

Screening report

Serbia

Chapter 7 – Intellectual property law

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Bilateral meeting: 12 – 13 November 2014

I. CHAPTER CONTENT

The *acquis* on intellectual property law specifies harmonised rules for the protection of copyright and neighbouring rights, as well as for industrial rights and contains provisions on enforcement.

In the area of **copyright and neighbouring rights**, the objectives of Directive 2001/29/EC on the harmonisation of certain aspects of copyright and related rights in the information society are to adapt legislation on copyright and related rights to reflect technological developments and to transpose into EU law the main international obligations arising from the treaties on copyright and related rights adopted within the framework of the World Intellectual Property Organisation (WIPO). Directive 2006/116/EC as amended by Directive 2011/77/EU establishes a complete harmonisation of the period of protection for different types of works and other subject matters in the Member States, e.g. 70 years after the death of the author for works and 50 or 70 years after the trigger event for neighbouring rights. It also deals with the protection of previously unpublished works, of critical and scientific publications and of photographic works. As regards rental and lending rights, Directive 2006/115/EC deals with the rights of authors and neighbouring right holders. It provides for harmonisation of certain neighbouring rights including the right of fixation, reproduction, broadcasting and communication to the public as well as distribution. The objective of Directive 93/83/EEC is to facilitate cross-border transmission of audio-visual programmes, in particular broadcasting via satellite and retransmission by cable. The objective of Directive 2001/84/EC on the resale right for the benefit of the author of an original work of art is to strike a balance between the economic situation of authors of graphics and plastic art works and that of other parties who benefit from successive exploitations of their works. Directives 87/54/EEC, 96/9/EC and 2009/24/EC harmonise the level of protection in semiconductor topographies, databases and computer programmes respectively. The Directive 2012/28/EU sets out common rules on the digitalization and making available of so-called orphan works (i.e. works that are still protected by copyright but whose authors or other right holders are not known or cannot be located or contacted to obtain copyright permissions). Finally, the Directive 2014/26/EU aims at ensuring that right holders have a say in the management of their rights and envisages a better functioning of collective management organisations as a result of EU-wide standards. The Directive also eases the multi-territorial licensing by collective management organisation of authors' rights in musical works for online use.

In the field of **industrial property rights**, the *acquis* sets out harmonised rules for the legal protection of trademarks (Directive 2008/95/EC) and designs (Directive 98/71/EC), as well as a partially harmonised regime for patents. These include conditions for compulsory patent licensing. An important element of the EU-wide patent system is accession to the European Patent Convention and the European Patent Organisation (EPO). Specific provisions apply to biotechnological inventions (Directive 98/44/EC). The *acquis* also establishes rules at EU level for the protection of industrial designs and an EU trademark and design system. EU-wide unitary trademarks and industrial designs are established by Regulation (EC) No 40/94 and Regulation (EC) No 6/2002. An important element of the EU-wide trademark and design system is participation in the Madrid Protocol and the Hague Agreement concerning the international registration of trademarks and industrial designs. Provisions exist with regard to supplementary protection certificates (SPCs) for pharmaceuticals [Regulation (EEC) No

1768/92 or, in codified version, Regulation 469/2009], including a six month paediatric-related extension [Article 36 of Regulation (EC) No 1901/2006] and plant protection products [Regulation (EC) No 1610/96]. SPCs serve to provide inventors with additional protection when the subject matter of the patent is covered by an administrative marketing authorisation which does not allow them to benefit from the exploitation of a patent for the entire period for which the patent was granted.

Directive 2004/48/EC on the **enforcement** of intellectual and industrial property rights requires all Member States to apply effective, dissuasive and proportionate remedies and penalties against those engaged in counterfeiting of goods and piracy and thus creates a level playing field for right holders in the EU. Customs administrations play an important role in preventing the circulation of products infringing copyright or industrial property under Regulation (EC) No 1383/2003. Furthermore, the EU is a member of the World Trade Organization (WTO) which administers the Agreement on Trade Related aspects of Intellectual Property Rights (TRIPS).

Compliance with the *acquis* on intellectual property law requires an adequate implementation capacity and effective enforcement. In particular, there is a need for appropriate administrative structures including a national authority to receive applications for protection in all areas related to intellectual property rights (IPR). Relevant authorities should receive appropriate training on IPR matters.

II. COUNTRY ALIGNMENT AND IMPLEMENTATION CAPACITY

This part of the report summarises the information provided by Serbia at the bilateral screening meeting held on 12 and 13 November 2014.

Serbia indicated that it can accept the *acquis* regarding IPR. Serbia stated also that it has already aligned and implements large part of the *acquis* and does not expect any difficulties in continuing to implement it.

Serbia has adopted a National Intellectual Property Strategy 2011-2015 (the 'Strategy'). The main goals of the Strategy are further alignment with the *acquis* in accordance with the National Programme for the Adoption of the *acquis* (NPAA) 2014-2018, improvement of the institutional capacity of the Intellectual Property Office (IPO) and enforcement authorities, promotion of cooperation and coordination among enforcement authorities, promotion of innovation, raising public awareness and improving education in the area of intellectual property. Serbia stated that it has implemented the majority of the planned activities under the Strategy. Among the remaining activities which are still to be implemented, Serbia mentioned a major effort in legislative alignment with the *acquis* in 2015-2016, the finalisation of the procedure for the governmental approval of the new law on special powers for the efficient protection of IPR, the establishment of a compulsory system for the standardised records keeping and statistical data processing on IPR enforcement as well as the change of the status of IPO from an administrative body to a self-financed public agency.

IPO is an independent government institution in charge of copyright, related rights and industrial property rights. In the area of copyright and related rights, IPO is *inter alia* responsible for the drafting of legislation, the supervision of organisations for collective management of copyright and related rights, the approval of the tariffs of those organisations. In the area of industrial property rights, IPO *inter alia* conducts the administrative procedures for the acquisition of all industrial property rights, keeps public records of such rights and publishes them in the official gazette, informs an online database on patents, trademarks, industrial designs - and provides training to small and medium sized enterprises, enforcement

institutions and research and development bodies. IPO has an education and information centre which was established in 2010, and a staff of 94 employees.

The main administrative bodies dealing with IPR are dedicated services within the Police, the Customs Administration, the Market Inspectorate, the Tax Administration, the Tourist Inspectorate, the Medicines and Medical Devices Inspectorate and the Regulatory Body for the Electronic Media.

II.a. Copyright and neighbouring rights

The main legal act to copyright and neighbouring rights in Serbia's legislation is the Law on Copyright and Related Rights (Official Gazette of Serbia 104/2009, 99/2011 and 119/2012).

Regarding the international framework, Serbia has ratified and continues to apply the Bern Convention for the Protection of Literary and Artistic Works, the WIPO Copyright Treaty, the WIPO Performances and Phonograms Treaty and the World Convention on Copyright and the Convention on the Protection of the Producers of Phonograms against Unauthorised Duplication of their Phonograms. Serbia signed a Memorandum of Understanding with WIPO in 2010.

Regarding copyright in the information society, Serbia informed that it had partially aligned with the provisions of Directive 2001/29/EC on the harmonisation of certain aspects of copyright and related rights in the information society. Serbia has incorporated into its Law on Copyrights and Related Rights the reproduction right, the making available right, the distribution right, and the right of communication to the public. It applies a number of exceptions and limitations envisaged in the Directive (e.g. reproductions for private use, educational teaching, persons with disability, quotations, official proceedings, right to information and works in public places). Serbian law contains provisions regarding technological protection as well as sanctions and remedies. Serbia stated that it would fully align with the above-mentioned Directive by 2015/2016, with the adoption of a law amending the Law on Copyrights and Related Rights.

Serbia stated that it had partially complied with Directive 2006/115/EC on rental and lending rights. The Law on Copyright and Related rights provides for exclusive rental and lending rights for authors, performers and film and phonogram producers, broadcasting organisations and database producers with some exceptions. It defines co-authors of an audio-visual work (e.g. a natural person who has created a work on the basis of creative work with another person). It contains provisions regarding the right to suitable remuneration for co-authors and performers from the film producer for rental of audio-visual works and envisages mandatory collective management of the right to remuneration for lending of the library material. Serbia stated that with its draft amending law on Copyright and Related Rights it would fully align with Directive 2006/115/EC by 2015/2016.

Serbia stated that it has transposed and implements Directive 2006/116/EC on the terms of protection. The duration of protection for authors' rights is 70 years after the author's death, including the relevant provisions for co-authors, collective works, anonymous and pseudo-anonymous works, and 50 years for the related rights. Serbia stated also that it will enact and implement the amendments introduced by the Directive 2011/77/EU with its amending law on Copyright and Related Rights to be adopted by 2015/2016.

Serbia indicated that it has partially aligned with Directive 87/54/EEC on the legal protection of topographies of semiconductor products. Transposition has been achieved with the Law on the Legal Protection of Topographies of Semiconductor Products and the Rulebook on

Topographies of Semiconductor Products. Serbia stated that it would proceed with full alignment by 2016.

Serbia stated that an original topography enjoys *sui generis* protection if it is the result of personal intellectual efforts and when it has not previously been exploited commercially. The rights granted are exclusive rights and cover the right to authorise or prohibit reproduction of a protected topography, commercial exploitation or the importation for that purpose of a topography or of a manufactured semiconductor product using the topography. The exclusive rights do not apply to the reproduction of a topography intended for non-commercial use and the reproduction for the purpose of analysing, evaluating or teaching the concepts, processes, systems or techniques embodied in the topography. The protection lasts ten years from the filing of the application for registration or first commercial use. The exhaustion of the rights currently takes place in the territory of Serbia. It will be extended to the EU from the date of membership of Serbia to the EU. Serbia informed that to date no application to register a topography has been submitted.

Serbia stated that it has partially aligned with Directive 96/9/EC on the legal protection of databases and Directive 2009/24/EC on the legal protection of computer programmes with the law on Copyright and Related Rights. Serbia stated that it will fully align with the *acquis* with its new law on Copyright and Related Rights that is expected to be adopted by 2015/2016.

Serbia stated that copyright protection is granted to databases which are individual intellectual creations, and a *sui generis* protection is granted to the producer of a database. The law lists the exclusive rights for copyright-protected databases and the *sui generis* rights as well as the applicable exceptions. The exhaustion of the rights currently takes place in the territory of Serbia. The rules of exhaustion of rights will be extended to the EU from the date of membership of Serbia to the EU.

As regards computer programmes the law defines authors, co-authors and authors of joined works as well as rules for computer programmes made in the course of employment or for hire. As a rule, rights belong to the employer or the person ordering the work. The law grants the exclusive right of reproduction, translation, adaptation, arrangement and any other alteration, as well as the distribution right and lists exceptions to this right. The exhaustion of the rights currently takes place in the territory of Serbia. The rules of exhaustion of rights will be extended to the EU from the date of membership of Serbia to the EU.

Serbia acknowledged that it has not yet aligned with the EU definition of "satellite" and informed that it has partially aligned with Council Directive 93/83/EEC on satellite and cable transmission with the law on Copyright and Related Rights. Serbia stated that it will fully align with the *acquis* with its new amending law on Copyright and Related Rights that is expected to be adopted by 2015/2016.

Serbia informed that it has introduced resale rights in its legal order since 1978. The term of protection of the resale right is for the life of the author and seventy years after his death. Serbia confirmed that it has aligned with Directive 2001/84/EC which guarantees notification of a sale and the payment of a royalty to the author of an original work.

Serbia informed that currently the Serbian copyright law does not include any provisions on certain permitted uses of orphan works. Serbia stated that it will transpose Directive 2012/28/EU on certain permitted uses of orphan works in the period 2015-2018 in accordance with the NPAA 2014-2018.

Concerning collective rights management, Serbia stated that the Organisation of Music Authors – established in 1950 - exercises the rights of songwriters, composers and other right

holders in musical works of all kinds. The organisation of phonogram producers – established in 2002 – exercises the rights of phonogram producers. The organisation for collective administration of performers' rights – established in 2006 – exercises the rights of performers. The organisation of photographic authors was established in 2013 and exercises the rights of authors of photography.

Serbia informed that it will implement the Directive 2014/26/EU on collective management of copyright and related rights with its new law on copyright and related rights which is scheduled to be adopted by 2015/2016. The law defines the terms and conditions under which right holders can authorise a collective management organisation to manage their rights. Serbia recognises that it still needs to align with article 6 of the Directive.

Serbia stated that the Intellectual Property Office (IPO) is an independent government institution in charge of industrial property and copyright and related rights. The copyright and related rights department of IPO has eight employees and is responsible for drafting of legislation, supervision of collective rights management organisations, registration of copyright and related rights, international cooperation and approval of tariffs proposed by collective societies when consensus could not be achieved with representatives of consumers.

II.b. Industrial property rights

Serbia is Party to the main international agreements on industrial property. Serbia has signed a memorandum of understanding with WIPO in October 2010 and with the Office for Harmonisation in the Internal Market ('OHIM') in September 2014. Serbia attends the OHIM Academy since 2012. Serbia became a member of the European Patent Organisation (EPO) in October 2010 and has agreed with it a bilateral cooperation plan for the period 2012-2015.

On trademarks, Serbia informed that it had achieved a high level of compliance with Directive 2008/95/EC mainly via its Trademark Law and stated that it complies with the substantive provisions of Regulation (EC) No 40/94 creating a trademark system. Serbia clarified that the rules relating to the exhaustion of rights will be expanded to the EU and the EEA when the country becomes an EU member. Serbia stated that it will align fully with the *acquis* by end of 2015/2016 in accordance with its NPAA in the period 2015-2018.

On industrial designs, following the adoption, in May 2015, of the amendments to the Law on Legal Protection of Industrial Design, Serbia stated that it had now mostly aligned its legislation with Directive 98/71/EC. According to Serbia, it complies with the substantive provisions of Regulation (EC) No 6/2002 which creates a Community Design System. Serbia clarified that the rules relating to the exhaustion of rights will be expanded to the EU and the EEA at the moment when the country becomes an EU member.

Serbia informed that its main legislation on Patent is included in its Patent Law. This law provides for some exceptions and a number of exclusions from patentability. It also describes the three alternative routes for obtaining a patent in Serbia.

Serbia acknowledged that the Patent Law still needs to be fully harmonised with the *acquis*, and informed that the plan was to have this done by 2015/2016. Alignment is in particular necessary with several provisions of Directive 98/44/EC on legal protection of biotechnological inventions as well as with several provisions of Regulation 469/2009 on the Supplementary Protection Certificates (SPCs) for medicinal products, Regulation 1610/96 for SPCs for plant protection products and Regulation 1901/2006 on medicinal products for paediatric use.

Serbia also informed that its Patent Law is partially aligned with Regulation (EC) No 816/2006 on the compulsory licensing of patents relating to the manufacture of pharmaceutical products for export to countries with public health problems. Serbia stated that the validity of the provisions of this Law which are not aligned with the *acquis* will cease on the date of accession of Serbia to the EU.

The Intellectual Property Office (IPO) of Serbia is responsible for the issuance of patents, trademarks, designs and other comparable rights as provided for by law, regulations and international agreements. It has 95 employees overall. IPO's patents sector has a legal department (seven posts), a general engineering department (eight posts + one vacant) and a chemical department (eight posts + one vacant). The total number of staff in IPO's patents sector is 24 employees (plus two vacant posts). Serbia plans to shorten to three years the average time for the issuance of a patent. IPO currently works on the establishment of an electronic register for patent applications and patents. Serbia stated that it does not envisage any difficulties in fully complying with the *acquis* on Industrial Property Rights by accession. IPO's patent examiners receive at WIPO and EPO Academy in the framework of Serbia's cooperation agreements with these organisations.

Serbia stated that it is aware of the EU exhaustion regime and IPR case law. The EU exhaustion regime will be implemented as of accession.

II.c. Enforcement

Serbia's IPR legislation is partially aligned with the provisions of the IPR Enforcement Directive 2004/48/EC. Serbia stated that the Law on Industrial Design was amended and has been put in line with the Enforcement Directive. It also explained that it will further align its legislation with the *acquis* through the adoption of amendments to the Laws on Copyright and Related Rights, on Legal Protection of Topographies of Semiconductor Products, on Patents and on Trademarks.

Serbia informed that the Laws on Customs, on Police and on General Administrative Procedures include provisions regarding the administrative protection of right holders against IPR infringements. Serbia also informed that its main pieces of IPR legislation, as well as the law on litigation procedure, the law on Contracts and Torts and the Law on Enforcement and Security Procedure contain provisions regarding civil and misdemeanor protection while the Serbian Criminal Code and Criminal Procedure Code contain provisions for criminal offences against IPR infringements. Serbia indicated that it ratified and implements the Council of Europe Convention on Cybercrime CETS 185, through the law on Cybercrime. Serbia informed that it is in the process of strengthening its enforcement legislation and capacities and coordination between enforcement bodies through the adoption of a new Law on special powers for the purpose of efficient protection of IPR.

Serbia informed that the main institutions responsible for the enforcement of intellectual property rights are the Ministry of Internal Affairs (General Police Directorate), the Public Prosecution Office, the Courts, the Ministry of Finance (Tax and Customs administration), the Ministry of Trade, Tourism and Telecommunications (Market and Tourism Inspectorates), the Ministry of Health (Medicines and Medical Devices Inspectorate) and the Regulatory body for electronic media. Serbia explained that all police officers are authorised to investigate IPR crimes although the dedicated IPR units i.e. the division for IP fraud and protection and the division for crime in the field of IP have competence in the whole territory of Serbia. The Special Prosecution Office for High-Tech Crime is responsible for serious IPR crimes in which computers and computer networks are used. Since January 2014, IPR civil cases are dealt with by the Commercial Court (for legal persons) and the High Court (for physical

persons) in Belgrade at first instance, and by the Commercial Court of Appeal and the Court of Appeal (with specialised judicial panel) at second instance. Serbia explained that all customs officers are authorised to intercept goods infringing IPR although there is a dedicated IPR department within the enforcement division established in 2003 and currently employing ten highly educated officers. The Tax Administration within the Ministry of Finance is responsible to ensure that computer programmes used by entrepreneurs and legal entities do not infringe IPR. The Tax Administration has a dedicated IPR unit and 25 highly educated tax inspectors. The Market Inspectorate within the Ministry of Trade, Tourism and Telecommunications is responsible for ensuring that goods and services manufactured or used in commerce do not infringe IPR. The Market Inspectorate has 47 inspectors who are IPR specialists while there is a dedicated IPR unit with four inspectors at headquarters. The Tourism Inspectorate within the Ministry of Trade, Tourism and Telecommunications is responsible for ensuring that goods and services used in the domain of tourism and catering do not infringe IPR. The Tourism Inspectorate does not have an IPR dedicated unit. The Electronic Media Regulatory Body is an independent non-governmental organisation responsible for the monitoring of radio and television broadcasters in order to ensure that they do not infringe IPR. The regulatory body does not have an IPR dedicated unit. In 2010 Serbia set up an Education and Information Centre which is carrying out educational, promotional and awareness raising activities. Serbia foresees improvements in the field of IPR enforcement and, in accordance with chapter II of its National Strategy 2011-2015 has established a Permanent Coordination Body for the enforcement of IPR in October 2014, to strengthen coordination among institutions involved in IPR enforcement.

Serbia provided statistics in the area of IPR for the years 2011, 2012, 2013 and 2014 regarding cases addressed by the courts, the Customs Administration, the Market Inspectorate, the Tax Administration, the Ministry of the Interior, and the Public Prosecutor Office. The number of requests received by the Customs Administration for protection of intellectual property rights increased slightly from 244 in 2013 to 249 in 2014. The number of counterfeit and pirated goods confiscated and destroyed by the Customs Administration increased substantially from 87,754 in 2013 to 400,846 in 2014, partly as the result of the use of newly procured equipment. The Tax Administration increased the number of software legality controls from 573 in 2013 to 624 in 2014 and found that illegal software was used in 60% of cases. The Market Inspectorate confiscated 222,461 counterfeited and pirated products in 2014 compared with 127,000 in 2013. The number of checks carried out by the Ministry of the Interior fell from 350 in 2013 to 194 in 2014, while the number of criminal charges that it brought stabilised (at 90 in 2014). The number of objects confiscated fell from 6,257 in 2013 to 4,388 in 2014. The total number of court cases in 2014 was 1845, compared with 1401 in 2013. .

III. ASSESSMENT OF THE DEGREE OF ALIGNMENT AND IMPLEMENTING CAPACITY

Overall, Serbia has reached a good level of alignment with the *acquis* in the area of IPR. Serbia has also demonstrated that it has the basic administrative capacity to enforce IPR effectively. Serbia has to maintain an effective and operational monitoring system for the implementation of its IPR strategy and the NPAA. It has to demonstrate efficient coordination between the different bodies involved in IPR protection, including adequate IT infrastructure. The expected accession of Serbia to the WTO will also contribute to bringing the Serbian IPR

protection system closer to the EU system, through membership to the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

III.a. Copyright and neighbouring rights

Serbia has reached a good level of alignment of its legislation with the *acquis* in the area of copyright and neighbouring rights.

The Serbian Law on Copyright and Neighbouring Rights is partially aligned with Directive 2001/29/EC on harmonization of certain copyrights and related rights and with Directive 2006/116/EC on terms of protection of copyrights and certain related rights.

It is also partially aligned with Directive 2006/115/EC on Rental and Lending Rights. The provisions that are not in line with the Directive include those introduced by the Law amending the Law on Copyrights and Related Rights, adopted in December 2012. These provisions in particular relate to the introduction of a compulsory statutory division of copyright fees between authors on the one hand and performers and producers on the other, of a cap to copyright fees paid by users for the communication to the public of musical works depending on their size, and of an exemption of craftsman shops from the payment of these fees.

The Serbian Law on Copyrights and Neighbouring Rights is also partly aligned with Directive 93/83/EEC on cross-border transmission of audio-visual programmes, Directive 2001/84/EC on result right for the benefit of the author of an original work of art, Directive 87/54/EEC on legal protection of topographies of semiconductors products, Directive 96/9/EC on the legal protection of databases and Directive 2009/24/EC on the legal protection of computer programmes.

The Commission has reviewed the draft amendments to the Serbian Law on Copyrights and Related Rights which Serbia intends to adopt by 2015/2016 and concluded that these amendments should largely align the law with the EU copyright *acquis*. The Commission noted however that there had been delays in their adoption with respect to the deadlines set by the NPAA and the government legislative action plan. Once these amendments are adopted, the main remaining outstanding issues as regards the transposition of the EU *acquis* into Serbian law will be the transposition of Directive 2012/28/EU on certain permitted uses of orphan works and Directive 2014/26/EU on collective management of copyright and related rights and multi-territorial licensing of rights in musical works for online use in the internal market. Serbia would need to align its legislation with these two directives as soon as possible.

Another issue concerning the alignment with the *acquis* that will remain after the adoption of the amendments to the Law on Copyrights and Related Rights relates to the exception in Serbian legislation enabling craftsman shops to not pay copyright fees for the communication to the public of musical works. Serbia has decided to keep that exception – which is not in line with EU copyright legislation – until it becomes a WTO member. Serbian legislation will have to be aligned with the EU *acquis* in this respect, before it becomes a Member State.

The administrative capacity to implement and apply the *acquis* in the area of copyright should be further strengthened, especially as regards the understanding and practical application of EU copyright law.

III.b. Industrial property rights

Serbia has reached a good level of alignment with the *acquis* on industrial property rights.

The amendments to the Law on Industrial Design adopted in May 2015 have brought its legislation almost fully in line with Directive 98/71/EC on the legal protection of design, and with the substance of Regulation 6/2002 on a Community Design. Serbia will only be able to be part of the EU-wide industrial design system after accession to the EU.

Serbia is already part of the European Patent Convention and the European Patent Organisation. However, Serbian legislation on patent is not fully in line with the *acquis*. The Patent law currently in force is partially aligned with Directive 98/44/EC on legal protection of biotechnological inventions.

It is also partially but not fully aligned with the *acquis* on supplementary protection certificates (SPCs) for plant protection products (Regulation 1610/96), for medicinal products (Regulation 469/2009) and also for their extension for paediatric uses (Regulation 1901/2006). Serbia's legislation is also partly aligned with Regulation 816/2006 on the compulsory licensing of patents relating to the manufacture of pharmaceutical products for export to countries with public health problems.

Significant positive amendments to the Law on Patents are planned to be adopted by 2015/2016. The Commission has reviewed the draft amendments to the Law on Patents and concluded that, when adopted, they should largely align Serbian legislation with these pieces of EU legislation, though adoption of by-laws will be necessary to reach full alignment.

Serbia's legislation on Trademark is partially aligned with EU *acquis*, including with Directive 2008/95/EC approximating the laws of the Member States relating to trademarks and with the substance of Regulation 40/94 on the Community Trademark. However, Serbia will only be able to be part of the EU-wide Trademark system after accession to the EU. Serbia plans to amend its Law on Trademarks in 2015/2016 to further align it with the *acquis*. It will need to take into account the possible forthcoming adoption of new EU Trademark Package.

Overall, Serbia is already well aligned with EU *acquis* on Industrial Property Rights, and planned legislative amendments on Patents and Trademarks in 2015/2016 will achieve almost full alignment.

Serbia's Industrial Property Laws include provisions which will automatically extend the exhaustion of rights to the territories of EU and EEA countries as soon Serbia becomes member of the EU.

Serbia will need to continue updating its legislative framework to keep it aligned with the changing EU legislation, in particular on Trademarks.

Institutions are in place for the implementation of the legislation of Industrial Property Law; however, Serbia needs to strengthen its administrative capacities further.

III.c. Enforcement

Serbia has partially aligned its legislation with the EU IPR Enforcement Directive 2004/48/EC. Some of the provisions of the IPR Enforcement Directive are transposed in a number of Serbian IPR laws, as well as in the Law on Enforcement and Security, the Law on Contracts and Torts and in the Civil Procedure Law. With the amendments adopted in May

2015, the Law on Legal Protection of Industrial Design has largely been aligned with the Enforcement Directive.

Serbia plans to further align with the *acquis* in accordance with its National Intellectual Property Strategy 2011-2015 and its NPAA. Serbia intends to amend the Law on Copyright and Related Rights, the Law on Legal Protection of Topographies of Semiconductor Products, the Law on Patents and the Law on Trademarks, in order to align them with the provisions of the Enforcement Directive related to persons entitled to apply for measures, evidence, right of information, provisional measures, corrective measures, injunctions and damages. Once these amendments are adopted, they should be in line with the Enforcement Directive.

Serbia has the basic competent authorities to enforce IPR (e.g. courts, prosecutors, police, customs, market inspectorate, tax inspectorate, medicines and medical devices inspectorate). Cooperation among these institutions as well as cooperation with the IP Office and authorities from neighbouring countries is satisfactory, and a permanent coordination body for the enforcement of IPR was set-up in October 2014, which needs to build an effective track record. Since January 2014, only the Commercial Court and the High Court of Belgrade are competent for IPR first instance cases. There are nine judges specialised in IPR who operate within the High Court of Belgrade. The Law on Organization and Competence of Government Authorities for Combating High-Tech Crime created a Special Prosecutor's Office for the Fight Against High-Tech Crime in the Higher Court in Belgrade. Statistics show that the level of enforcement of IPR is improving, but there is still room for further progress. Serbia has to strengthen its administrative capacity by in particular providing more specialised training courses. The IT systems of several institutions should be upgraded and relevant databases established and made operational. The cooperation and exchange of information between different institutions involved in the IPR enforcement should be formalised and occur on a more systematic and permanent basis.