

*Doc.: GA28/LC28/REP/06*

THE TWENTY EIGHTH PLENARY SESSION OF THE GENERAL ASSEMBLY  
LEGAL AND POLITICAL AFFAIRS COMMITTEE

# REPORT<sup>\*</sup>

STRENGTHENING LEGISLATIVE FRAMEWORK FOR  
PROTECTION OF INTELLECTUAL PROPERTY IN THE  
BSEC MEMBER STATES

Rapporteur: Mr. Mircea Ciopraga, Member of the Committee, Romania

---

*\* Text considered by the Twenty Eighth Meeting of the Legal and Political Affairs Committee in Chisinau on 11 October 2006 and adopted by the Twenty Eighth General Assembly in Baku on 22 November 2006.*

## I. INTRODUCTION

1. Given the growing concern worldwide towards intellectual property rights protection and taking into account the controversy generated by the global impact of intellectual property rules and practices, the Legal and Political Affairs Committee at its Twenty Seventh Meeting in Athens on 3 May 2006 took decision to examine the situation in the BSEC Member States regarding the legislative framework for protection of intellectual property and how the rules and institutions in IP sphere can contribute to development.
2. In this respect, the Twenty Eighth Meeting of the Committee in Chisinau on 11-12 October 2006 is dedicated to “Strengthening Legislative Framework for Protection of Intellectual Property in the BSEC Member States” with a view to elaborate the Report and the Recommendation for further submission to the consideration of the Twenty Eighth Plenary Session of the General Assembly in Baku in November 2006.
3. The present report has benefited from the contribution by the national delegations of Azerbaijan, Greece, Romania, Turkey and Ukraine. The necessary additional reference material has been obtained by the PABSEC International Secretariat through the related internet resources and publications. The report examines state of affairs regarding the legislative framework in the area of protection of the intellectual property in the BSEC member states and reviews the impact of intellectual property, both positive and negative, with a view to mounting problem of piracy and counterfeiting.

## II. STRENGTHENING LEGISLATIVE FRAMEWORK FOR PROTECTION OF INTELLECTUAL PROPERTY IN THE BSEC MEMBER STATES

4. Intellectual property constitutes a form of knowledge which societies decided to assign specific property rights (IPRs). Intellectual property rights are the rights awarded to individuals or organisations principally over their creative works. IPRs imply the legal rights which result from intellectual activity in the industrial, scientific, literary and artistic fields protecting the interests of the creators. They give the creator the right to prevent others from making unauthorised use of their property.
5. The *Convention Establishing the World Intellectual Property Organization* (1967) gives the following list of subject matter protected by intellectual property rights: literary, artistic and scientific works; performances of performing artists, phonograms, and broadcasts; inventions in all fields of human endeavour; scientific discoveries; industrial designs; trademarks, service marks, and commercial names and designations; protection against unfair competition; and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields.
6. Intellectual property is traditionally divided into two branches, namely, industrial property and copyright. Industrial property takes a range of forms including patents to protect inventions, and industrial designs, which are aesthetic creations determining the appearance of industrial products. Industrial property also covers trademarks, service marks, layout-designs, commercial names and designations, as well as geographical indications, etc. The object of industrial property typically consists of signs transmitting information to consumers as regards products and services offered on the market, in order to prevent unauthorized use of such signs which is likely to mislead consumers.

7. Copyright relates to artistic creations, such as books, music, paintings and sculptures, films and technology-based works such as computer programs and electronic databases. Rights related to copyright include those of performing artists in their performances, producers of phonograms in their recordings, and those of broadcasters in their radio and television programs. Copyright only prevents copying and copyright protection begins with the creation of the work, and lasts as a general rule for the life of the creator plus 50 years (70 years in the EU). In the languages other than English, copyright is known as author's rights and it refers to the main act which may be made only by the author or with his authorization.
8. The body of intellectual property law aims at safeguarding creators and other producers of intellectual goods and services by granting them certain time-limited rights to control the use made of those productions. These rights do not apply to the physical object in which the creation may be embodied but instead to the intellectual creation as such. Countries around the world have applied wider legislative framework to protect intellectual property in order to give statutory expression to the moral and economic rights of creators in their creations; to promote creativity, and the dissemination and application of its results; and to encourage fair trade, which means to contribute to economic and social development.
9. In difference from the other forms of property, the intellectual property objects are not characterized by any physical shape or value and by its essence make an informational substance, presented on the level of an idea or a form. Proceeding from this peculiarity, it is impossible to establish direct control on the use of IP objects as effectively as by legal mechanisms acceptable for other forms of physical property. Taking this into account, specific legal norms and mechanisms of arising and enforcement of the IP rights have been developed during the centuries. These mechanisms and norms have been reflected in the respective legislative acts, international agreements and conventions.
10. The situation in the BSEC member states in the area of intellectual property rights protection do not differ much from the other countries around the world although degree of their enforcement varies from country to country and in some cases is far from being fully successful. IP theft today is not merely a problem of any particular country alone but something that every country encounters to a certain extent.
11. As for the national legislative profile\* of the BSEC member states in the sphere of the intellectual property rights protection, the present situation is as follows:

*In Albania* – Law No 7819 on Industrial Property, April 1994, as amended by Law No 8477, April 1999; Penal Code; Civil Code; Penal Procedure Code; Civil Procedure Code; Customs Code Law No 8449, January 1999; Law on Copyright No. 7564, May 1992, as amended by Law No 7923, April 1995, by Law No 8594, April 2000, and by Law No 8630, July 2000; Council of Ministers Decision Act No 309, June 2000, on “User’s Tariffs”; Law No 8044 on Competition, December 1995; Regulation of the Commission No 2976 for the Verification of the Manufacturing Conditions on Pharmaceuticals, June 1998; Regulation No 393 on registration of drugs, January 1998,

---

\* retrieved from the WIPO database of the official communications from the national IP institutions as of 2006

and its supplement of June 1999; Law No 8488 on Protection of Topographies of Integrated Circuits, May 1999; Decision of the Council of Ministers No 72, February 2001; Draft Law on Protection of Plant Varieties, to be approved by Parliament.

*In Armenia* – Law on Patents, August 1993, as last amended in October 1999; Law on Trade Marks, Service Marks and Appellations of Origin, July 1997, as last amended in March 2000; Law on Copyright and Related Rights, May 1996, as last amended in December 1999; Governmental Decree No 251, on the minimum rates of royalty, adopted by the Government of the Republic of Armenia, April 1999, as amended by Decision No 554, June 2000; Law on Trade Names, September 1997, as last amended in November 1999;

*In Azerbaijan* – Law No. 312 “On Patents”, June 1997; Law No 504 “On Trade Marks and Geographical Indications”, June 1998; Law No 438 “On Copyrights and Related Rights”, October 1996; Law No 1049 “On Unfair Competition”, June 1995; Law No 197 “On New Varieties of Plants”, November 1997.

*In Bulgaria* - Patent Law, March 1993, as amended 1996, 1998 and 1999; Law on Marks and Geographical Indications, September 1999; Law on Industrial Designs, September 1999; Copyright and Neighbouring Rights Act, June 1993, as amended 1994, 1998 and 2000; Regulation of Council of Ministers No 87 of 1996 on Control of the Use of Subject Matter of Copyright and Related Rights and Licensing of the Manufacturers of Compact Disks and Matrix, April 1996, as last amended in April 1997, February and July 1998; Law on Topographies of Integrated Circuits, September 1999; Law on the Protection of New Plant Varieties and Animal Breeds, January 1997.

*In Georgia* - Patent Law of Georgia, May 1999; Civil Code of Georgia; Law of Georgia on Trade Marks, May 1999; Law of Georgia on Copyright and Neighbouring Rights, June 1999; Law of Georgia on Appellations of Origin and Geographical Indications of Goods, November 1999; Law of Georgia on Topographies of Integrated Circuits, September 1999; Administrative Procedure Code of Georgia; General Administrative Code of Georgia; Code of Administrative Violations of Georgia; Law of Georgia on Border Measures Relating to Intellectual Property, June 1999; Civil Procedure Law of Georgia; Criminal Code of Georgia.

*In Greece* - Law on Technology Transfer, Inventions and Technical Innovation No 1733/1987, May 1987, as amended by Law No 1739/1987, November 1989, Presidential Decree No 54/1992, February 1992, and Law No 2359/1995, November 1995; Presidential Decree No 77/1988, February 1988, implementing regulations of the Convention on the Grant of European Patents, as ratified by Law No. 1607/1986 of 1986; Law No 4325/1963, September 1963; Ministerial Decision No 15928/EFA/1253, December 1987, as amended by the Ministerial Decision No 3111/EFA/433, March 1998; Presidential Decree No 16/1991, January 1991 implementing regulations of the Patent Cooperation Treaty as ratified by Law No 1883/1990 of 1990; Law on Trademarks No 2239/94, September 1994; Presidential Decree No 353/1998, October 1998, supplementing Law on Trademarks No 2239/94; Ministerial Decision No K4-307/2001, January 2001, implementing regulations of the Madrid Protocol as ratified by Law No 2783/2000; Presidential Decree No 259/1997, September 1997, implementing regulations on the ratification of the Hague Agreement; Law on Copyright and Neighbouring Rights No 2121, March 1993 as amended by Law No 2557/1997 for harmonisation with the Council Directive 93/83 on satellite broadcasting

and cable retransmission and the term of protection; Ministerial Decision No 15928/EFA/1253, December 1987, as amended by the Ministerial Decision No 3111/EFA/433, March 1998; Presidential Decree No 45/1991, March 1991, on legal protection of topographies of semiconductor products in compliance with Council Directive 87/54/EEC, December 1986, as supplemented by Decision No 87/532/EEC and 88/311/EEC; Ministerial Decision No 5326/EFA/485, April 1988, containing provisions on the registration form for technology transfer agreements.

*In Moldova* - Law on Patents for Inventions No 461, May 1995, as amended by the Law No 1079-XIV of June 2000; Provisional Statute No 456-XIII, concerning the Protection of Industrial Property, July 1993; Law on Trademarks and Appellations of Origin of Goods No 588-XIII, September 1995, as amended by the Law No 1079-XIV of June 2000; Law No 65-XV of April 2001, on Amending the Law on Trademarks and Appellations of Origin of Goods No 588-XIII of September 1995; Law of the on Wines and Vines No 131-XIII of June 1994; Law on the Protection of Industrial Designs No 991, October 1996, as amended by the Law No 1079-XIV of June 2000, on Amending Various Laws. Law on Copyright and Related Rights No 293-XIII, November 1994; Decision of the Government No 641, July 2001, on the minimum rates for the scale of the author's remuneration; Decision of the Government No 901, August 2001, on the State registration of the creations protected by the Copyright and Related Rights; Law on Commercial Secrets No 171-XIII of November 1994, as amended by Law No 1079-XIV of June 2000, Law No 312-XV of June 2001 and last amended by Law No 390-XV of July 2001; Law on the Protection of Topographies of Integrated Circuits No 665-XIV of October 1999; Law on the Protection of Plant Varieties No 915-XIII of July 1996, as amended by the Law of the Republic of Moldova, No 1079-XIV of June 2000, on Amending Various laws.

*In Romania* - Law on Patents of Inventions No 64, October 1991; Law on transitional protection of patents for inventions No 93, May 1998; Law No. 32/1997 for approving the Government Ordinance No 32/1996 regarding the ratification of the Agreement on Cooperation in the patent field concluded between the Government of Romania and the European Patent Organisation; Government Decision No 573, September 1998 on the Organization and Functioning of the State Office for Inventions and Trademarks (OSIM); Law on Trademarks and Geographical Indications No 84, April 1998; Industrial Design Law No 129, December 1992; Law on Copyright and Related Rights No 8, March 1996; Law on Combating Unfair Competition No 11, January 1991; Law No 16, March 1995 on the Protection of Topographies of Integrated Circuits; Law on the Protection of New Plant Varieties No. 255, December 1998.

*In Russia* - Patent Law, September 1992, as amended February 2003; Law on Trademarks, Service Marks and Appellations of Origin, September 1992, as amended December 2002; Law on Copyright and Related Rights, July 1993, as amended July 1995 and 2004; Law on the Legal Protection of Computer Programs and Data Bases, September 1992, as amended December 2002; Law on the Legal Protection of Topographies of Integrated Circuits, September 1992, as amended July 2002.

*In Serbia / Montenegro* - Patent Law, April 1995; Trademark Law, April 1995; Law on Industrial Models and Patterns (Industrial Designs), April 1995; Law on Copyright and Related Rights, May 1998; Law on Geographical Indications, April 1995; Law on the Topographies of Integrated Circuits, March 1998.

*In Turkey* - Decree No 551 for the Protection of Patents, June 1995; Decree No 556 for the Protection of Trademarks, June 1995; Decree No 554 for the Protection of Industrial Designs, June 1995; Law No 5846 on Intellectual and Artistic Works, January 1951, as last amended by Law No 4630, March 2001; Law No 3257 on Cinema, Video and Musical Works, January 1986; Statute on Collecting Societies and Federations of Authors of Literary and Artistic Works and Owners of the Neighbouring Rights, April 1999; Regulation on Principles and Procedures on the Usage of Intellectual and Artistic Works in Radio and Television Broadcasts, September 2001; Decree No 555 for the Protection of Geographical Signs, June 1995; Contract Law No. 818, April 1926; Turkish Commercial Code No 6762, July 1956; Civil Servants' Act No 657, July 1965; Regulations on Pharmaceutical Products, March 1995; Draft Law on the Protection of Layout-Designs of Integrated Circuits under review; Draft Law for Breeder Protection Rights for New Plant Varieties under review.

*In Ukraine* - Law on the Protection of Inventions and Utility Models No 3687-XII, December 1993; Law on the Protection of Trademarks and Service Marks No 3689-XII, December 1993; Law on the Protection of Industrial Designs No 3688-XII, December 1993; Law of Ukraine on Copyright and Related Rights, December 1993; Law on the Protection of Appellation of Origin of Goods No 752-XIV, June 1999; Law on the Protection of Integrated Circuits No 621/97-BP, November 1997; Law on the Protection of Varieties of Plants No 3116-XII, April 1993.

12. The national laws and regulations encountered in the above section are administered and enforced by the specialised national agencies and offices with supervision of the relevant ministries. The main functions of the intellectual property agencies are to receive and examine applications on subject matters regarding intellectual property rights, as well as publication of relevant information and registration of licenses.
13. Parallel to the development of the national system of intellectual property the international cooperation has been continued and enlarged in the BSEC states. All the BSEC member states are active in further integration of their national IPR protection system into the world processes and are members of the World Intellectual Property Organisation (WIPO) – an international organization ensuring that the rights of creators and owners of intellectual property are protected worldwide\*.
14. All the BSEC member states are parties to the main WIPO treaties such as the WIPO Convention; the Paris Convention for the Protection of Industrial Property; the Berne Convention for the Protection of Literary and Artistic Works; and the Patent Cooperation Treaty. At the same time, majority of the BSEC member states are parties to Patent Law Treaty (PLT); Madrid Agreement for False or Deceptive Indications of Source on Goods; Madrid Agreement concerning the International Registration of Marks; Hague Agreement concerning the International Deposit of Industrial Designs;

---

\* *As a specialized agency of the United Nations, WIPO exists as a forum for its member states to create and harmonize rules and practices to protect intellectual property rights. With the rapid globalisation of trade during the last decade, WIPO plays a key role in helping the systems in new and developing countries to evolve through treaty negotiation, legal and technical assistance, and training in the area of enforcement of intellectual property rights. WIPO is closely involved in the on-going international debate to shape new standards for copyright protection in cyberspace. WIPO also provides an Arbitration and Mediation Centre, which offers services for the resolution of international commercial disputes between private parties involving intellectual property.*

Nice Agreement concerning the International Classification of Goods and Services; Lisbon Agreement concerning the Appellations of Origin; Locarno Agreement concerning the International Classification for Industrial Designs; Strasbourg Agreement concerning the International Patent Classification; Rome Convention concerning the Performers, Producers of Phonograms and Broadcasting Organizations; Geneva Convention concerning the Unauthorized Duplication of Phonograms; Vienna Agreement concerning the International Classification of the Figurative Elements of Marks; Budapest Treaty on the International Recognition of Deposit of Micro-organisms; Trademark Law Treaty; WIPO Copyright Treaty; and WIPO Performances and Phonograms Treaty.

15. Another important multilateral instrument regulating IPR protection worldwide is the WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) emerged from the Uruguay Round in 1994. TRIPS requires all WTO Members<sup>\*\*</sup> to provide minimum standards of protection for a wide range of IPRs including copyright, patents, trademarks, industrial designs, geographical indications, semiconductor topographies and undisclosed information. In doing so, TRIPS incorporates provisions from many existing IP international agreements and also introduces a number of new obligations, particularly in relation to geographical indications, patents, trade secrets, and measures governing how IP rights should be enforced.
16. The BSEC member states also have concluded bilateral agreements among themselves related to development of the legislation in the field of intellectual property, law enforcement practice related to intellectual property rights, legal protection of well-known marks, etc. As an example, Armenia has bilateral agreements on cooperation in the copyright field with Russia, Moldova, Bulgaria, Ukraine, and Georgia. With a view to enhance cooperation in IPR protection Azerbaijan have signed bilateral agreements with Russia, Turkey and Ukraine.
17. There are also multiple EU assistance projects operating in the Black Sea region in order to promote policy and legislation in the field of intellectual property protection, enforcement of intellectual property rights, legal approximation of intellectual property legislation with the EU legislation. Thus, under the TACIS programme in Russia in 2004 EU launched the project for the "Assistance to Rospatent in the harmonization of Intellectual Property legislation and in training of personnel" envisaging exchange of experience and harmonization of legal provisions and methodical approaches. Also under the EU CARDS programme, Albania and Serbia and Montenegro got assistance to promote regional cooperation among the IP institutions of the CARDS countries; harmonise IP laws in the five CARDS countries, ensuring compliance with TRIPS Agreement and, with the EU "acquis"; improve administrative procedures and increase the technical capacity of national IP institutions, bringing them into line with European practice; strengthen enforcement of IPR by judicial authorities; establish efficient information exchange within the region; promote general awareness of IPR in the region. The EU-funded Project contributed to the development of the intellectual property system in Ukraine by upgrading and harmonising Ukrainian intellectual property rights and strengthening the implementing authorities, the project helped to

---

<sup>\*\*</sup> All BSEC member states are WTO members apart of Azerbaijan, Montenegro, Serbia, Russia and Ukraine who are WTO Observers

create a suitable environment for the effective enforcement of rights, and thereby reduce counterfeiting and piracy.

18. Despite the fact that the BSEC member states have completely adjusted legislative framework with international standards and requirements for the protection of intellectual property rights, still there is a growing tendency regarding their violation. Breach of IP rights happens every day when people photocopy copyrighted articles, tape copyrighted music, or duplicate copyrighted software. Persons involved in enforcement are aware of the vast amount of pirated and counterfeited product as they are openly sold in the streets and markets. This is so common that there is seldom any attempt to enforce the law against such violations. The main piracy problem for the film industry, for example in Greece, concerns pre- or post-release titles, locally burned mainly on DVD-Rs in a vast number of small illegal duplication labs and either advertised in magazines and newspapers, via e-mail, through Internet websites or just sold through legitimate retail outlets (video retailers) or by street vendors.
19. Rampant sell of unauthorised copies of music, movies, books, PC programmes and video games, apparel, footwear, perfumes, watches, spare parts and pharmaceuticals has been a longstanding subject of concern for many countries, and the BSEC states are no exception. The volume of counterfeiting and piracy activities have increased significantly as technological developments have brought new ways of dissemination through sophisticated technology and the Internet.
20. In 1998, the Organisation for Economic Co-operation and Development (OECD) published a report entitled "The Economic Impact of Counterfeiting". It estimated that the global trade in counterfeit goods was between 5-7% of the value of total global trade. Apart from hurting legitimate businesses and trade, counterfeiting and piracy leads to the loss of tax revenues, and much alarming is counterfeiting in the field of pharmacology that threatens safety and health of public at large. The recent surveys state that unfair competition from counterfeiters and pirates takes more than 500 billion euro globally per year out of the "effective cycle" of economic growth generated by intellectual property.
21. Piracy and counterfeiting in relation to goods are used loosely to cover the production and sale by way of trade of copies of goods which have been made without the authority of the owner of the intellectual property. This includes use of famous brands on clothing, exact copies of CDs containing music or software, as well as other goods, including the packaging thereof, bearing without authorisation a trade mark which is identical to the trade mark validly registered in respect of the same type of goods.
22. One of the pressing problems for Russia concerning uncontrolled production of unlicensed products is related to the military-technical cooperation, i.e. intellectual property rights for military goods transferred to foreign countries for the licensed production of arms and military hardware in the Soviet times. It implies the most prolific firearm in the world - Kalashnikov assault rifle, as well as Russian-made fighter jets and fighter helicopters that are unauthorizedly manufactured or repaired mostly in Eastern European countries despite the fact that all former licenses have expired.
23. It is assessed that the reasons boosting piracy and counterfeiting include: profitability, when counterfeit product can be produced and sold for much less than the cost of the

genuine product but still at a considerable return pitching the price just much below genuine product selling a much larger quantity; lack of effective intellectual property law in many jurisdictions, coupled with the lack of resource and high cost in enforcing such intellectual property laws as may exist; the ease of replication, whether by applying famous brands to cheaply made product such as clothing and perfume, or software; the difficulty of detection, especially with counterfeit CDs which can easily be made to look genuine to ordinary consumers; a public perception that piracy and counterfeiting are low-grade harmless crimes and that theft of intellectual property is not yet considered to be equivalent to other property crimes, etc.

24. The effort to reduce violation of intellectual property rights is an ongoing one both at national and international levels and the governments attribute to it high priority in their activities domestically or within multilateral framework.
25. At its recent Summit held in St. Petersburg on 16 July 2006, the G8 leaders reaffirmed their commitment to strengthen individual and collective efforts to combat piracy and counterfeiting, especially trade in pirated and counterfeit goods and noted that such efforts has to contribute to the sustainable development of the world economy, including through innovations, as well as to health and safety of consumers all over the world.
26. One of the effective measures for counteracting the piracy and counterfeiting is raising public awareness. In this respect, marking of World Intellectual Property Day annually on 26 April is to be mentioned. This event provides the opportunity worldwide to reflect on the importance of human innovation and the role that intellectual property plays in everyday life. It is an opportunity to help improve public awareness and understanding of creativity, innovation and the intellectual property system encouraging people to reflect on the role played by intellectual property in stimulating and safeguarding development.
27. Although IPR enforcement is seen as a key priority for development, the recent reports by several international bodies have commented on uncertainty and controversy generated by the global impact of intellectual property rules and practices. These reports reflect to a varying extent the concern that contemporary world has encouraged blind adherence to the set of rules in the area of intellectual property rights imposing stronger intellectual-property standards towards universal, one-size-fits-all patterns. It is stressed that the universal policies for protecting intellectual property are not able to remedy bigger problems in the poorer countries like inadequate health care, hard socio-economic conditions and sheer poverty and that such policies have to be adapted to fit individual countries' circumstances in order to play helpful role in nurturing the domestic industries that lasting growth requires.
28. In its 2002 Report entitled "Integrating Property rights and development policy" the Commission on Intellectual Property Rights stresses that "the developed countries should pay more attention to reconciling their own perceived commercial self-interest, with their own interest in the reduction of poverty in developing countries. To achieve that end, so far as possible developing countries should not be deprived of the flexibility to design their IP systems that developed countries enjoyed in earlier stages of their own development, and higher IP standards should not be pressed on them

without a serious and objective assessment of their development impact. We need to ensure that the global IP systems evolve so that they may contribute to the development of developing countries, by stimulating innovation and technology transfer relevant to them, while also making available the products of technology at the most competitive prices possible. We need to make sure that the IP system facilitates, rather than hinders, the application of the rapid advances in science and technology for the benefit of developing countries”<sup>\*</sup>

29. It is also argued that apart from the impact of local intellectual property rules internally in a developing country, there is also indirect impact of the developed country intellectual property system on developing countries. There is sustained pressure on developing countries to increase the levels of IP protection in their own regimes, based on standards in developed countries. Scientists in developing countries, for instance, may be prevented from gaining access to protected data, or have insufficient resources to do so.
30. There is no doubt that IP makes an important contribution to research and innovation. This system provides the incentives for individuals and companies to invent and develop new technologies that benefit society. But incentives work differently and by conferring exclusive rights, high costs are imposed on consumers and other users of protected technologies. Such protection means that potential consumers or users, who are unable to pay the prices charged by IP owners, are deprived of access to the innovations.
31. The balance of costs and benefits vary according to how rights are applied and economic and social circumstances. Standards of IP protection that may be suitable for developed countries may cause greater costs than benefits when applied in developing countries which must rely on knowledge or products of knowledge generated elsewhere to satisfy their basic needs and foster their development. The crucial issue is that the IP system confers private rights and private material benefits derived at the expense of the consumer regardless their income and wealth. And in this process, the patent rules prevent poor from getting life-saving drugs, new technological products, etc. Globalisation of brands and entertainment along with the desire of consumers at large with insufficient income to possess the goods bearing brands and experience entertainment pushes them to purchase counterfeited or pirated products.

### ***Role of the national parliaments***

32. The national parliaments and their members, as the legitimate representatives of the people, bear constitutional responsibility to protect the electors’ interests. It is their duty to add voice to the concerns and aspirations of the people to contribute to the globalisation processes through discussion on the main challenges and prospects facing particular countries and the region as a whole.
33. It is a crucial task of the national parliaments to oversee government action in the field of economic and social development with particular emphasis on intellectual property protection and enforcement in order to timely enact appropriate and adequate

---

<sup>\*</sup> *Report of the Commission on Intellectual Property Rights “Integrating Property rights and development policy”, London, September 2002*

legislation. It is also important to further promote legal approximation of intellectual property legislation with the EU and global standards.

34. Parliamentarians should also make maximum use of the available legal mechanisms to ensure greater interaction between parliament and the civil society and its effective participation in the process of IPR protection enforcement, especially mobilising public awareness and securing that relevant policies are adapted to individual country circumstances.
35. Parliamentarians have to intensify their activities in national parliaments and international parliamentary structures through cooperation with other parliamentary assemblies and organisations to examine the intellectual property issues and outline prospects for meeting the contemporary challenges in that respect.

### III. CONCLUDING REMARKS

36. The challenges of the era of globalisation require relevant innovation, development and greater synergy between the member countries in the specific areas of cooperation including those related to the protection of intellectual property rights.
37. Knowledge embodied in people, institutions and new technologies has long been seen as a major engine for growing economic and social development. The real value of intellectual property is the effective way of its integration in development processes offering opportunities for advancement and innovation.
38. Breach of IPRs without adequate response provides opportunities for criminals to manipulate public and generate significant profits. On the other hand, globalisation of brands and entertainment along with the desire of consumers at large with insufficient income to possess these brands and entertainment pieces pushes them to favour counterfeited or pirated products.
39. Proper enforcement of intellectual property rights rested on coordinated interaction between police and customs bodies along with the active involvement of civil society has to form a collective response to the threat of growing IP related crime.
40. In this respect it is necessary to give priority to promoting and upholding laws, regulations and procedures to strengthen intellectual property enforcement, raising awareness of legal ways to protect and enforce intellectual property rights and of the threats of piracy and counterfeiting with due regard to individual country circumstances.
41. Although the success of national crime prevention efforts depends decisively on the policies undertaken by the law-enforcing institutions within the national borders, bilateral and multilateral framework also plays important supportive role. Through the exchange of information, experience and expertise as well as assistance in combating measures the countries can efficiently deal with IP crime problem.

42. It is equally important to jointly support the establishment of cooperative links with appropriate BSEC bodies as well as respective European institutions and the international organisations.
43. The Black Sea countries have to work further together and give a new impetus to the cooperation for sustaining regional prosperity and stability. Parliaments and governments of the BSEC countries have to exploit their possibilities at the utmost to establish greater synergy between the member countries for further realisation of common objectives of the Black Sea Economic Cooperation.