

## OUTCOME DOCUMENT <sup>1</sup>

### Recommendation of Participants of VIII International Forum “The Innovation Development through the Market of Intellectual Property”

Moscow

May 18<sup>th</sup>, 2016 .

The participants of VIII International Forum “The Innovation Development through the Market of Intellectual Property” that had been held within the framework of World Intellectual Property Day under aegis of the United Nations and International Abalkin's readings on May 18<sup>th</sup>, 2016 at Plekhanov Russian University of Economics and gathered over 200 representatives from international organisations, heads and representatives of public authorities, science and business, institutes of higher education and public organisations, mass media of the Union State, countries of the EAEU, CIS and SCO,

✓ having discussed problems of the innovation development and transition to the innovative economy through the formation of the Intellectual Property civilised market in Russia and other countries of the EAEU, CIS, SCO and BRICS in 2015 including when performing the state order and international cooperation, innovative motivation and combining efforts of the government, science and business;

✓ noting as positive changes over the past year the prepared draft of the Strategy of the Intellectual Property development in EAEU, the beginning of development of the Concept of the Intellectual Property market development in CIS and the presence of a special section on Intellectual Property in a new version of the Strategy of the innovation development of the RF - 2020;

✓ taking into account proclaimed priorities while creating the Eurasian Economic Union in the Interstate programme of the innovation cooperation of the CIS member states for the period up to 2020 and sharing the conclusion made by the President of the Russian Federation on the necessity of formation and development of the Intellectual Property market as a key condition for establishing the innovative economy and determination of the needs and opportunities of technological modernisation based on national innovative technologies under the policy of reindustrialisation and import substitution, improving the competitiveness of national manufacturers and transition to the strategic planning;

✓ in order to improve the level of coordination and cooperation between all parties concerned when defining mechanisms for "launching" the economy of Intellectual Property in the conditions of economic and information warfare and unfair competition on the part of the USA and EU countries, problem solving including the protection of Intellectual Property and the conditions of their solutions within the EAEU, the development of the innovation infrastructure and innovation staff training taking into consideration the best domestic and foreign experience within the framework of international cooperation, and increase of the pace of the innovation activity,

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<sup>1</sup> The outcome document of the Forum is discussed and approved at a joint meeting of Academic Councils of RSRIIP and Plekhanov Russian University of Economics, adopted as the basis by participants of VIII International Forum “The Innovation Development through the Market of Intellectual Property” within the framework of World Intellectual Property Day under aegis of the United Nations and International Abalkin's readings on May 18<sup>th</sup>, finalised, incl. taking into account proposals submitted to the address of the Forum Organising Committee according to the results of the public discussion and sent to the WIPO and WTO, UNESCO and the European Commission EU, SCO, the Executive Committee and IPA CIS, the Eurasian commission EAEU and the Standing Committee of the Union State, national parliaments and governments of member countries of EAEU.

in view of the discussion held unanimously take the following decisions:

I. To render the public recognition to heads of international organisations of SCO, CIS and EAEU, the Union State, the Eurasian Patent Organisation, public authorities, National Academies of Sciences and organisations of Armenia, Belarus, Russia, Kazakhstan, Kyrgyzstan, Moldova, Bulgaria for greetings and attention to the Forum work.

II. To hold within the framework of World Intellectual Property Day under aegis of the United Nations the ninth International Forum "The Innovation Development through the Market of Intellectual Property" on **April 08<sup>th</sup>, 2017** in Moscow.

To suggest to the governing bodies of international organisations SCO, CIS, EAEU, the Union State, the Eurasian Patent Organisation and also to national authorities of the state power, Academies of Sciences and specialised organisations of the EAEU and CIS countries, member organisations of the Forum Organising Committee that they consider the inclusion in plans of their work for 2017 of participation in the preparation and holding of this event.

III. To confirm the topicality of findings and recommendations contained in the Outcome Document of the VII International Forum "The Innovation Development through the Market of Intellectual Property" from April 08th, 2015. To accept the draft of the Forum outcome document as a basis. To authorise the Organising Committee and the Forum Directorate to post this document on the Forum website, to finalise taking into consideration comments and proposals received following the results of public discussion in May 2016 and to inform WIPO and WTO, UNESCO and the EU European Commission, SCO and the CIS The Executive Committee, the Eurasian Union EAEU and the Union State, national parliaments and governments of the EAEU participating countries of the outcome of the Forum work, its conclusions and **recommendations adopted**:

**1. Globalisation and regionalisation.** Under conditions of growing crisis of further globalisation of political, economic and social relations in the world, strengthening of regionalisation of these unions including the Eurasian direction is becoming increasingly important. This tendency to the full corresponds to the development of international associations SCO and BRICS and also the creation since 2015 based on the experience of international regional integration and accumulated for 25 years potential of cooperation within the CIS of a new interstate formation: The Eurasian Economic Union (EAEU composed of Russia, Kazakhstan, Belarus, Armenia and Kyrgyzstan) and the signing of the first agreement of EAEU on free trade with Vietnam.

The strengthening of regional ties and unions involving Russia and its strategic partners encounters active and serious opposition primarily on the part of the USA including:

- creation of alternative partnerships ("The Eastern Partnership", the economic agreement on the Trans-Pacific Partnership - TPP),

- bringing discredit upon leaders of a number of allies of Russia for the purpose of subsequent change of them and the course of these states to be unfriendly,

- intensification of activities in national public authorities and non-governmental organisations to preserve existing false priorities and indices of the innovation development, corruption schemes mainly in R&D, "grey" and "black" export of domestic technologies in the EAEU countries to maintain their import dependence;

- development and obtrusion on other countries of new international rules the implementation of which allows the USA to keep its monopoly and provide the priority to their interests including in the world trade within WTO;

- prolongation of the sanctions policy (personal, territorial and sectoral) in 2014-2015 yy. under conditions of declared political, information and economic war from the USA, EU, Canada and a number of other countries. The analysis of the content of so-called sectoral sanctions shows their target orientation towards the high-technology sector of economy in Russia and other EAEU and CIS countries participating in the interstate cooperation.

*The continuation of the course declared to the Eurasian integration requires all its members to understand specified conditions for its implementation.*

*To confirm the topicality of the conclusion of the International Association of Intellectual Property Institute (IAIPI) that in the interests of preventing unfair competition under the guise of combatting counterfeit and the formation of a new, more rational international economic order there is a need in a common transparent and generally accepted methodology and techniques for measuring the level of counterfeiting in different countries. To recommend the CIS Economic Council and the CIS Executive Committee, the EAEU Eurasian Economic Commission to consider the given initiative for its implementation in 2016.*

**2. Regularities and peculiarities.** For the purpose of successful economic relations development at the regional and national levels incl. within the framework of the innovative cooperation and safe development, regularities established in world trade should be taken into consideration including:

- significant increase with the transition of the humanity development within the noosphere (according to Vernadsky) to the sixth technological mode and of the importance of Intellectual Property as a measure of the economic value of this creativity;

- conditionality of further innovation development by the presence of a civilised market of Intellectual Property. Thus, according to the WIPO Guide on the development of Intellectual Property strategies in countries with economies in transition "Intellectual Property strategy should be incorporated into the overall development strategy and associated with the existing policy of economic, scientific and cultural development";

- the structure of the world trade in the conditions of transition to the new sixth technological mode and intensification of competition has a stable tendency to change in favour of the growth of the market share of "the fourth basket" - the Intellectual Property market (at present more than 15% of GDP). At that, there is the restructuring of this sector of market relations. In the context of the ongoing world crisis of patent system, the share of non-patent sales has increased in several times (as of today- more than 80 percent), and it does not require patenting and compulsory state registration of transactions;

- The necessary and compulsory condition for success in the Intellectual Property market development is the effective state regulation the role and importance of which in contrast to other trade sectors will be increasing. In order to reduce administrative barriers since the mid-20<sup>th</sup> century (the establishment of the WIPO in 1967 with combining Bern and Paris international unions) the centralisation and specialisation of the state administration of processes in the sphere of Intellectual Property are being implemented in the world.

In national strategies of the innovation development and Intellectual Property (adopted in the majority of the EAEU and CIS countries: the Republic of Azerbaijan, the Republic of Armenia, the Republic of Belarus, the Kyrgyz Republic, the Republic of Moldova, the Republic of Tajikistan, Ukraine) above mentioned regularities and conditions of formation of the Intellectual Property civilised market are not always taken into account. The most complete package of regulatory controls on these issues is developed and adopted in the Republic of Belarus and the Kyrgyz Republic, and the system of key national indicators exists only in the Republic of Belarus, the Republic of Kazakhstan and the Kyrgyz Republic. At the same time, in these EAEU member states strategic and programme documents in the sphere of innovation and Intellectual Property have already been terminated or are going to cease in the current year, and the majority of statutory legal acts in the EAEU and CIS countries in the field of the innovation development are not linked to the documents regulating the sphere of formation of the Intellectual Property market, and documents adopted are not working effectively in full.

At that, goals and objectives stated in the Treaty on the EAEU establishment as earlier for the CIS provide for direct cooperation only in two of three subject areas in the field of Intellectual Property: the legal safeguard of intellectual activity results and legal protection of rights on them excluding the priority of the Intellectual Property commercialisation.

In the Russian Federation, where these issues were initiated and this strategy was prepared (on a public basis) in 2006 in spite of the support of the Federation Council, the Accounts Chamber and the CCI of Russia, the repeated instructions of the Russian Government, the long-term strategy for the Intellectual Property development has not been adopted till now, and in the majority of strategies and programmes of the innovation development at the national, sectoral, regional and corporate levels (more than 200) provisions on the Intellectual Property market are absent.

The share of commercialisation of Intellectual Property protected by patents as before is negligible and makes up in the EAEU and CIS countries from 0.4% to 2% (in Russia, where of 285 thousand existing Russian patents about 2% are being sold, every second patent with a period of validity of 20 years expires in a few years after its granting).

The centralisation and specialisation of the state administration of processes in the sphere of Intellectual Property in CIS countries have been reflected in the establishment of unified interstate and state authorities with consolidation of administration functions of copyright, related, patent and other intellectual rights in respect of all basic categories of the Intellectual Property objects (Interstate Council of CIS on issues of the legal safeguard and protection of Intellectual Property (2011); the Advisory Committee on Intellectual Property and Development Department of entrepreneurial activity of the Eurasian Economic Commission EAEU (2015), the Republic of Armenia (2002), the Republic of Belarus (2004), the Republic of Kazakhstan (2003), the Kyrgyz Republic (2010), the Republic of Moldova (2004), Turkmenistan (2013), the Republic of Uzbekistan (2011), Ukraine (2010). At that, in Kazakhstan (based on the experience of China) the unified state structure in the form of Committees of Intellectual Property is not only centralised, but structured vertically up to the municipalities.

Although the given conclusion is annually included in outcome documents of the present International Forum, Russia is the only country worldwide where functions of state administration and regulation in the sphere of Intellectual Property are as before distributed between more than 20 federal departments, and it considerably reduces the possibility for forming a single market of Intellectual Property and ensuring competitive advantages when implementing the Strategy of the Innovation Development until 2020.

*The need to consider the worldwide regularities along with national peculiarities of development of the Eurasian Intellectual Property market in the EAEU and CIS countries supposes:*

*- the adjustment of interstate, national, regional and corporate strategies and the innovation development programmes, the development of special long-term programmes / subprogrammes for forming the Intellectual Property market within the framework of the innovation development; the account of their implementation both within the framework of monitoring of social and economic development, as well as when forecasting it, and among institutions providing the human capital development and civil society.*

*- the essential adjustment of government strategies and policies of corporations / organisations when forming accounting policy, choosing the way of legal protection of created results of intellectual activity in the scientific and technical sphere with the budget financing in the interests of further commercialisation of Intellectual Property.*

*To enhance the global competitiveness of national economies within the Eurasian Economic Union, implementation of priorities of economic development on the basis of effective interaction of national innovation systems in the integrable innovative space there is a need in the Strategy of the Intellectual Property Development and a special programme for formation and development of the Intellectual Property market of the Eurasian Economic Union, as a constituent part of the world*

*market of Intellectual Property and a necessary basic condition for technological modernisation of the domestic industry.*

*Considering the positive experience of preparation by RSRIIP of the annual national report "On the State of the Legal Safeguard, Use and Protection of Intellectual Property in the Russian Federation" (since 2007) both at the federal and regional levels as well as the experience in preparing the similar interstate report for the CIS (since 2011), to recommend the preparation and annual publication on these issues to the Eurasian Commission EAEU - the interstate report, and to the national governments and parliaments of similar reports in all countries of EAEU as state reports. To regard the use of such reports as being important both while preparing and implementing national, sectoral, corporate and regional strategies and programmes of the innovation development through the Intellectual Property market, as well as while arranging in EAEU, CIS and SCO the interstate information exchange on prevention and suppression of infringements in the sphere of Intellectual Property.*

*To recommend parliamentary parties of the EAEU countries to provide for inclusion in their pre-election programmes, with all their discord and differences, of provisions on the formation in the EAEU countries of the national and Eurasian Intellectual Property market taking into consideration indicated regularities and peculiarities of their implementation in the interests of the innovation, safe and sustainable development of the Eurasian Union countries.*

*To ensure the continuity and effectiveness of management at all stages of the life cycle of Intellectual Property from creation till production and sales of innovative products with the use of obtained results of intellectual activity there is a need in a uniform system of the state administration in this field "horizontally" and vertically based on the experience of China and the Republic of Kazakhstan.*

*When creating the Intellectual Property control system at all levels from the enterprise till the corporation, unified standards and rules are required considering the positive experience of Russia both at the establishment of the first at the national level of a sectoral Intellectual Property market in the aviation industry and standardisation of relations in this field.*

*In the interests of creating within the common economic space of a new sector of the market - Intellectual Property it is necessary to foresee an active use of the institute of national and interstate standardisation, creation of the interstate technical committee for standardisation in the field of Intellectual Property (including with jurisdiction for the Union State, EAEU and CIS countries) using the experience of activity of the National (Russia) Technical Committee on Standardisation "Intellectual Property" (TC-481).*

**3. Effectiveness criteria and indicators.** The key element of the state regulation in the sphere of Intellectual Property in the EAEU and CIS countries today is effectiveness criteria and indicators of the innovation activity. Official indicators for assessment of effectiveness of institutes of higher education, research centres, enterprises, including in MIC when performing state contracts within so-called "knowledge economy" have nowadays become expenses on research and development, the number of young researchers, publications, theses, seminars, conferences and since 2011 - patent applications and patents. Being at TOP-7 of the world leaders on these indicators, Russia at the same time has a very low economic return: only 0.3-0.5% share in the world trade in this market sector.

With the establishment of the Eurasian Economic Union since January 01<sup>st</sup>, 2015 this course towards free export of domestic developments in the form of "informational raw materials" for the USA and EAEU countries was saved. In the list of 338 statistical indicators of official statistical information provided to the Eurasian Economic Commission by authorised bodies of the EAEU member states there are no economic indicators regarding the use and commercialisation of Intellectual Property including when creating value added, in the industrial production, agriculture and construction, in the foreign trade and the innovation activity.

Implementation of tasks of the innovation development by these indicators fastens a course towards the increase of import dependence for all the basic sectors of economy, imitation of the innovation activity by the number of patent applications and patents themselves without taking into consideration the commercialisation level of exclusive rights for these technical solutions in the innovation process. It does not meet national interests of the innovation development and objectives of reindustrialisation of the national industry mainly on the basis of domestic technologies.

*It is necessary to change the system of evaluation and indicative indicators incl. at the strategic, programmatic, regional and corporate levels. In addition to a number of publications and patents through which we free of charge inform the whole world of our achievements (information indicators), the economic indicators of Intellectual Property must come.*

*Given that on the territory of the Russian Federation there is no adequately accounting of Intellectual Property objects created at the expense of the Union State budget, to recommend the state authorities of the Russian Federation to organise the accounting and assessment of the Intellectual Property objects created at the expense of the Union State budget.*

*Consider it important and necessary in the framework of strengthening the integration of development of the EAEU member states under the scenario «The EAEU's own centre of power» to use not only competitive advantages of the national economy of each state, but also the accumulated economic potential when implementing innovative programmes and projects of the Union State, EAEU and CIS, for this purpose to recommend the highest bodies of these international and interstate associations to consider the given issue and determine mechanisms of such interaction within the framework of implementation of the joint policy of import substitution.*

**4. Combatting corruption in R&D.** For recent 20 years the sphere of R&D has become one of the most corruptogenic areas where special spheres of execution of power of public authorities are intersected incl. lawmaking, budget process, public procurement, supervisory and law enforcement activity.

Thus, with the growth of expenditures on research and development in Russia for 15 years more than in 13 times (up to 800 milliard roubles – the 8th place in the world), the basic cost source on R&D remains the budget (more than 2/3) from which according to expert estimates up to half of the funds does not reach the science. The high level of corruption of the R&D sphere (both within the country at budget allocation and external transactions with assimilation of public investment to the modernisation of the domestic production) along with the growth of active external and internal opposition for Russia, EAEU and CIS countries to their entering a new international labour market in services, in the field of technology and Intellectual Property become a real threat to national security.

*The main factors of corruption in this sphere can be referred to:*

- ✓ preferred determination of a subject of public procurement and budget allocation on R&D in the interests of reindustrialisation of domestic production in departments that are not relevant to the real sector of economy;
- ✓ high proportion of discretion of officials and collective irresponsibility for decision-making during competing procedures on public procurement on R&D;
- ✓ low effectiveness of executing functions of supervisory authorities including when identifying facts and evidence of corruption;
- ✓ informational indicators of so-called "knowledge economy" that allow "to close" state contracts by the number of publications and patent applications excluding the use of preceding and created Intellectual Property in the final innovative product.

*The main negative consequences of such a policy besides the facts of corruption are:*

- a substantial rise in price of domestic innovative products that significantly reduces the level of competitiveness on the domestic and foreign markets;
- the absence of an effective accounting policy in this sphere does not allow to reduce the "shadow export of technologies" and create at all levels (state and municipal treasury, institutes of

higher education and research centre, enterprise and corporation) actual databases of intellectual activity results and rights on them that can form the basis for making competent managerial decisions, numerous projects and innovation development programmes and reindustrialisation primarily on the basis of domestic technologies. For example, in Russia according to statistics for recent four years 10 R&D account for 1.3 of obtained result of intellectual activity (of the potential object of Intellectual Property). Practically it means that either 9 out of 10 research and development achieve nothing judging by the data of the accounting policy or *obtained results at the budget financing are not officially claimed, but serve as the basis for grey shadow turnover in the interests of private individuals, including abroad*. If in 2000 the "shadow export of technologies" reached 50-60% of the total export of Intellectual Property, then at present according to verification of the Accounts Chamber of Russia, following the results of such works in the field of MIC, the grey and shadow export of "information raw materials" has been arranged from the country when for 1 importable foreign technology there are 10 domestic ones exported abroad;

- preservation of the former expenditure structure on R&D and the lack of interest on the part of business to investments in research and development while abroad situation is the opposite, and the main customer for R&D has been and is still enterprises (the USA– 69%, EU -64%, China-62%);

- the absence of innovation motivation for participants in the innovation process in expectation of a regular state order on research and development and the preservation of the imitation regime instead of real innovation. While the market of Intellectual Property provides a balance of interests of authors, institutes of higher education, research centres, enterprises and investors/customers in reproduction of innovative technologies and competitive products on their basis.

In order to reduce the level of corruption in R&D and to increase their effectiveness when creating and producing competitive innovation products with a high proportion of value added of Intellectual Property the following is needed:

- *the inclusion of combatting corruption in R&D in priority areas of anti-corruption state policy that presupposes adoption of comprehensive solutions and a set of measures both at the national and international levels;*

- *enhancing the role of ministries responsible for the real sector of economy in the regulation of budgetary financing of R&D in the interests of reindustrialisation of the national industry;*

- *the participation of enterprises in defining the subject of the state order for development of innovative technologies necessary for the modernisation of production and reindustrialisation (the interest in co-financing);*

- *decrease of the corruption level through the adoption and introduction of anti-corruption standards when placing state orders for R&D and the purchase of imported technologies and equipment;*

- *normative regulation of procedures for reducing discretion of officials including the allocation of rights on RIA obtained within the framework of technologies of military, special and dual purpose, for their use in the civil sector of economy;*

- *development of methodology and techniques for conducting complex examination (economic, legal, technological) with the supply of imported equipment and technologies in the interests of modernisation of the domestic industry and reduction of the level of corruption risks;*

- *assessment of risks of introduction of international standards for financial accounting on the territory of the EAEU countries and introduction of restrictions of their application for organisations and enterprises that perform the state order including within MIC and military-technical cooperation.*

**5. Intellectual Property risks.** In the science and technology sphere with the participation of academic and university science, the Intellectual Property plays the most important role as a mechanism for creation of value added (the share of Intellectual Property makes up to 10-15% of the price of products sold) as a means of capitalisation of assets of enterprises and organisations (through

intangible assets - up to 30-50%) and as the investment resource (where on the security of Intellectual Property credits, loans and bank guarantees are provided, and it also can act as a source for co-financing including within the framework of state contracts). At the same time, in Russia and other EAEU and CIS countries these examples and success stories are so far one-time events.

*For the Intellectual Property conversion into liquid assets that ensure the attraction of investments, incl. : with the budget co-financing (vertically - with state customers), with off-budget co-financing (horizontally - with customers, cooperating enterprises on innovation cooperation), at crediting (with banks), when including into authorized capital (with partners when establishing joint ventures), with the sale of shares and other securities (with intermediaries on the stock exchange) it is necessary to use the following institutional mechanisms that reduce the level of risk in this sphere:*

- *inventory of R&D results, their identification and classification according to objects of property law, information law and Intellectual Property;*

- *legal examination, legal safeguard and accounting of Intellectual Property objects being protected by fact of their creation (objects of copyright, related rights, topographies of integrated circuits, complex Intellectual Property objects), protected by virtue of their state registration (objects of patent rights) and protected by virtue of establishing towards them the special legal regime of confidentiality / trade secrets (production secrets (know-how);*

- *determining authors created in R&D / identified at the inventory of RIA and distribution of exclusive rights and other property rights on the given RIA;*

- *technological expertise for determining a subject area of the RIA use;*

- *economic examination and cost estimate of exclusive rights on RIA;*

- *formation of accounting policy upon the results of the inventory and expertise held;*

- *insurance and reinsurance of the Intellectual Property risks.*

*For these purposes as immediate steps for "launching" the economy of Intellectual Property in the EAEU and CIS countries to recommend the following measures:*

- *for governments of EAEU countries to provide for development and adoption of mechanisms for disposition of the state's rights on RIA including the order of alienation and inclusion in the authorised capital, pawning exclusive rights on these RIA and also for methodology and techniques of selection of results of intellectual activity obtained within the budget financing of R&D and evaluation of rights on them for subsequent transfer from the state customer to the executor of these R&D;*

- *state customers and state companies, National Academies of Sciences and universities are to use more actively with the legal protection of obtained results of intellectual activity and their use in innovative projects the potential of adopted in Russia national standards prepared within the activity of TC 481: GOST R 55386-2012, 55385-2012, 55384-2012, GOST R 56823-2015, GOST R 56824-2015, GOST R 56825 -2015 in respect of scientific discoveries and scientific creations, results on duty of intellectual activity; allocation of rights on RIA, created and/or used when performing R&D, the Intellectual Property management at the State Academy of Sciences;*

- *to support the initiative of the Bank of Russia, RSRIIP Corporation and the largest insurance companies to establish a joint working group on the development of national standards in the field of Intellectual Property risk insurance and the Intellectual Property management in the credit institution, incl. when attracting investments to innovative projects secured on Intellectual Property and in the stock market. To recommend national banks, stock markets and insurance companies of the EAEU countries to take an active part in the discussion of drafts of specified standards for the purpose of subsequent adoption on their basis of interstate standards for EAEU and CIS;*

- *to consider expanding functions of the Eurasian Development Bank (EDB) as the investment and innovation bank to ensure major pilot projects for crediting secured on Intellectual Property in the EAEU countries.*



6. *Customs protection of Intellectual Property in EAEU.* Considering sanctions` policy as actions aimed at further strengthening of import dependence of the EAEU and CIS countries and unfair competition within the ongoing repartition of the international market, it is important to enhance the efficiency of interaction between government and business on implementation of the policy of import substitution and its intergovernmental coordination including when arranging the customs protection for Intellectual Property within CIS, EAEU, SCO and BRICS. At the same time, results of the practice analysis that has been formed in 2010-2016 in countries of the Customs Union and EAEU show that none of the tasks of the customs protection of Intellectual Property is solved effectively.

*In the conditions of the common customs territory and a common economic space of EAEU the presence of national registries in each state with different approaches and procedures of their maintenance and with the actual absence of a unified registry creates the prerequisites for the growth of the turnover of counterfeit products and smuggling through a uniform customs border within EAEU.*

Up to the present time since 2010 a Unified Customs Register of Intellectual Property (UCRIP) in the Customs Union countries and EAEU has not been formed yet that reinforces the existing problems in this field. With regard to the principle of international exhaustion of exclusive rights acting in the Republic of Kazakhstan and the Republic of Armenia, in these countries of EAEU there exists a scheme of import into EAEU of "grey goods" where these goods are not considered to be counterfeit. Non-application of powers by the Republic of Belarus for the procedure ex officio with fewer OIP included in UCRIP of Belarus (20 times less than in the RF) creates the opportunity for unimpeded importation through this state into EAEU of counterfeit goods with illegal use of OIP not included in UCRIP.

Furthermore, when improving the customs protection of Intellectual Property it is important to pay attention to the solution of the following problematic issues:

- discrepancy between the form of the customs protection as a kind of the legal protection and its contents that amounts mainly to the customs control;
- difference of legal bases and methodological approaches to the organisation of the customs protection at the international, interstate and national levels in this field, including with acknowledgement of such goods as being counterfeit;
- lack of procedures and rules for calling to account for infringement of rights and legitimate interests of rightholders when identifying goods falling into characteristics of being counterfeit as smuggling;
- lack of uniform procedures and rules of interaction between the customs authorities and participation in the customs protection of nonprofit organisations (in Russia and Kazakhstan) and state structures (in the Republic of Belarus and Armenia) representing copyright and related rights on a collective basis;
- lack of effective interaction between structural subdivisions of customs authorities of the EAEU countries (on the customs supervision, investigation and fight against smuggling);
- lack of interaction between bodies of the customs protection and other public authorities that are responsible for the Intellectual Property protection where the rightholder is the state (the Ministry of Economic Development, Rospatent, FAPRID, state customers);
- lack of common procedures and pricing rules at customs declaration of goods moving across the customs border and containing objects of Intellectual Property;
- legal collision within the framework of trade procedures of Intellectual Property incl. in the conditions of retaliatory measures and regarding the customs protection of intellectual rights and joint ownership of the right.

*In order to decrease the turnover of counterfeit products and smuggling across a unified customs border within EAEU taking into account the positive experience of development and adoption in the RF of GOST R 56826-2015 « Intellectual Property. Customs protection» more active and interested participation of the customs authorities and structures of EAEU are required when preparing and at the prompt adoption of the relevant interstate standard, transition to the*

*unified principle of regional exhaustion of exclusive rights on OIP, the introduction of unified rules and procedures for formation of the common UCRIP.*

**7. Staff for the Intellectual Property market.** The solution of many designated problems is connected with the necessity of availability and training of qualified personnel in fields of economy, law and management in the sphere of Intellectual Property for the EAEU and CIS countries (based on the best practice of world campaigns: 1 professional intermediary for 10 researchers). At the same time, at enterprises and organisations a unified management system of the Intellectual Property life cycle from the selection of RIA and their examination till assessment, insurance and commercialisation of exclusive rights on RIA within the use of preceding Intellectual Property at all stages of the innovation process and ensurance of balance of participants` interests and motivation is still absent. A high level of the legal and economic illiteracy on these issues at public authorities, institute of higher education, research institutions and enterprises with the absence of such trained personnel locally remains. Under these conditions the educational potential of RSAIP Rospatent as the basic organisation of CIS (since 2011) on personnel training in the field of Intellectual Property (100 people per year) is obviously insufficient.

In order to solve the problems stated in the coming years for the EAEU and CIS countries it is necessary:

- *to arrange in national education departments the collection and analysis of information on the work of national institutes of higher education in this field including training and implementation of educational programmes, training courses and educational-methodological complexes, creation of basic network special academic departments and dissemination of this experience through interstate bodies, including EEC EAEU as well as specialised scientific journals including "The Intellectual Property Law" and "The Information Law";*
- *to support the initiative of Plekhanov Russian University of Economics to establish in 2014 with RSRIIP the basic academic department "Intellectual Property Management" for training bachelors, masters and refresher training of personnel in this field and organisation of training of such personnel within the framework of network cooperation with a number of leading universities of the country and the EAEU and CIS countries;*
- *to support the initiative of University League of CSTO to establish Eurasian Scientific-Educational Centre of Intellectual Property involving leading institutes of higher education of the EAEU countries and Eurasian University Network;*
- *to provide for formation of the state and corporate orders for training of personnel/refresher training in this field within Eurasian, national, sectoral and regional strategies and programmes of development of the Intellectual Property market;*
- *to develop and adopt as a matter of priority amendments to the relevant legislative acts stating the need of the presence of a special qualification in the field of Intellectual Property for certain categories of workers in the innovation sphere; adopt qualifying requirements of the specialist in the field of Intellectual Property;*
- *to provide for means on improving the level of their qualification in the field of law, economy and the Intellectual Property management within the framework of annual national programmes of advanced training and refresher training of civil servants and the judiciary;*
- *in 2016-2017yy. the Eurasian Economic Commission is to implement the programme of the arrangement of retraining and advanced training of teachers of national institutes of higher education for Intellectual Property in the EAEU countries;*
  
- *taking into account high practical importance for identifying and solving existing problems of the innovation development through the market of Intellectual Property on a scientific basis, in national departments and National Academies of Sciences to provide for forming the state order on*

*this subject of scientific research with the preparation and defense of theses for a doctor's degree and candidate of sciences, work of postgraduate study and doctoral study with their budget financing.*

When the world technological market has been already divided, in order to be sellers instead of being buyers, for the EAEU and CIS countries it is required to be ready and able to fight for the national interests and to form primarily their own segment of the Intellectual Property market along the Eurasian direction as a condition for success of the innovation development (within the Union State - EAEU - CIS - SCO - BRICS).