, Customs Department, Public Revenue Office, MISA and the Ministry of Culture and the State Office of Industrial Property. A report on the proceedings of the CBIP to the Government of the Republic of Macedonia is prepared twice a year and the results after each coordinated action are disclosed at press conferences. CBIP has no steady income but financial and technical support is available from the SOIP and the Ministry of Economy.

The CBIP observes and administers industrial property rights and copyright and related rights. The body participates in court proceedings and creates and implements an appropriate policy for compliance and deploying of IPR with all institutions that protect and enforce IPRs domestically and internationally. The Coordinative body has the following functions: to cooperate in the IP field regarding market supervision, to identify issues, to suggest possible solutions and ensure coordinated approach for implementation of the solutions. It also undertakes activities connected with the relevant policies for industrial property and copyrights and related rights protection.

Depending on the needs, CBIP submits requests to the appropriate organizations to provide experts required for their coordinated actions. Available to the staff to increase their knowledge of IP are debates, seminars in Macedonia and abroad, workshops and conferences to raise awareness and respect for IP rights.

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¹¹ http://www.jorm.org.mk/

Some functions of CBIP have been automated via software including the data collected during the coordinated actions of the inspectors – specifically data for the seized goods, the law under which they have acted and the measures which have been imposed. The public has access to the Registry of IP rights through the website of the SOIP. There is an opportunity for the public to conduct electronic transactions with CBIP through e-mails to the President and Secretary General of the CBIP and to forward it to the archive of the IPO. The cooperation of the local NGOs and representatives of other state bodies in the area of IP is strong.

The Coordinative body for intellectual property had a positive impact on the IPR system but the level of law enforcement commitment varies between the different institutions. However, the shared responsibility between 11 different bodies of law enforcement at some cases prevents the more effective investigations and the legal steps which should be taken. The cooperation between these 11 institutions is strong and will continue in the direction of law enforcement and functioning of the legal state. This is confirmed by the coordinated actions are conducted 4 times per month and more if necessary and all this is confirmed and verified with the reports of the Coordinative body which are supplied to the Government of Macedonia.

Twice a year - on 12.12 - the Piracy Combating Day and 26.04 – the Intellectual Property Day, the CBIP carries out public destruction of seized products infringing intellectual property rights (copyright and related rights and industrial property rights).

The communication of CBIP with the public is aimed at the raising of their awareness on the importance and the impact of the IP. It is performed via print media in Macedonia, mass media, radio and television and debates for informing and raising the IP awareness of the citizens.

A priority of the CBIP concerning the development of the IP in the next five to ten years is the law enforcement and the raising of the public awareness. Main partners and beneficiaries involved to address this priority are the SMEs.

FTID (FUND FOR INNOVATION AND TECHNOLOGY DEVELOPMENT)

The Fund for Innovation and Technology Development (FITD) is a state institution, established in December, 2013, under the Law on innovation activity (Official Gazette of the Republic of Macedonia no. 79/2013, 137/2013, 41/2014, 44/2015, 6/2016 and 53/2016). This Law regulates the innovation activity, the principles, goals and organization of application of the innovation activity results, scientific and research activity, technical and technological knowledge, inventions and innovations, as well as the establishment, status, competences, management and governance, funding, supervision of operations, and other issues related to the Fund for Innovation and Technological Development.

The mission of FITD is to encourage and support the innovation activities in the micro, small and medium enterprises in order for faster technological development to be achieved, based on knowledge transfer, research, development and innovation that contribute to the creation of new job positions and economic growth and development, thus improving the business environment for development of the competitivenes of the enterprises.

The focus of the work of FITD includes in particular:

• Co-financing of micro, small and medium enterprises registered in the Republic of Macedonia, in order to encourage innovation activities, implementation of innovative solutions and innovative

- processes, introducing innovation and technology transfer in enterprises as well as supporting companies that have high growth potential.
- Co-financing of start-ups, micro and small enterprises registered in the Republic of Macedonia, foundations and accelerators, in order to encourage innovation among enterprises and transfer of scientific research results by applying the same to commercial activities by creating "spin - off" companies.
- Achieving long-term positive contribution to the development of the national economy, improving competitiveness through technological and operational improvements and the provision of new jobs; support for the creation of business and technology accelerators, entities providing infrastructure support of innovation activities in order to accelerate the entrepreneurship through provision of support to the individuals who want to establish an enterprise, as well as to already established companies which are in their initial phase (up to 6 years) by providing educational, logistical and financial support.

The instruments of the Fund for financial support of the innovation activity are as follows:

- co-financed grants for newly established trade companies "start-up" and "spin-off;
- co-financed grants and conditional loans for commercialization of innovation;
- co-financed grants for technology transfer;
- co-financed grants for the establishment, operation and investments of business and technology accelerators.

The bodies of the Fund are the Managing Board, the Committee for Approval of Investments and the Director. The members of the Board and the Committee are appointed and discharged by the Government.

In 2015 two calls were realized, the first of which has been announced in February 2015 with a total budget of 600.000 euro. For this public call 16 projects for funding were approved amounting to 458,700 euros.. The second call has been announced in September 2015 with a total budget of 1.300.000 euro. A total 17 new beneficiaries have been awarded funding in total of 868.314 euro. Until now the projects which are co-financed by the Fund fall under the following industries: ICT, mechanical engineering, electro engineering, agriculture, mineral production, creative industries, construction, etc. Through the projects financially supported by the Fund, additionally are mobilized a total of 449.213 euros of private funding of the SMEs for research, development and commercialization of innovations.

Having in mind the above-mentioned, the Fund, by granting co-financed grants, is actively involved in the support of the activities for development and commersialization of the innovations. FITD can be the link between the awarded SMEs and the competent institutions in the industrial property field that could provide trainings and mentorships to the enterprises in order to enhance the capacity regarding the creation, identification, evaluation and use of intellectual property rights and the benefits of their protection and enforcement. The emphasis of SOIP should be on organizing trainings, workshops and etc. for better understanding of the different approaches in the IP protection, the various IP rights, knowledge on the manners and procedures for the protection of IP, development and management of company's IP portfolio, evaluation of the different approaches to IP commercialization and implementation of IP transactions. Evident improvements are indicated in this field, however further developments are required. Namely, according to the innovators the patent granting procedure is very complex and not user-friendly for individual applicants.

According to FITD, the focus of the State Office of Industrial Property should be put on activities for raising the awareness and understanding of the companies, especially the small and medium sized ones regarding the creation, identification, evaluation and use of intellectual property rights and the benefits of their protection and enforcement, as well as valuation of the intangible assets, in order to stimulate innovation In cooperation with the business, community training activities should be carried out as per the specific needs of the certain industries and regions.

Through its instruments, FITD will continue to encourage the innovations creation and development, their protection and commercialization, as well as providing support and stimulation cover the costs for submission of patent applications (national/international patent application) created within the projects financed by the Fund. The Fund will also continue to stimulate the protection of other rights on IP created within the projects financed by the Fund by covering the costs for application and protection. The role of the Fund has to be expanded and enriched as an important factor in developing the National Industrial property system.

THE ADMINISTRATIVE COURT OF THE REPUBLIC OF MACEDONIA

The Administrative Court in Skopje, as one of the holders of judicial power in the judicial system of the Republic of Macedonia was established under the Law on Courts ("Official Gazette" No.58 / 06), and work began on 5.12.2007.

The Administrative Court is competent to decide on the occasion of administrative disputes in order to provide legal protection of rights and legal interests of physical and legal persons and ensuring the legality of the acts of the state administration, the Government, the municipalities and the City of Skopje, organizations determined by law and legal and other persons exercising public powers (holders of public authority), about the rights and obligations in individual administrative matters, as well as acts of those organs adopted in infringement proceedings. With the establishment of the Administrative Court from 2007 and onwards, it is possible to control the legality of actions of state bodies in the procedure for protection of the industrial property rights.

The legal framework that the Administrative court handles in the industrial property field covers the regulations that derive from the domestic legislation i.e. the Law on IP, the Law on administrative disputes, the Law on general administrative procedure as well as any other laws that are related to the above mentioned such as the Law on customs measures for protection of intellectual property as well as positive international law that applies and is associated with this field. According to this legal framework the Administrative Court participates in the system for resolving administrative disputes in the field of industrial property in the Republic of Macedonia. The Administrative Court considers that it should be involved more actively in activities related to the national system of Industrial Property and the issues relating to the responsibilities of the Administrative Court to handle cases in the field of industrial property.

The Administrative Court evaluates its cooperation with institutions that have points in the field of industrial property as very good one especially with the State Office of Industrial Property which should be maintained and thrive.

According to the Administrative Court, with the National strategy for industrial property 2016-2018 it should be given greater importance to the Administrative Court especially in terms of being part of the administrative judiciary with the countries of the region and beyond in terms of practice and exchange of experiences in the field of industrial property.

Also the Administrative Court should be part of the initiatives to amend the regulations concerning the industrial property field.

The regulations for the protection and implementation of the industrial property rights are systemized in one law (The law on Industrial Property) and not included in various laws. The criminal acts related to the violation of the rights of the industrial property are prescribed in the Criminal Law, and regarding the criminal procedure for these acts, the Law on criminal procedure is applied.

There is no specialized court for the enforcement of the IP and the protection is implemented in a procedure in a civil court, criminal court and the administrative judiciary. The Administrative court is competent to evaluate the administrative procedure regarding the gaining, realization, holding and protection of the rights of industrial property. Regarding the stated, it would be important to mention that in the Republic of Macedonia there is no specialized Chamber of the Administrative Court for such specific areas. This is due to the relatively small number of complaints in this area. Cases with ragard to objects of the industrial and intellectual property are handled by the Council of Judges which is competent to proceed with cases in the IP field as well as many other fields due to which their potential should be raised by the following:

- training of the judges in this area through the Academy of Judges and Public Prosecutors;
- recording the trainings aiming continuous education;
- the trained judges to have priority when such are deployed in the Councils where Industrial Property cases are handled.
- In line with the aforesaid and due to the specificity of the issues in RM having a growing trend, it is absolutely necessary to have trained judges handling such cases.

THE FOREIGN STATE EMBASSIES

In this context, it is very recommendable to establish a good and effective cooperation with the embassies. In many cases the commercial departments thereof are interested to be informed on infringements of the intellectual property rights, and in collaboration with all aforementioned entities they arrange seminars regarding foreign experiences in the subject field and also promote cooperation with leading private partners, especially global producers from countries, whose interests they represent.

1.4. NATIONAL INNOVATION SYSTEM AND THE CAPACITY OF THE LOCAL BUSINESS COMMUNITY FOR GENERATING AND UTILIZING INDUSTRIAL PROPERTY

The Macedonia IPR protection culture in the industry and business is short and not very experienced. Recognition, protection and development of industrial property value was never more important than in our days.

The improvement of the capacity of the local business community for generating and utilizing industrial property means to promote added value; to improve the quality of products; to enhance access to technology; to increase productivity; to increase the competitiveness of local industries; to promote innovation in business and industry; to support the development of technology and also to promote appropriate technology.

The most important governmental bodies regarding this chapter are: SOIP; the ME; the FITD (The Fund for Innovation and Technology Development); the Trade Chambers; the MF; the Ministry of Education and Science and APERM.

Applicant activity in the Industrial property field

If the Applicants' activity in the Republic of Macedonia in the last 20 years is examined, negative trends will be noticed with respect to the criteria patent applications and applications for other industrial property objects. Specifically, the data is indicated in tabular form in Annex 3

Only the more important facts will be noted here. The results of the conducted research on The European Cross Border Cooperation Programme¹² are a valuable source of information, conclusions and recommendations. Until the beginning of 2016 the applicant activity with regard to filing shows an upward trend, although the rates are not very high. The number of applications of all the industrial property rights was increased comparing to the previous years.

Patents

The national patent applications in the period 1993 – March 2015 are in total 946.¹³ In the period 1993 - 2005 did not exceed 100 per year – their average amount was about 65 and only in 1995 the same reached 100. For the period 2006 - 2014 the same type of patent applications were a total of 462, an average of about 50 per year. The largest number during this period was in 2007 - 150 patent applications. Then, apparently directly dependent on the raging global economic crisis, there is considerable decline, with constant average level about 25 applications, with the exception of 2012, when the applications were 50. During the year 2015 were filed 719 patent applications. This number is much comparing to the number of applications in 2014 which was 544, in 2013 which was 495 and in 2013 was 499. During the year 2015, 884 patents were granted (860 European patents and 24 domestic). Comparing to the previous years, in 2014 – 116, 2013-378, 2012-520) this is also an increased number. The number of patents in force at the present moment is approximately 3100.

 $^{^{12}}$ Анализа на постоечките брендови и трговски марки во прекуграничниот регион, март 2015, Economic Chamber of North-West Macedonia and SOIP.

¹³ Анализа на постоечките брендови и трговски марки во прекуграничниот регион, Март 2015, Economic Chamber of North-West Macedonia and SOIP, page 9.

Accoding to the criterion analysed herewith, an obvious conclusion can be made that the national innovation system does not reveal good condition. There is no creation of new technical solutions that will provide business processes based on new, high technologies and products, which provides economic growth itself. The patent applications that were filed under PCT before SOIP fallen drastically to 0 in 2014. This lack of interest in patent protection abroad of domestic inventions shows only one thing - that there is a serious drawback of the activity of the local businesses that either does not understand the importance and power of the industrial property as a tool for economic success or the national innovation system does not create incentives for the industrial property in order for it to be realized as a tool for economic growth, which is generally acknowledged. Or probably a combination of both factors. In this situation, in the coming years an increased attention should be given to the work with the national business in order for the identified negative trend to be overcome.

At the same time the statistics show that there is a slight but steady increase in the patent applications under the international patent systems, which shows that the country is of interest and there is a potential for international business and investments. This is supported by the data on the activity of the foreign applicants in the trademark fields. For this IP object the statistics show a relatively steady interest in the protection of marks in the country. The national business shows a growing, albeit at a not large rate, interest in registrations of marks, especially after 2010.

Trademarks

The entrepreneurs in the country apparently pay more attention **to the trademark protection**. This is understandable, given that more than 90% of the enterprises are small and medium. The national trademark applications in the period 1993 – March 2015 are in total of 11918. The statistics show that during the year 2014, the total number of TM applications was 4468 TM applications. 68% according to the Madrid Agreement and the rest are filed with the SOIP. Comparing to the year 2013 there is a 14,64% decrease of the number. Only 19% are domestic applications. During the year 2015 were filed 1354 trademark applications. During the year 2015 were registered a total of 1506 TM while in the previous years the number was as follows 2014-637, 2013-840, 2012-388. At the present moment the number of trademarks in force is 18611.

Designs

The situation with regard to **the designs is even clearer**, taking into consideration the interests of the local business towards this IP object. The national design applications in the period 1993 – March 2015 are in total 596. At the State Office of Industrial Property of the Republic of Macedonia, during the year 2014 were filed 279 design applications: 37 domestic and 242 foreign applications. The number of the design applications in the 2014 comparing to the year 2013 has decreased with 300%. 4 out of 242 foreign applications are filed through SOIP (1.65%) and the rest 238 are European applications (98.35%). During the year 2015 were filed a total of 21 Industrial design applications. In previous years the number of

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¹⁴ Анализа на постоечките брендови и трговски марки во прекуграничниот регион, March 2015, Economic Chamber of North-West Macedonia and SOIP, page 17. ¹⁶ Анализа на постоечките брендови и трговски марки во прекуграничниот регион, March 2015, Economic Chamber of North-West Macedonia and SOIP, page 12. ¹⁷ Анализа на постоечките брендови и трговски марки во прекуграничниот регион, март 2015, Economic Chamber of North-West Macedonia and SOIP, page 22.

applications was as follows: 2014-41, 2013-34, 2012-66 registered industrial design during the 2015 was only 1., in force are 217 industrial design.

Geographical indications

It is noticeable that the national business does not use the potential of the **geographical indications** as a serious source of financial gains and a basis for successful business not only in the production of products that could be labeled with a GI, but also in combination with other forms of economic initiative such as cultural and historical tourism. There are not more than 50 registrations of geographical indications.¹⁷ In 2015 was only 1 application for Geographical indications filed and the same was registered, in force are 42 GIs.

By the adoption of the Law on quality of agricultural products and by-laws arising from it, the Ministry of Agriculture, Forestry and Water Management assumes the role for the protection of agricultural and food products with designation of origin, geographical indications and designations of traditional specialty. During the last period in the MZSHV for the first time were realized activities for settlement of the quality of agricultural products and its protection. A challenge for the next period remains the implementation of markets for horticultural and fruit products, especially milk, for which a complex system of quality and safety control should be created. The functionality of the system for protection of agricultural and food products with geographical indications and names of a traditional guaranteed specialty should also be improved.

The added value of the agricultural products on the market will be ensured by the protection of their quality by the protection of geographical indications and marking for traditional guaranteed specialty under the provisions of the Law on Agricultural Product Quality. Products with features of quality due to the impact of natural or human factors, specific geographical area and which production, processing and/ or preparation takes place in a traditional way, will be supported via the process of the protection of these features.

A support will specifically be aimed at the promotion and protection of products from activities carried out by organized local associations of producers. And although the protection of agricultural products is a matter of the initiative of farmers, in order to ensure more value-added products on foreign markets and promote new European markets beyond existing ones, MZSHV held a number of activities for promotion and protection of the geographical origin of some of the most significant Macedonian products with already recognized export potential as Ohrid cherry, sheep's yellow cheese and sheep's white cheese. The registration procedure of the Ohrid cherry in order for the same to be put on sale as a protected product with a registered geographical indication should be completed by June this 2016.

The national legislation defines three indications of quality of domestic products - protected designation of origin, protected geographical indication and designation for guaranteed traditional quality. Protected designations are not only guarantee for the quality but also of the authenticity of the product, which provides additional security to customers that they will not be misled about the authenticity of the product.

In the recent years, due to unfair competition in the domestic market, illegally and in an uncontrolled manner, a large quantity of cheese with questionable quality at low prices was imported, which has a negative impact on the realization of the local production. Because of the unfair competition on the domestic market

during the recent years, breeders reasonably urge the relevant departments in the government to protect the domestic production of dairy products from unfair competition.

The conclusions that can be drawn, reveals a picture of insufficient attention by the national business to the protection of industrial property objects. An entrepreneurial culture, that shares the understanding of the significant role of the industrial property for the economic prosperity of both the separate economic entity and the national economy and its international competitiveness should certainly be build. A similar view is shared by the representatives of various branch organizations of the business. Therefore, the constant work to enhance the entrepreneurial culture in the industrial property field should be put as an objective, as well as the dissemination of knowledge on it, sufficient to ensure growth in the activity of the enterprises for the protection and commercialization of the IP objects.

1.5. THE IP AWARENESS OF THE SOCIETY.

The Republic of Macedonia faces many challenges caused by insufficient knowledge and culture in the IP area - low IPR protection and enforcement; counterfeiting and piracy, unfair competition regarding IP rights; low utilization of the innovative potential of the business community, etc.

The most important governmental bodies regarding this chapter are: SOIP; the ME; the FITD (The Fund for Innovation and Technology Development); the Trade Chambers; the MF; the Ministry of Education and Science and APERM.

Raising the IP awareness of the society is of high importance, taking into consideration the rate of piracy and the presence of counterfeited goods on the domestic market, showing that their level of knowledge is not satisfactory. It is necessary to raise and strengthen the awareness of the public about the importance of the protection and its economic benefits. In order for this aim to be accomplished, activities concerning the importance of intellectual property rights should be performed, including media campaigns, meetings and seminars, public destruction of confiscated pirated and counterfeited goods, educational events, exhibitions, conferences, etc.

Raising the level of awareness of the society is not important just for the right owners, it is also essential for the consumers and for the community as a whole. The counterfeited goods are not only infringing IP rights and misleading the consumers - the same could very often be dangerous for them and their health and safety, because of low quality and lack of control of the same.

Therefore, it is necessary to undertake actions in this direction, by rising the public awareness regarding the consequences from buying goods and using services infringing the intellectual property rights. Important role in this process play the associations of consumers and the advisory services for consumers on local level.

The promotional activities which should be undertaken - trainings, knowledge and information dissemination aim to raise the level of public awareness of the fact that the proper use of IP rights contributes to the revitalization of all sectors of the economy, stimulates creativity and innovation, which leads to the overall progress of the country.

Enhancing the knowledge of the society about the importance of the IP protection requires its inclusion in the national education system at all levels - schools, universities, and postgraduate qualification - which calls for active participation of the Ministry of Education and Science of the Republic of Macedonia in the process.

Very important role regarding the rising of IP for society has the Customs Agency. Assisted by the national media it would be highly useful campaigns to promote the IPR protection activities of the customs authorities to be carried out, presenting the most significant and interesting cases of the Agency. The expected results are - on one hand, a clear signal will be send to the public, in order to prevent violations of IP and on the other - the lack of tolerance towards the IP infringements will be clearly demonstrated.

CHAPTER 2. VISION & STRATEGIC OBJECTIVES

2.1. VISION

The vision of the FY Republic of Macedonia by adopting a strategy for enforcing industrial property rights is:

- 1. To guarantee the level of protection of industrial property rights similar to that existing in the European Community, and permanently maintain and harmonize that level of protection in accordance with all the international obligations and agreements concluded by the FY Republic of Macedonia in this field;
- 2. To contribute to develop an efficient industrial property system as a backbone for economic growth, cultural and overall progress.

The strategic priorities result from the following documents:

- 1. Accession Partnership with FY Republic of Macedonia and EU.
- 2. The Stabilization and Association Agreement
- 3. EU (Progress) Reports
- 4. TRIPS Agreement
- 5. National Programme for Adoption of the Acquis.

The strategy covers a three years period 2016-2018. Such period is conditioned by the current situation in the area of IP, which requires rapid but complex measures in order to efficiently reform the almost entire system, with exeption of the main parts of the legal framework that is considered to be almost in line with the acquis

Best experiences shows that a lot of conditions must be met for the IP field to work efficiently, whereas the overall efficiency of the entire system is significantly influenced by its weakest elements. These weakest elements are identified in the Evaluation Report¹⁵ and should be addressed with priority by the strategy **The proposed strategy will therefor focus on the following essential goals:**

- -The monitoring and if needed amending regulatory environment
- Step up efforts to investigate and prosecute infringements of intellectual property¹⁶
- -The operability (in terms of reactivity and speed of action) of each institution involved in the system and the quality of their work.
- -The effective cooperation and coordination between the institutions in the filed of IPR, legislation and enforcement of these rights.

¹⁵ Evaluation Report for NS 2016-2018 done from the Project No. IPA/TAIB2011/6.9/LOT10/07

¹⁶ EU Report 2015 for FY Republic of Macedonia

- The general public awareness of the IPR protection and enforcement system The supporting of the IP marketing, IP evaluation, IP promotion.
- The qualification and professional expertise of the leading specialists in the individual institutions and the level of professional assistance and service offered to their domestic and foreign clients

For the successful functioning of the intellectual property rights enforcement system, each of the above indicated goals are essential. Each of these individual goals consists of many actions and activities, some of which may be fullfiled within a relatively short time period and some require at least medium-term initiative effort. The proposed action plan will therefore distinguished between short term (1-2 years) and long term (2-3 years)

The industrial property is the recognized ownership of intellectual and creative achievements. It is a powerful economic growth driver and a tool for economic and technological development. Currently, the potential of IP to enhance economic growth and increase the competitiveness of the Macedonian economy is not sufficiently unfolded.

In this context, the vision of this strategy is that by 2018 the Republic of Macedonia to become a country with effective national IP system, stimulating the scientific research and innovation, characterized by effective and strong protection of and respect for IP rights.

2.2. SPECIFIC OBJECTIVES

The following specific objectives are defined in order to reach the main objective:

- 1. Improvement of the legislative framework in the field of industrial property;
- 2. Strengthening the enforcement of intellectual property rights;
- **3.** Developing the capacity of individual rights holders and the business community for the protection and enforcement of industrial property rights;
- **4.** Improving the public awareness of the benefits from the industrial property.

CHAPTER 3. POLICIES: INSTITUTION INVOLVED, THEIR RESPECTIVE ROLES AND MISSIONS.

3.1. GENERAL PRINCIPLES

The present National Strategy on Industrial Property 2016-2018 aims at reaching such state of the national industrial property system, corresponding to the strategic objectives of the country set for development of the economy and the society of the Republic of Macedonia. This is not a single act or activity of one or several state institutions. This is a system of defined and planned policies, measures and actions, the implementation of which will lead to the achievement of the desired results.

Taking into account the fact that apart from SOIP, a number of other government bodies should be active participants in the realization and implementation of the Strategy, this chapter will consider the policies and measures for each of the important institutions in the Republic of Macedonia, having competences in the industrial property field. This will compulsory be made in the light of the above-mentioned specific objectives.

When setting the specific policies and measures, the Strategy is based on the following general principles:

- 1. coherent policies and measures for all participants, designated as such on the basis of the contemporary development of the national and the international systems for industrial property protection, mainly on the European practices and solutions;
- 2. reflection of the specifics of the National System of the Republic of Macedonia and the fact of its forthcoming accession to the European Union;
- 3. simultaneous strengthening of the institutional capacity of the system's key participants, along with enrichment of their competences and their commitment in the industrial property field;
- 4. development of the national innovation system by increasing the level of IP awareness of the society, in particular of the national business, combined with an active policy of intellectual property rights enforcement, conducted by the competent institutions.

3.2 POLICIES AND MEASURES

This chapter proposes a review of the state of play in the major sectors involved in the IPR field and whenever appropriate suggests recomandation that could be implemented to reach the above mentioned strategic goals and objectives in Chapter 2.

The following institutions as the main actors in this field:

- -The State Office of Industrial Property (SOIP)
- -The custom administration. (CARM)
- -State market inspectorate. (SMI)
- -Academy of Judges and Public Prosecutors,
- -Ministry of Agriculture, Forestry and Water Management,
- -Agency for Promotion of the Entrepreneurship,

- -Ministry of the Interior,
- -Ministry of Economy,
- -State Market Inspectorate, -

Public Prosecutors Office,

- -Supreme Court,
- -Ministry of Education and Science
- -Universities
- -Industry and Trade Chambers

Some measures have been taken directly from the evaluation report of the Questionaier.

3.2.1. THE STATE OFFICE OF THE INDUSTRIAL PROPERTY (SOIP)

SOIP advance to the modern institution which in addition to its role as the only institution that directly protects IP in the country which is the main objective whose strengthening is under the EC focus, parallel must meet other duties as awareness, promotion, preparation of new training modules in respect of a new IP policy.

Functions of the SOIP as a modern IP office: a.

IP registration and protection;

- b. IP outreach services;
- c. Promotion of innovation:
- d. Promotion of IP utilization;
- e. Ensuring compliance with international treaties and agreements;
- f. Supporting enforcement activities.
- g. Supporting awareness activities.

Mission

SOIP need to strengthen the protection of industrial property rights within the territory of Macedonia, which means registration of these rights, the creation/ maintenance and organization of registers of rights in force.

SOIP should be active in the public awareness of IP rights, promotion and evaluation of the IP assets and coordination of all stakeholders in the field of IP.

Encouraging the creation, protection and strategic use of intellectual property objects as a key tool in creating the conditions for transition to innovative model of economic growth:

The SOIP executes its competences via the following instruments and measures:

- Supports initiatives focusing on the improvement of legislation applicable to the industrial property rights;
- Supports initiatives aiming at the improvement of cooperation among the institutions which participate in the industrial property protection;

- Creates an efficient system of recognition and registration of the industrial property rights pursuant to regulation in force;
- Supports initiatives focusing on the accession of Macedonia to the international treaties and conventions in the area of the industrial property;
- Supports the area of the industrial property rights and the rights arising there from, including the importance of sustaining respect to these rights in industry and other sectors;
- Ensures the necessary administrative capacity and legal frame applicable thereto;
- Administers publicly accessible registers of the industrial property rights and publishes the key data in the periodically published Bulletin;
- Creates prerequisites and negotiates bilateral covenants on cooperation with the counterpart authorities involved in the industrial property protection area;
- Ensures and organizes the activities of the appellate department in compliance with its own internal rules;
- Defends the Directorate's opinions in litigations and proceedings held before arbitration institutions including court procedures;
- Organizes exams for patent attorneys and administers the lists thereof.

The main proposed policies to be addressed by SOIP are as follows:

- 1. Continuous monitoring of the legal framework.
- 2. Institutional strengthening like: Training of the staff, updated IT environment, online registration.
- 3. IP evaluation and utilization.
- 4. Public awareness and promotion.

More specifically:

- Creation of the Board of Appeal as a very important step in the framework of the office as well as the entire field of IP.
- Adaption of the Geneva Act of the Lisbon Treaty in relation to geographical indications and designations of origin.
- Creating a legal basis for the creation of sector/body to process applications for invalidity and deletion, as a new structure within SOIP.
- Amending the Legal framework regarding the GI in order to enable SOIP the solely responsibility for this IP object.
- Exploring the contemporary need for enrichment of the types of legal protection of inventions, particularly by introducing the legal protection of the utility models, based on a comparative legal analysis of the existing European legal regimes for this object and forming proposals in this regard.
- SOIP will focus on the capacity building and the administration of court processes as well as on the consolidation of contemporary administration structures and information exchange.
- Creating a crosscutting strategy in order to evaluate the GI, certification marks and their marketing in the Republic of Macedonia.
- Creating an application for mobile phones to search for industrial property objects (SOIP register) and the provision of general information about them.
- Developing new Training modules in respect of IP evaluation, promotion, and marketing.
- Developing awareness campaign.

- Updating IT hardware and software environment.
- Creation of a dedicated network between SOIP-CARM-Policy Directorate-SMI and other relevant bodies
 - The last one has to do with the SOIP competences regarding the establishment of a network between SOIP-CARM- Directorate of police-SMI and other relevant bodies..
- An Industrial Property Network to be created between SOIP, the technical universities and schools in Macedonia and the central and regional industry organizations via cooperation agreements between the same. Mini information centers to be created within the network, aiming to provide information and knowledge regarding the different IP objects.
- Thematic meetings to be regularly organized between SIPO and different business sectors aiming the popularization of the intellectual property and the specific needs of these sectors with regard to the IP protection. These meeting will also allow SOIP and its experts to have proper view of the development of the different business sectors and their specific needs. It is recommended this process to be performed with the assistance of the EPO, OHIM and WIPO.
- In order to support innovation and competitiveness within companies an IP "pre-diagnoses" policy should be introduced. It provides a standstill, which facilitates the analysis of the challenges of IP in its entirety by setting it within the general context of the company's development, and taking all factors into account. The main objective is to underline the value of an IP policy to the company, and to estimate the benefits, which the intellectual property could bring to each company.

These tasks require the support of all Departments.

The Department for patents, technology watch and Bilateral Cooperation with EPO (hereafter Department for patents))

The Department for patents staff should be on a solid academic education in the fields of ElectroEnergy, mechanics, physics, pharmacology, Patent law and Biotechnology, natural Sciences, chemistry, and biology.

Besides the processing of patent applications, examiners have a key role to play in the promotion of patent information, IP evaluation processes and training.

The staff must be increased with minimum 3 examiners.

Considering the current national patent activity, this objective should be met in the long term, recruitment should however be started in the short term.

Department for Trademarks, Industrial Design and Geographical Indications and Bilateral Cooperation with WIPO and EUIPO. (Hereafter Department for TM)

The Department for TM is more directly subjected to an increase for workload as signs are more easily implemented that patents especially in developing countries.

The main workload for SOIP will reside in this sector.

Beside the sole TM related workload, the Department for TM should be able to administrate geographical indications, industrial design and topography of integrated circuits.

The important role of GIs today needs a very special attention by the SOIP. Current development of the EU legal framework regarding this object (Regulation No 2015/2424 amending the Community trade mark regulation) shows the necessity of amendments of the national legislation . Also a special strategy for the GIs in Republic of Macedonia has to be don with the main responsibility of the SOIP.

The Department for TM should be involved in the promotion, preparing of trainings material and awareness activities.

The staff must be increased with 3 examiners.

Department for General Matters. (Hereafter Department for GM)

This Department will have to deal not only with the workload increasing in connection with international activities and development of international treaties but also with the fast involvement in the European structures (SAA, Chapter 7).

SOIP should expect an increase in the volume of work due to the increasing cases of the board of appeal and representation of SOIP in litigations before courts. These changes require a broader support in terms of legal and internal regulations.

IT-Information Technology as an integral part of the work of the office has a very special significance. This in terms of registration and protection but also to increase awareness throughout society.

The technical infrastructure of the SOIP is not on a satisfactory level; it is old, out-dated and not the latest technologies, as well. The State Office of Industrial Property, in order to be updated with the latest technologies, has to provide the following equipment: Servers, newest operating systems, security software solutions, licenced Relational Database Management Systems; Network equipment; Network security equipment; desktop computers; scanners; office and network printers.

In short term it is important the upgrade of the existing e-services, such as online registration module and to provide new e-services such as e-filing for trademarks, designs and patents in order to be able to derive maximum value from the Industrial Property system in an easily accessible and cost effective manner. To achieve this SOIP must commit to continually improve the existing business systems, and to provide new systems that will meet the customer needs and expectations.

Existing online registration search tools to be upgraded with more advanced features, such as personalization, alert service to keep track on specific applications, to monitor changes, competitors or subject are for new applications, which is provided by SOIP on the web site as a free tool to the third parties.

Online filing tools for trademarks, patents and industrial designs should be intuitive and easy to use, secure, reliable and convenient to access different range of transactions and services. With e-services users should be able to apply for new applications, apply for renewals and registrations, amend applications, assignments, save or resume a current e-service and make online payments.

Enhancing the IT system with rich set of e-services will not only ease the process of communication, information access but will also increase the IP values and balance the workload in cost effective manner.

This objective should be met in short term. Creation of a dedicated network between SOIP-CARMPolicy Directorate-SMI and other relevant bodies is another important objective in the fight against

infringements of the industrial property rights but also guarantee the optimum process of enforcement of these rights.

To improve the communication and co-ordination of agencies (SOIP, Customs, Ministry of Interior (police), Agency for Consumer Protection, Judiciary etc.) involved in implementing the laws and regulations of the Intellectual Property Rights in Macedonia;

To develop an IT system that will improve communications between the agencies involved in the enforcement of IP Rights in Macedonia;

To develop e-services, such as online filing tools for trademarks, patents and industrial designs within the IT system which will improve business process between the third parties and the SOIP in the enforcement of IP Rights filing and protection in Macedonia;

To train staff in the use of the IT system and to build a culture of protection of IP rights in Macedonia To build tutorials on how to use the e-services and tools that SOIP is providing online that will ease the process of their adoption.

Results to be achieved

- 1. The activity will improve communication and effectiveness of IP enforcement in Macedonia.
- 2. The activity will establish a communication system between the main contributors to IP protection.
- 3. The competence and effectiveness of all staff and officials involved in IP enforcement and the wider group of participants in IP rights would improve.
- 4. The awareness of the rights and obligations of the IP community in Macedonia will improve.

This objective should be met in short term.

The public must be provided Internet access to all key data on the industrial property rights in force in Macedonia.

The creation of a central interoperable database for exchange of information with all the relevant bodies in the area of the protection of the intellectual property rights it's a basic and essential problem.

Creating an application for mobile phones to search for industrial property objects (SOIP register) and the provision of general information about them. This application must be able to run on IOS, Android and Windows Mobile platforms.

To achieve the main goal of the data and information exchange with other relevant bodies in the area of protection of intellectual property rights should be done through creation of a system for services and information exchange, composed from different modules for each of the relevant bodies, with different access levels. The system for services and information exchange will enable interoperability between databases, into central indexed database centre that will make access to the information much easier for all the relevant bodies that are part of the network.

Searching, sharing information and data exchange has been particularly emphasized in regard to the information on infringement of intellectual property rights that are received by SOIP and MK – SCRR. Such

information is to be analysed and should generate relevant information that would be useful for creation of mechanisms for increasing the level of efficiency of the protection. At the same time, the public announcing thereof would contribute for the transparency of the operation of state bodies related to the protection, and for raising the public awareness.

Additional activities are needed aimed at modernising the methodology for creation of information, the method of exchanging information, particularly the protection of information flow, and at the same time a methodology for analyses and interpretation of data. Furthermore, there is a need for:

- a) Data exchange platform in which all the institutions that are involved in the industrial property system will benefit;
 - b) Platform for all the stakeholders including patent attorneys, universities, Chamber of Commerce etc.

The following actions are needed according to the following IT workplan:

- 1. Assessment of the existing infrastructure and design of a more scalable new technological infrastructure. Short term 1 year
- 2. Creation of a system for services and information exchange, as a dedicated network between SOIP-CARM-Policy Directorate-SMI and other relevant bodies
- 3. Analysis and realisation of the electronic information services that SOIP should offer via its web site; preparation of the data and exchange of data with major offices (EPO, WIPO, EUIPO) and governmental bodies
- 4. Creation of a database of all SOIP decisions and also of the decisions of the courts regarding IP issues. Time frame 2 years
- 5. E-Services and On-line filing for all Industrial Property rights should be implemented. Time frame 2 years
- 6. Creating an application for mobile phones to search for industrial property objects (SOIP register) and the provision of general information about them.
- 7. The staff must be increased with 5 experts.

Training of SOIP Staff.

The staff in place and especially the new staff to be hired should undergo specific training programs. The trainings should involve each department of the SOIP.

WIPO, EPO, EUIPO or other Western European Offices could be involved in the training measures. The trainings will be fully supported from Twinning Project with the Danish Patent Office.

Department for patents:

- 1. Search and examination with focus on physics, electricity and mechanics
- 2. Search and examination with focus on chemistry, especially pharmaceuticals.
- 3. Search and examination using ESPACENET search system.

- 4. Protection of software.
- 5. EPO formalities and receiving section.
- 6. Administrative issues and related information systems in the patent granting procedure
- 7. Search of patent information and documentation on selected publicly available patent information products.
- 8. ToT's IP valuation
- 9. ToT's IP Strategies for the SME
- 10. ToT's IP marketing
- 11. ToT's IP awarnes
- 12. ToT's IP for the Universities

Department for TM:

- 1. Individual Training for Trademarks
- 2. Individual Training for Design
- 3. Training focused on registration procedure, European legislative, Formal and substantive examination.
- 4. Training concerning Madrid agreement application and protocol related.
- 5. EUIPO formalities and receiving section
- 6. Reference list of literature on trademarks and design.
- 7. Specific training for searches on the Distinctive Signs.
- 8. ToT's regarding IP valuation
- 9. ToT's IP strategies for the SME
- 10. ToT's IP marketing
- 11. ToT's IP awareness
- 12. ToT's IP for the Univesities

Department for GM

- 1. Opposition Procedure in the new Board of Appeal of SOIP.
- 2. Appeal procedures in the EPO
- 3. Non technical seminar for lawers
- 4. Educational Program for lawers.
- 5. ToT's IP valuation
- 6. ToT's Strategies for the SME
- 7. ToT's IP marketing.
- 8. ToT's IP awareness
- 9. ToT's IP for the Universities

IT Sector

- 1. Advanced Training concerning database and application development
- 2. Advanced training concerning international standarts
- 3. Advanced training on web development and mobile development
- 4. Network planning and administration
- 5. Network security
- 6. Training in web interfaces
- 7. Advanced individual training for IPR in General
- 8. ToT's IP valuation
- 9. ToT's Strategies for the SME
- 10. ToT's IP marketing
- 11. ToT's IP awareness
- 12. ToT's IP for the Universities.

The SOIP role in the education and training of national stakeholders and business.

The SOIP should play a major role in raising awareness on the industrial property system. The following 4 main aspects need to be developed:

- a. Training modules for industry and business regarding the generating and utilization of the IP
- b. Developing IP Strategies for the business and industry
- c. Valuation of IP assets, especially for the GI.
- d. Awareness campaign for the society.

(See 3.2.10. Industry and Trade Chambers)

Staff plan

	Jun-16	Short	Long	Total
		term	term	
		Dec-18	Dec-20	
General	1			1
Director				
Department for				
Patents	8	3	2	13
Department for				
Trademarks	11	3	2	16
Department for				
GM	11	5	3	18
Deputy Director	1			1
State Advisor	1			1
on IP				
Unit for	1			1
management of				
human resources				
Unit for	1			1
financial issues				
Unit for	1			1
internal				
revision				

Additional activities of SOIP.

- a. SOIP should be systematically involved in any initiative aiming at raising the public awareness on IP in Macedonia.
 - SOIP should conduct a campaign to raise the awareness of the enterprises, especially the small and medium ones and their understanding in connection with the creation, identification, evaluation and use of the intellectual property rights and the benefits of their protection and enforcement. SOIP should promote the activities. In the implementation of these activities FITD can support SOIP as a partner institution. Organizing in cooperation with FITD, ToT for evaluation of IP.
 - Organizing in cooperation with FITD, ToT for IP awareness.
 - Organizing in cooperation with FITD, ToT for technology transfer.
 - Organizing in cooperation with FITD, ToT for business strategies.

- Organizing conferences, round tables, educational events for determining the measures and activities that need immediate improvement. In the implementation of these activities FITD could support SOIP as a partner institution.
- Strengthening the capacity for patent search in order to give support to the Fund for Innovation and Technological Development and the Ministry of Economy for the selected applicants beneficiaries of funds before filing applications for patent protection.
- b. SOIP should represent the country in the following organizations: WIPO, EPO, EUIPO, and WTO.
- c. SOIP should also coordinate the overall inter-institutional cooperation in the area, especially with the MAFW with regard to the producers of goods potentially subject to protection via GI.
- d. SOIP should be the advisory body to the Government for the coordination of the industrial property policy.

Within the NPAA Chapter 7, State Office of Industrial Property pursues and coordinates the activities of all institutions that are part of the system of intellectual property rights.

Taking this in mind we suggest that the Coordinating Body for Intellectual Property must be dissolved.

Also, within the cooperation agreement with EUIPO, the State Office of Industrial Property for the near future is planning the following activities: Project on SMEs

- E-filing for trademarks
- Development of a Guide for trademarks and designs

Within the same cooperation and in order to improve the work of the SOIP, will be organized study visits of staff of the SOIP in the EUIPO, seminars and workshops (national and regional).

Under the draft agreement with the European Patent Office during the year 2016 will be implemented projects that are important for improving and enhancing the quality of data exchange and improving the integration of the databases of the SOIP with those of the European Patent Office in the framework of the projects:

- Federated European Patent Register (continuation of already started activities)
 Quality at source
- Espacenet new

3.2.2 THE CUSTOMS ADMINISTRATION (CARM)

Legal framework

The Customs Administration totake measures for the harmonization of the the new system for processing customs declarations and excise documents (CDEPS) which is being implemented by the Customs Administration with the Law on implementation of Customs Measures for the protection of IP rights. There will be a separate module for processing of seized goods for which there is a grounded suspicion of infringement of rights on IPR²⁰.

Staffing

A proper staffing of the Department for non-tariff measures and protection of the rights from IPR should be done with the new systematization of the CARM, by which a Service for protection of IPR is foreseen which should have 4 independent counselors for IPR, one operator and a Service Chef.

Training

Active participation of CARM officers in training programs. It is crucial that the level of knowledge of customs officers involved in IP enforcement increase.

Every custom office should have one officer trained in IPR issues:

- Basic training in IP
- Advanced training in IP
- Training for identifying Infringing Goods
- Training in learning practical issues from IPR specialists.
 Training in IT technologies
 Training in promotional of IPR.
- ToT's in IPR and infringement of the rights Participating in WCO training courses.

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Technical support

Investments in technical support, better computers, network, use of new technologies, participating in creating an dedicated network between institution guaranteeing the enfoecment of IP rights, including SOIP, CARM, SMI, Police, etc

Inter-institutional co-operation

Better communication with other institutions involved in IP enforcement, creating dedicated network accessible to all institutions involved and containing all necessary information (register of IP rights, copyrights register, and tax information)

Continuous cooperation with the business community, continuous contacts and meetings with representatives of the bearers of the rights from IPR aimed at furthering the cooperation between these entities and the CARM.

International cooperation

The flow of counterfeit and pirated goods is a global problem that requires vigorous collaboration between customs agencies and rights owners to ensure effective intellectual property enforcement at the border.

Encourage the international cooperation between customs authorities and international organizations and focus on the exchange of information and good practices aimed at increasing the overall efficiency of the desired results

Training the customs officers in cooperation with customs authorities from EU countries, particularly from the new EU countries, which have better experience with situation before the accession to EU and after it.

Awareness

Start promotional actions in order to increase awareness of public in respect of counterfeit goods, piracy and sanctions imposed in this field Close cooperation with police and Ministry of Justice is higly recommended.

Developing of a campaign regarding the public awareness of the threats posed by counterfeit goods to health and safety.

3.2.3. THE STATE MARKET INSPECTORATE (SMI)

The SMI applies the provisions from the Law on Industrial Property and conducts inspections, however the problem is that there is insufficient education and training of the inspectors. There needs to be professional training of the inspectors to make inspections and apply them in practice.¹⁷

The State Market Inspectorate lacks basic equipment, IT and training to ensure effective enforcement 18

¹⁷ Evaluation Report of the Questionaire

¹⁸ EU Report 2015

Every month, State Market Inspectorate, within its competencies, shall submit information to the SOIP¹⁹.

Market inspectors are facing obstacles in execution of relevant legislation, especially in the area of IPR.

SMI should play a key role inter-institutional co-operation.

SMI should play a important role in the Creation of a system for services and information exchange, as a dedicated network between SOIP-CARM-Policy Directorate-SMI and other relevant bodies SMI should play a active role in IP awareness for the general public SMI should play a active role in IP utilization.

SMI should play a active role in IP evaluation.

SMI should be systematically involved in any initiative aiming at raising the public awareness on IP in Macedonia

Legal framework

Continue monitoring the EU legal framework regarding the IP enforcement.

Step up efforts to investigate and prosecute infringements of intellectual property²⁴.

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 best practice.

Efficient administrative enforcement of the IPR requires multi-sectorial approach and defined procedures among relevant institutions.

Intuitional capacity building.

A plan for employing 6 inspectors dealing solely with the matters related to the administrative enforcement of IPR until 2018.

Very important step is the developing of detailed manuals for the inspections procedures.

Training

- Basic training in IP
- Advanced training in IP.
- Training in multi-sectorial approach.
- Training in IP infringements in CARM and Cross-Border issues.
- Training in IP inspection procedures.
- Training in EU best practices regarding the IPR inspections procedures.
- ToT's in IP Promotion. ToT's in IP awareness.
- ToT's in IP evaluation.

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¹⁹ NPAA 2015

IT Information Technology

The SMI in order to fulfil the modern requirement of a modern institution should update the Servers, newest operating systems, security software solutions, licenced Relational Database Management Systems; Network equipment; Network security equipment; desktop computers; scanners; office and network printers.

3.2.4. FUND FOR INNOVATION AND TECHNOLOGY DEVELOPMENT (FITD)

Innovation plays a key role as a driver of the economic growth and prosperity of each country. This will be a strategy for IP inovation, IP promotion, IP awareness-raising and IP marketing. Creating the FITD by the Macedonian government is a clear indication of the government's policies in terms of support in the field of innovation and IP in general.

The FITD should continue offers assistance through four financial instruments for support of innovation and technology development:

- Co-financing Grants for newly established enterprises "start-up" and "spin-off"
- Co-financing Grants and Conditional Loans for Commercialization of Innovations
- Co-financing grants for Technology Transfer
- Co-financing grants for establishment, operations and investments of Business-Technology FITD should be the link between business and government institutions regarding the innovation and IP.

Measures

Increasing the financial, human and infrastructural resources of the FITD

3.2.5. THE AGENCY FOR PROMOTION OF THE ENTREPRENEURSHIP (APERM)

Creating and Supporting the APERM by the Macedonian government is a clear indication of the government's policies in terms of support in the field of innovation and IP in general. The policies of APERM are in the same stream as FITD.

The APERM should continue the Mission:

- Creating favorable economic environment and legislation
- Creating and developing institutional infrastructure for support and development of entrepreneurship and competitiveness in small business

- Implementation and coordination of state and international support for micro, small and middle businesses
- Promoting entrepreneurship through financial and non-financial forms of support
- Implementing the Program on measurements and activities for support of entrepreneurship and creating competitiveness in the small business of the Republic of Macedonia ²⁰

Measures

- Increasing the financial, human and infrastructural resources of the APERM.
- Support the Creating of the awareness campaign for raising of awareness and understanding of companies, especially the small and medium sized companies regarding the creation, identification, evaluation and use of intellectual property rights and the benefits of their protection and enforcement
- Organizing ToT's in IP evaluation.
- Organizing ToT's in IP awareness.
- Organizing ToT's in technology transfer
- Organizing ToT's in IP Strategies for the business.
- Organizing joint consultations, round tables, educational event regarding the identification of measures and actions that needed urgent improvement.
- Organization of educational and promotional activities for SMEs in the field of IPR based on previous positive experience. □ Support the developing of the crosscutting strategy on GI and certificate marks.

In order to implement the planned trainings and promotions, the staff of APERM, as well as the network of institutions at local level, should receive a basic training on intellectual property and promotion of the intellectual property rights for better understanding of the area and proper presentation of the same to the SMEs participating in the events/ trainings.

The realization of the measures envisaged by the Strategy regarding APERM will mean introducing additional activities in the work of the APERM, which will require additional funds that should be approved by the Ministry of Finance.

Activities and budget in the field of industrial property rights are not provided in the programme of APERM for 2016.

3.2.6. MINISTRY OF JUSTICE (MJ).

Proposed actions

1. Continue in process of amending/monitoring Criminal Code and Criminal Procedure Code in order to strengthen position of IP right holders.

2. Step up efforts to investigate and prosecute infringements of intellectual property²⁶.

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²⁰ http://www.apprm.gov.mk/about_us.asp?id=15

3. In cooperation with SOIP and Ministry of culture start public relation campaign in support of increasing public awareness in the field of IP.

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4. Obligatory training courses in IP matters for judges and prosecutors. Training courses organized by SOIP in cooperation with the THE ACADEMY OF JUDGES AND PUBLIC PROSECUTORS are basic. Additional training in decision-making process in IP matters is also necessary – cooperation with EU institutions (EUIPO, EPO, WIPO and Supreme Court) and with judges from EU member states is highly recommended.

3.2.7. MINISTRY OF INTERIOR (MI)

Measures

- 1. Increase the number of professional staff members of the police in the field of the intellectual property rights protection and also take measures leading to their stabilization. This involves also all local police departments, which should have power to intervene in cases of the intellectual property rights protection and which should be staffed with a specialist in this area.
- 2. Step up efforts to investigate and prosecute infringements of intellectual property²¹.
- 3. Active participation of the greatest number police officers in training program organized by SOIP. It is crucial that the level of knowledge of police officers involved in IP enforcement increase.
- 4. Investments in technical support better computer background, use new technologies (including notebooks during market controls), participating in creating an dedicated network between institutions guaranteeing the enforcement of intellectual property rights, including State Market Inspectorate, Customs and SOIP
- 5. International cooperation
 - Encourage the international / regional cooperation between police authorities and international or national organizations and focus on the exchange of information and good practices aimed at increasing the overall efficiency of the desired results.
 - -Creating regional network, including electronic databases, for better exchange of information and experience. The assistance of EU institutions is necessary.
- 5. Inter-institutional communication.

Take actively part in the creation of the dedicated network between the main IP Institution.

6. Legal framework

Actively participate on legislative changes in respect of Criminal Code and Criminal Procedure.

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²¹ EU Report 2015

Training

- Basic training in IP ☐ Advanced training in IP.
- Training in Law procedures regarding the IPR

 Training in multi-sectorial approach.
- Training in IP infringements issues.
- Training in IP inspection procedures.
- Training in EU best practices regarding the IPR inspections procedures.
- ToT's in IP awareness.
- ToT's in IP promotion.

3.2.8. THE ACADEMY OF JUDGES AND PUBLIC PROSECUTORS (AJPP)

In its Continuous Training Program for judges and prosecutors in service as well as in basic program for candidates for judges and prosecutors, the Academy must focus also on IP rights in order to increase expertise of judges and prosecutors in this field.

Following measures should be included:

- a) Industrial Property, legal framework, institutions involved and their activities, court practice related to conflicts stemming from violation of rights of trademarks, patents and industrial designs, including ECJ (European Court of Justice) judicature. Customs legislation related to piracy of goods and products.
- b) EU legislation in respect of IP and copyright, decisions of EUIPO, General Court in this field.
- c) Cooperation with SOIP is recommended (experts).

3.2.9. ADMINISTRATIVE COURT (AC)

- AC should be more actively engaged, regarding the competence of the Administrative Court for acting according to cases from the field of industrial property.
- In the RM should be a bigger part and bigger meaning given to the administrative court in the area off industrial property, compared to the countries in the region.

Training.

- Basic training in IP \(\Bar{\cup} \) Advanced training in IP.
- Training in Law procedures regarding the IPR □ Training in IP infringements issues.
- Training in IP inspection procedures.
- Training in EU best practices regarding the IPR.

ToT's in IP awareness. ToT's in IP promotion
 Study visits in EU countries regarding the best practices of the courts responsible of IP cases

3.2.10. INDUSTRIE AND TRADE CHAMBERS (ITC)

Measures

- Developing short-term plans and programs for general training of small and medium enterprises and associations under chambers of commerce and implementation thereof²²
- Short-term plans and programs for training for creation and use of certified marks and geographical indications for small and medium enterprises and agricultural associations and implementation thereof²⁹
- Thematic meetings to be regularly organized between SOIP and different business sectors aiming the popularization of the intellectual property and the specific needs of these sectors with regard to the IP protection. These meeting will also allow SOIP and its experts to have proper view of the development of the different business sectors and their specific needs. It is recommended this process to be performed with the assistance of the EPO, OHIM and WIPO.

Training

In strong cooperation with SOIP, Ministry of Science, FITD, APERM, EPO.WIPO, EUIPO and EU the Trade chambers should develop training modules to raise the IP evaluation and IP assets.

Training modules

To assist the business and the industry more efficiently and manage their IP assets effectively we have put together a list of key considerations for the way that the business should manage their IP assets effectively through trainings and workshops:

- What IP assets do they have and what is the term of protection of each?
- What is the value of these IP assets?
- Does the subject own these IP assets or are they licensed from third parties?
- How do the subject currently protect the IP assets?

 How does the subject address third party rights?

Elaborating this list is a key starting point to determine the types of IP assets a subject possesses and their value. This is a precursor to developing a subjects/business IP management plan.

A strong cooperation is required between the Governmental bodies in order to prepare trainings modules for the industry and business as follow. Effective policy training should provide the following:

Training in:

• Describing the various ways IP development could be protected (e.g which IP right is appropriate).

Guidelines for the National IP Strategy of the Republic of Macedonia

²² Guidelines for the National IP Strategy of the Republic of Macedonia ²⁹

- Providing guidance as to what factors should be considered in choosing whether and how to protect IP assets.
- Assessing the value of each IP development in view of the overall business objectives and strategies of the company including the core business; the long term and short term goals for the business and also the revenue generation potential e.g. IP licensing.
- Addressing the licensing, misuse of third party IP.
- Monitoring possible third party infringement risks.
- Developing IP Strategies for the business and industry.
- Valuation of IP assets.

3.2.11. UNIVERSITIES

The Universities should implement Activities and measures that will: a)

Improve the current implementation of IPR;

- b) Increase the awareness of the population;
- c) Introduce IPR in the elementary school, high schools and faculties, including mutual cooperation for preparation of projects in IPR, where students will take part;
- d) Possibilities of scientific research and implementation of the results in the practice.. The main partners and stakeholders who will be involved in meeting these priorities are:

Universities, Governmental and non-governmental Institutions, NGO, schools, business companies, donors.

Training

- -Workshops, training courses and summer school in IPR at national and international level.
- -Training in Increasing the IP awareness.
- -Training in IP Promotion.

Interinstitutional cooperation.

An Industrial Property Network to be created between SOIP, the technical universities and schools in Macedonia and the central and regional industry organizations via cooperation agreements between the same.

Mini information centers to be created within the network, aiming to provide information and knowledge regarding the different IP objects

3.2.12. SUPREME COURT (SC)

- -SC should be more actively engaged, regarding the competence of the Supreme Court for acting according to cases from the field of industrial property.
- -In the RM should be a bigger part and bigger meaning given to the Supreme Court in the area off industrial property, compared to the countries in the region and wider.

- -SC should be very actively involved in the harmonization of case law in the field of industrial property in the RM with that of the European Union and EU countries.
- Building a permanent professional contact with similar European institutions

Training.

- . Training in case law PRACTICE to European case law practice;
- . Comparative legal research and training of European case law practice
- . Training in Law procedures regarding the IPR, especially in the area of patents practice in Board of Appeals of the European Patent Office
- . Training in EU best practices regarding the IPR.
- . Study visits in EU countries regarding the best law practices of the courts responsible of IP cases as well as in Board of Appeals of EUIPO and EPO.

3.2.13. THE ASSOCIATION OF INTELLECTUAL PROPERTY AGENTS OF THE REPUBLIC OF MACEDONA (AIPARM)

- -Development a national representative association of IPA in RM in order to perform full co-operation with institutions in the field of IP
- -Continuous learning process of IPA and increasing the qualification with a view to highly professional and quality service of SOIP services users and protection of their legal interests at home and abroad

Training

Advanced training in IP of representatives

- -Joint specialized conferences on individual IP objects with SOIP and international participation EUIPO and EPO
 - -Training in multi-sectorial approach.
 - -Training in IP infringements in CARM and Cross-Border issues.
 - -ToT's in IP Promotion.
 - -ToT's in IP awareness.
 - -ToT's in IP evaluation.

3.2.14. MINISTRY OF EDUCATION AND SCIENCE

Measures

• Active participation of the Ministry of Education and Science in the process of enhancement of the knowledge of the society about the importance of the IP protection, which requires its inclusion in the national education system at all levels - schools, universities, and postgraduate qualification, which will

- contribute significantly to the raising the IP awareness and will affect the creation, protection and enforcement of intellectual property rights in the Republic of Macedonia.
- To encourage research initiatives at national, regional and international level, focused on several strategic priority areas improving research infrastructure in universities and research institutes, modernization of research equipment in universities, specialized laboratories and research institutes.
- The Ministry of Education and Science to play a key role to ensure that all the public research organizations will define the transfer of knowledge as a strategic mission.
- Development of the created by the Ministry of Education and Science and the Ministry of Economy integrated innovations policy to support innovation to coordinate the institutions, programs and activities to support innovations.
- The Ministry of Education and Science together with the Innovation Fund, the Ministry of Economy, APE and SIPO to cover the measures for supporting and investing in R&D and innovation in the Republic of Macedonia.
- Popularization of the IP protection among youth, especially the prevention of counterfeit and the fight against counterfeit goods.

Training

- -In strong cooperation with SOIP, the Trade Chambers, FITD, APERM, EPO.WIPO, EUIPO and EU the Ministry of Science should cooperate in the development of training modules to raise the IP evaluation and IP assets.
- -Organization of informational anti-fake campaigns in cooperation with SOIP.
- -Organizing competitions among students for making posters dedicated to the inventiveness and the fight against counterfeit.

3.2.15. MINISTRY OF ECONOMY (ME)

Measures

- Development of the created by the Ministry of Economy and the Ministry of Education and Science integrated innovations policy to support innovation to coordinate the institutions, programs and activities to support innovations.
- The Ministry of Economy, together with the Innovation Fund, Ministry of Education and Science, APE and SIPO to cover the measures for supporting and investing in R&D and innovation in the Republic of Macedonia.
- Constant encouragement of the SMEs to implement innovations.
- System analysis of the registered geographical indications and the potential new possible registrations of such to be conducted.

- Providing support to SOIP for the creation of national industrial property network aiming at the realization of the relation business-science.
- Forming a lasting policy and resources for its implementation aimed at increasing the filing activity for different industrial property objects.
- Promoting SOIP to build a stable national potential and capacity of experts in the field of patent
 examination, in order to ensure the business with adequate to the contemporary requirements patent
 information services.
- A complex approach to the development of separate priority economic sectors to be established, including such, based on protected industrial property objects, such as tourism and geographical indications, food industry and geographical indications, etc.

Continue the implementation of programs and media campaigns for the strengthening the public awareness of and the benefits from Intellectual Property. To revise the criteria for allocating funds for patent maintanence via the Programme for competitiveness, innovation and entrepreneurship aiming at better usage of funds.

3.2.16. MINISTRY OF AGRICULTURE, FORESTRY AND WATER ECONOMY (MAFW)

Policies

- Creating favorable economic environment for the objects for which it has legally defined competence;
- Creating and developing institutional infrastructure for spisupport and development of entrepreneurship and spicompetitiveness in small business, based on geographical indications and new breeder's solutions

Measures

- Support the Creating of the awareness campaign for raising of awareness and understanding of companies, especially the small and medium sized companies regarding the creation, identification, evaluation and use of industrial property rights and the benefits of their protection and enforcement
 ☐ Organizing ToT's in IP evaluation.
- Organizing ToT's in IP awareness.
- Organizing ToT's in IP Strategies for the business.
- Organizing joint consultations, round tables, educational event regarding the identification of measures and actions that needed urgent improvement. □ Support the developing of the crosscutting strategy on GI and certificate marks.

CHAPTER 4. MONITORING AND EVALUATION OF THE STRATEGY

The monitoring of the Strategy will be the responsibility of the inter-institutional working group established specifically to conduct and monitor the implementation of the inter-sectional IPR enforcement strategy. The Group will be chaired by the Minister of Economy, meanwhile other members will be Vice Minister of Finance, Vice Minister of Justice, Vice Minister of Internal Affairs, Vice Minister of Education and Science, The General Director of Police, General Director of Customs, Director of SOIP will attend the meetings of this Working Group also. This inter-institutional group will monitor the Strategy Action Plan Implementation in regard to the IPR enforcement as well as coordinate the political decision-making upon all the Strategy matters.

The SOIP, affiliated to the Ministry of Economy, will act as the Technical Secretariat of the interinstitutional working group, working also in close collaboration with other institutions.

The Technical Secretariat will:

- Monitor the implementation of the proposed measures included in the Strategy Action Plan;
- Twice a year, collect information from the public institutions responsible for the implementation of the respective measures indicated in the Strategy Action Plan.
- Prepare six monthly and annual reports related to the progress of the Strategy implementation in regard to the IPR enforcement in the country.

The Minister of Economy will submit the six-month and annual reports to the inter-institutional working group. The inter-ministerial group will discuss the relevance of measures implementation, the problems encountered as well as issue decisions upon institutional cases.

The responsible institutions will submit their reports to ME, stating the implementation progress of the Strategy and Action Plan for the IPR enforcement, the problems encountered and potential recommendations for improvement as well. Furthermore, relevant and updated information will be submitted upon the inspections conducted for the sake of IPR enforcement. The Technical Secretariat will prepare the reporting methodology based on a standardised structure as below.

Result-based monitoring mechanism

In order to improve the monitoring process of IP policies and strategies currently implemented by the Macedonia government, a monitoring mechanism based on results is proposed. This mechanism has the following aims:

• To improve the actual monitoring system – by developing a realist report which identifies the weaknesses and problems. In addition, result-based monitoring mechanism is meant to highlight: (i) where and when there are problems in the sector strategy implementations (IP strategy); and (ii) how to solve these problems.

- To help ministries in their program policy analysis (IP policy) ministry and intuitions will improve the implementation of their sector strategy, after reviewing programme policies and feeding findings from monitoring into the following policy cycle.
- **To promote accountability and enhance transparency** government analyses the extent to which policy on IP area have reached their declared policy objectives and requests adequate corrective measures.

Sector Strategies Monitoring (IP STRATEGY) → Medium Term Evaluation of National policy → Preparation of new IP strategy

What does the Performance Assessment Matrix (PAM) contain?

A Performance Assessment Matrix (PAM) contains SMART indicators of performance at objective level for the Ministries' programmes which contribute to the implementation of a given sector strategy. These objectives are those declared in the programmes' Policy Statement by Ministries. A SMART objective means a 'Specific, Measurable, Achievable, Realistic, Time-bound' objective.

The PAM process strengthen the Budget Policy Statement preparation by requesting that the declared indicators of performance are monitored in order to compare planned versus actual targets.

The Performance Assessment Matrix contains the following tables

PAM planning tables: they report the planned targets of the indicators of performance chosen for the main objectives of the strategies as declared by competent ministry and institutions of IP.

PAM monitoring tables: they report actual vs. planned targets of the indicators of performance, leading to percentage scores by programmer and by strategy.

PAM scoreboard tables: it is the 'traffic light' accountability mechanism based on the above scores. The PAM also allows seeing how the strategy of IP is progressing over the years. The score is based on a series of coefficients that weight the contribution of the different policy in achieving the strategy's planned objectives, based on their relative importance.

CHAPTER 5. COOPERATION AND COORDINATION.

Cooperation and coordination of institutions

Cooperation between individual institutions being in charge of the enforcement of the intellectual property rights in case of public authorities, must be based solely on the fact that each of the administrative authorities implements the activities aimed at satisfaction of the public interested pursued by the particular authority, while the individual authorities act in that way to allow each other and simplifie the implementation of the concrete sphere of authority and competency in accordance with the corresponding purpose.

In terms of the legal basis for cooperation it might be distinguished between cases, where some form of cooperation with the other public administrative authorities is imposed on the public administration authority directly by law, and cases where some form of cooperation is not imposed by law directly, but results indirectly from the statutory mission of the authority including the definition of its powers and competencies, in all circumstances, it is necessary to insisit that any legally acceptable form of cooperation between the administrative authorities must be valid legislation at least within the general definition of public interst, which is pursued by the administrative authority in the course of execution of the powers conferred therenon.

The following areas should be jointly coordinated:

- 1. Area of media influence
- 2. Area of education
- 3. Area of analysis
- 4. Organizational and technical area.

CHAPTER 6. ACTION PLAN

1.	Legal framework fully har					
	Institutional Measures	Institutions	Indicators	Timeframe	Funding	Prio rity
1.1	Creation of the Board of Appeal as a very important step in the framework of the office as well as the entire field of IP	SOIP	BA created, Law amendet	2017-2018	Administrative costs	1
1.2	Adaption of the Geneva Act of the Lisbon Treaty in relation to geographical indications and designations of origin	SOIP	Geneva Act adopted	2017	Administrative costs	1
1.3	Creating a legal basis for the creation of sector/body to process applications for invalidity and deletion, as a new structure within SOIP	SOIP	Legal basis created	2017	Administrative costs	1
1.4	Exploring the contemporary need for enrichment of the types of legal protection of inventions, particularly by introducing the legal protection of the utility models, based on a comparative legal analysis of the existing European legal regimes for this object and forming proposals in this regard.	SOIP	Needs assesment done	2017	Administrative costs	1
1.5	Harmonization of the new Law on implementation on Customs Measures for IPR protection with the new system for processing of Customs Declaration and Excise Documents (CDEPS)	CARM	Law amended	2017	Administrative costs	1
1.6	Amending the Legal framework regarding the GI to enable SOIP the solely responsibility for this IP object.	SOIP, CARM	Legalframe work amendet	2017	Administrative costs	1
2.0	The administrative capacities of S	SOIP are strengt	nen in respec	t of protection	of the IPR	
	Institutional Measures	Institutions	Indicators	Time frame	Funding	
2.1	Creating a crsscutting strategy in order to evaluate the GI and certification marks	SOIP	GI Strategy created	2017-2018	Adminstrative costs, 150.000 EURO	1

2.2	Creating a application for mobile phore	nes	SO	IP	Applicat		2018	Administrative	1
					created	d		costs. 50.000	
								EURO, Budget	
2.14	Analysis and realisation of the	S	OIP	A	nalysis realise	d	2017-2018	Administrative	1
	electronic information	~	0.11		11011 515 1001150		2017 2010	costs	_
	services that SOIP should offer via its								
	web site								
2.15	E-Services and On-line filing for all	S	OIP		E-Services		2018	Adminstrative	1
	Industrial			(On-line filling			costs,	
	Property				realised.			WIPO,EPO	
	rights should be implemented.							EUIPO	
2.16	Development of a Guide for	S	OIP		Guide		2017-2018	Administrative	2
	trademarks and designs				realised			costs	
2.17	Developing IP Strategies for the	COII	P, ITC,	Cto	ategies realise	vd.	2018	100.000	1
2.17	business and industr		TD,	Su	ategies realise	a	2016	EURO	1
	business and industr		ERM					LUKO	
2.18	Valuation of IP assets, especially for		P, other	Va	luation realise	ed	2017-2018	Administrative	1
	the GI.		ctors					costs, WIPO	
								,	
								Office	
2.10			gorp m	<u> </u>			2010	60.000	-
2.19	Awareness campaign for the society.		SOIP, IT		Campaign realised		2018	60.000 EURO	1
			ME, other	er	realised			EURO	
			actors						
2.21	Search and examination with focus o	n	SOIP		Trainings	2	017-2018	EPO	2
	physics, electricity and mechanics		2 - 2		realised				
	2 7								
2.22	Search and examination with focus of		SOIP		Trainings	2	017-2018	Administrative	2
	chemistry, especially pharmaceutical	S			realised			costs, EPO	
2.23	County and avamination vains		SOIP		Trainings	2	017-2018	Administrative	3
2.23	Search and examination using ESPACENET search system.		SOIF		Trainings realised		.017-2016	costs, EPO	3
	LSI ACLIVLI scarcii system.				rearised			costs, Li O	
2.24	Protection of software		SOIP		Trainings	2	017-2018	Administrative	1
7.24	1 Total of Software		JOH		realised		.017 2010	costs, EPO	1
					Tourisou			205td, L 1 0	
2.26	Administrative issues and related		SOIP		Trainings	2	017-2018	Administrative	2
	information systems in the patent grant	ing	2011		realised	<u> </u>	2010	costs, EPO	_
	procedure	ا						, , , , , , , , , , , , , , , , , , ,	
	*								L

2.27	Search of patent information and	SOIP	Trainings	2017-2018	Administrative	2
	documentation on selected publicly		realised		costs, EPO	
	available patent information products.					
2.28	Individual Training for Trademarks	SOIP	Trainings	2017-2018	Administrative	2
			realised		costs, EUIPO	
2.29	Ladicidual Turinina for Design	COID	Tasinings	2017-2018	Administrative	2
2.29	Individual Training for Design	SOIP	Trainings realised	2017-2018	costs, EUIPO	2
			Teansed		cosis, Euifo	
2.30	Training focused on registration	SOIP	Trainings	2017-2018	Administrative	3
	procedure, European legislative, Formal		realised		costs, EUIPO	
	and substantive examination.				·	
2.31	Training concerning Madrid agreement	SOIP	Trainings	2017-2018	Administrative	1
	application		realised		costs, EUIPO	
2.22	EVIDO 6 11/1 1	COTE	T	2017 2010	A 1	
2.32	EUIPO formalities and receiving section	SOIP	Trainings	2017-2018	Administrative	2
			realised		costs, EUIPO	
2.33	Reference list of literature on trademarks	SOIP	Trainings	2017-2018	Administrative	2
	and design		realised		costs, EUIPO	
	_					
2.34	Specific training for searches on the	SOIP	Trainings	2017-2018	Administrative	1
	Distinctive Signs		realised		costs, EUIPO	
2.36	Appeal procedures in the EDO	SOIP	Trainings	2017-2018	Administrative	2
2.30	Appeal procedures in the EPO	SOIP	realised	2017-2018	osts.EPO	2
			Teanseu		USIS.EF O	
2.37	Non technical seminar for lawers	SOIP	Trainings	2017-2018	Administrative	1
			realised		costs	
2.38	Educational Program for lawers	SOIP	Trainings	2017-2018	Administrative	1
			realised		costs	
2.20	A.1 170 ' 1 1 1	COID	TD	2017 2010	A 1	1
2.39	Advanced Training concerning database and	SOIP	Trainings	2017-2018	Administrative	1
	application development		realised		costs	
2.40	Advanced trainining concerning international	SOIP	Trainings	2017-2018	Administrative	1
	standarts	2	realised		costs	
2.41	Advanced training on web development and	SOIP	Trainings	2017-2018	Administrative	1
	mobile development		realised		costs	
2.42	X . 1 1	COTE		2017 2010	A 1	1
2.42	Network planning and administration	SOIP	Trainings	2017-2018	Administrative	1
			realised		costs	
						l

2.43	Network security	SOIP	Trainings realised	2017-2018	Administrative costs	1
2.44	Training in web interfaces	SOIP	Trainings realised	2017-2018	Administrative costs	1
2.45	Advanced individual training for IPR in General for IT	SOIP	Trainings realised	2017-2018	Administrative costs	1
2.46	ToT's regarding IP valuation	SOIP	Trainings realised	2017-2018	Administrative costs	1
2.50	ToT's IP for the Univesities	SOIP	Trainings realised	2017-2018	Administrative costs, EPO	1
3.0	Capacities of the institutions	for the enforce	ment of the II	PR are strengthe	en	

	Institutional Measures	Institutions	Indicators	Timeframe	Funding	
3.1	Increase the number of professional staff of the CARM with 2 specialists and also take measures leading to their stabilization.	CARM	Staff increased	2017	Administrative costs	1
3.2	Estabilshed a service for protection of IPR which should have 4 independent counselors for IPR, one operator and the Service Chef	CARM	Service realised	2017-2018	Administrative costs	1
3.5	Updating the IT environment	CARM	IT environmen t is Updated	2017-2018	Administrative costs	1
3.10	Training in IT technologies	CARM	Training realised	2017-2018	Administrative costs	1
3.11	Training in promotional of IPR.	CARM	Training realised	2017-2018	Administrative costs	1
3.13	Participating in WCO training courses	CARM	Training realised	2017-2018	Administrative costs	1
3.14	Update the IT enviroment	SMI	IT environmen t updated	2017	Administrative costs	1
3.15	Increase the staff with 6 inspectors dealing solely IPR	SMI	Staff increased	2017	Administrative costs	1
	Procedures					

3.19	Training in multi-sectorial approach	SMI	Trainings realised	2017-2018	Administrative costs	2
3.20	Training in IP infringements in CARM and	SMI	Trainings realised	2017-2018	Administrative costs	2
	Cross-Border issues	SMI	Trainings realised	2017-2018	Administrative costs	2
3.23	ToT's in IP Promotion	SMI	Trainings realised	2017-2018	Administrative costs	2
3.24	ToT's in IP awareness.	SMI	Trainings realised	2017-2018	Administrative costs	2
3.25	ToT's in IP evaluation	SMI	Trainings realised	2017-2018	Administrative costs	2
3.38	4. Investments in technical support – better computer background, use new technologies (including notebooks during market controls)	MI	IT updated	2017	Administrative costs	1
3.41	Training in multi-sectorial approach.	MI	Trainings realised	2017-2018	Administrative costs	2
3.45	ToT's in IP awareness.	MI	Trainings realised	2017-2018	Administrative costs	1
3.46	ToT's in IP promotion.	MI	Trainings realised	2017-2018	Administrative costs	1
3.55	ToT's in IP promotion	AC	Trainings realised	2017-2018	Administrative costs	1
3.57	Developing short-term plans and programs for general training of small and medium enterprises and associations under chambers of commerce and implementation thereof.	ITC,SOIP,FIT D,APERM,oth er.	Plans realised	2017-2018	Administrative costs	1
3.58	Short-term plans and programs for training for creation and use of certified marks and geographical indications for small and	ITC,SOIP,FIT D,APERM,oth er.	Plans realised	2017-2018	Administrative costs	1
	medium enterprises and agricultural associations and implementation thereof					

3.59	Thematic meetings to be regularly organized between SIPO and different business sectors aiming the popularization of the intellectual property and the specific needs of these sectors with regard to the IP protection. These meeting will also allow SOIP and its experts to have proper view of the development of the different business sectors and their specific needs. It is recommended this process to be	ITC,SOIP,FIT D,APERM,oth er.	Meetings realised	2017-2018	Administrative costs	1
3.60	performed with the assistance of the EPO, OHIM and WIPO. Training modules: What IP assets do they	ITC,SOIP,FIT	Training	2017-2018	Administrative	1
	have and what is the term of protection of each?	D,APERM,oth er.	modules realised		costs	
3.61	Traning modules What is the value of these IP assets?	ITC,SOIP,FIT D,APERM,oth er.	Training modules realised	2017-2018	Administrative costs	1
3.62	Training modules: Does the subject own these IP assets or are they licensed from third parties?	ITC,SOIP,FIT D,APERM,oth er.	Training modules realised	2017-2018	Administrative costs	1
3.63	Training modules: How do the subject currently protect the IP assets?	ITC,SOIP,FIT D,APERM,oth er.	Training modules realised	2017-2018	Administrative costs	1
3.64	Training modules: How does the subject address third party rights?	ITC,SOIP,FIT D,APERM,oth er.	Training modules realised	2017-2018	Administrative costs	1
3.65	Training modules: Describing the various ways IP development could be protected (e.g which IP right is appropriate).	ITC,SOIP,FIT D,APERM,oth er.	Training modules realised	2017-2018	Administrative costs	1
3.66	Training modules: Providing guidance as to what factors should be considered in choosing whether and how to protect IP assets.	ITC,SOIP,FIT D,APERM,oth er.	Training modules realised	2017-2018	Administrative costs	1
3.67	Training modules: Assessing the value of each IP development in view of the overall business objectives and strategies of the company including the core business; the long term and short term goals for the business and also the revenue generation potential e.g. IP licensing.	ITC,SOIP,FIT D,APERM,oth er.	Training modules realised	2017-2018	Administrative costs	1

3.68	Training modules: Addressing the licensing,	ITC,SOIP,FIT	Training	2017-2018	Administrative	1
	misuse of third party IP.	D,APERM,oth	modules		costs	
		er.	realised			
3.69	Training odules: Monitoring possible third	ITC,SOIP,FIT	Training	2017-2018	Administrative	1
	party infringement risks.	D,APERM,oth	modules		costs	
		er.	realised			
3.70	Training modules: Developing IP Strategies	ITC,SOIP,FIT	Training	2017-2018	Administrative	1
	for the business and industry.	D,APERM,oth	modules		costs	
						•
		er.	realised			
3.71	Training modules: Valuation of IP assets.	ITC,SOIP,FIT	Training	2017-2018	Administrative	1
		D,APERM,oth	modules		costs	
		er.	realised			
3.72	Introduce IPR in the elementary school,	Universities	IPR	2017-2018	Administrative	1
	high schools and faculties, including mutual		introduced		costs	
	cooperation for preparation of projects in		etc.			
	IPR,					
	where students will take part;					
3.73	Workshops, training courses and summer	Universities	Training	2017-2018	Administrative	1
	school in IPR at national and international		realised		costs	
	level.					
3.74	Training in Increasing the IP awareness.	Universities	Training	2017-2018	Administrative	1
			realised		costs	
			- · ·	2017 2010		_
3.75	Training in IP Promotion.	Universities	Training	2017-2018	Administrative	1
			realised		costs	
3.76	Activities in Increase the awareness of the	Universities	Actvities	2017-2018	Administrative	1
3.70		Universities		2017-2018		1
	population;		realised		costs	
3.77	Activities in Improve the current	Universities	Actvities	2017-2018	Administrative	1
3.77	implementation of IPR;	Omversities	realised	2017 2010	costs	1
	implementation of ITIX,		reansea		Costs	
3.78	An Industrial Property Network to be	Universities	Network	2017-2018	Administrative	1
	created between SOIP, the technical		realised		costs,	
	universities and				WIPO,	
	schools in Macedonia and the central and				EPO, EU	
	regional industry organizations via					
	cooperation agreements between the same.					
3.79	Mini information centers to be created	Universities	Mini info	2017-2018	Administrative	2
	within the network, aiming to provide		center		costs,	
	information		realised		WIPO,	
	and knowledge regarding the different IP				EPO, EU	
	objects					

3.80	Building a permanent professional contact with similar European institutions	SC	Profesional contact realised	2017-2018	Administrative costs	2
3.81	Training in case law PRACTICE to European case law practice;	SC	Training realised	2017-2018	Administrative costs, EPO, EUIPO	2
3.82	Comparative legal research and training of European case law practice	SC	Training realised	2017-2018	Administrative costs, EPO, EUIPO	3
3.83	Training in Law procedures regarding the IPR, especially in the area of patents - practice in Board of Appeals of the European Patent Office	SC	Training realised	2017-2018	Administrative costs, EPO, EUIPO	2
3.84	Training in EU best practices regarding the IPR.	SC	Training realised	2017-2018	Administrative costs, EPO, EUIPO	2
3.85	Study visits in EU countries regarding the best law practices of the courts responsible of IP cases as well as in Board of Appeals of EUIPO and EPO.	SC	Study visit realised	2017	Administrative costs, EPO, EUIPO	1