



## **IP/IT News Digest**

The IP/IT NEWS DIGEST is an overview of the latest Kazakhstan IP and IT market and e-commerce news and trends. In it, we also highlight the most significant sector amendments and events within the framework of the EEU. Deloitte Legal offers legal consulting services on innovative strategic solutions for the businesses and actively traces and comments on the most significant initiatives changing the face of business and setting new market game rules in the sphere of innovation, technology and internet regulation.

## New Developments in 'Intangible' Rights in Kazakhstan

### The new IP rights Bill will simplify the protection of IP rights

As part of their initiative to improve legislation governing the protection of intellectual property ("IP") rights and bring it into line with best international OECD practices, the Mazhilis has passed a Bill at its first reading promising to remove business administrative hurdles in protecting the intangible assets. The Bill also envisages amendments to the Civil Code, Tax Code, Entrepreneurial Code, the Copyright and Patent Laws.

Below we provide a breakdown of the key planned amendments to the protection of IP rights.

#### Registering IP rights in a 'One-Stop Shop'

The major innovation is to introduce a procedure whereby IP rights are registered according to the 'one-stop shop' principle.

Currently, expert organizations are responsible for receiving applications and performing the relevant reviews, while actual registration of IP rights takes place in the Justice authority.

The Bill proposes to transfer powers related to registering IP rights to the National Institute of Intellectual Property ("NIIP"), which, instead of registration and state fees, will collect a single fee that will not exceed the current rate.

#### Compensation due to right holders for trademark ("TM") infringement

The Bill looks to toughen sanctions for TM infringement, including compensation for the holder of TM that have been infringed. Even though the Copyright Law already entitles authors to demand compensation for infringement, the current version of the Trademark Law does not afford the same rights to TM owners.

#### Transparency of the TM registration process and activities of the NIIP

The Bill proposes publishing TM registration applications as they are filed with the NIIP, meaning interested parties may familiarize themselves with them and lodge complaints or objections before they are registered. This amendment should ensure the transparency of NIIP activities, because currently applications are only published once the TM has been registered, which often leads to disputes.

#### Other amendments

Other amendments are directed at simplifying the registration process for industrial property license agreements, for example, license agreement originals no longer need to be provided for registration.

Likewise, the list of documents to be provided to register a trademark is also due to be simplified.

The Bill is currently with Parliament for conclusion.

## IP/IT News in the legal framework of the EEU

### An integrated register of protected symbols is due to be introduced in 2018 to unify EEU member state legislation

The EEU Commission Council Bill On a Draft Agreement on Trademarks, Service Marks and Names of Origin of the EEU was approved at a meeting of the EEU Commission Board held on 9 March 2016. The Bill regulates relations arising in connection with the registration, legal protection and use of EEU TMs and names of the origin of goods.

Below we offer a breakdown of the key planned amendments:

#### Union TM, union name of the origin of goods

A 'Union TM' and a 'Union Name of the Origin of Goods' have been planned along with a single Union TM application that can be filed with any member state patent agency. By interacting with a single ('one-stop shop' principle), applicants will receive a uniform document confirming protection of their rights in the Union.

These amendments will help reduce business costs and promote investment in the innovative and scientific sectors of the Union's economy, and introduce innovative technology to EEU member states. This should lead to the opening of new enterprises and the modernisation of EEU member state economies and help them transition from being resource-dependent to innovation-oriented.

#### EEU Integrated Register of Protected Symbols

The EEU Integrated Register of Protected Symbols (TM and names of the origin of goods) is due to be launched in 2018. The registration of an EEU TM will be the equivalent of local TM registration in a given member state.

National courts, though, will resolve EEU disputes related to any such TM.

### The EEU Cross-Border Trust Strategy Implementation Event Plan was approved at an EEU Commission meeting held on 24 April 2017 ("Strategy")

The main issue covered by the Strategy is electronic document exchange in the EEU, defining the main aims and objectives of developing cross-border trust in the EEU for the mass use of legally enforceable electronic documents and services when member states and the EEU Commission share information.

The so-called B2G model, which is the procedure according to which Union businesses, member state authorities and the EEU Commission will interact, is due to be developed in the second half of 2017.

After its introduction, businesses will be able to file government procurement applications, electronic customs declarations, exchange information on the circulation of medical goods and medicine, and identify entities performing external economic activity.

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Services on protection of IP rights and structuring of contracts on transfer of non-material assets and technology;



Legal structuring of projects in the sphere of electronic commerce and legal support of investments towards technological projects;



We provide services to the technological projects and can offer the legal consulting services on implementation of new technology in electronic commerce, electronic document management and other matters tailored to your business



## Contact us:

### Almaty/Astana

**Agaiisha Ibrasheva**

Tel.: +7(727) 258 13 40

Fax: +7(727) 258 13 41

Email: [aibrasheva@deloitte.kz](mailto:aibrasheva@deloitte.kz)

**Olessya Kirilovskaya**

Tel: +7 727 258 13 40

Fax: +7(727) 258 13 41

Email: [okirilovskaya@deloitte.kz](mailto:okirilovskaya@deloitte.kz)

**Viktoriya Tyan**

Tel: +7 727 258 13 40

Fax: +7(727) 258 13 41

Email: [vtyan@deloitte.kz](mailto:vtyan@deloitte.kz)

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