

## Company Law

### 1. Company Law

#### Introduction

The legislation of Armenia in the field of Company Law partially complies with the requirements of the EU legislation, meanwhile there is full compliance in the sphere of legal regulation of accounting standards.

The EU legislation in the field of company law regulates issues relating to the establishment, reorganization, changing statutory capital of commercial organizations, mandatory disclosure of information by these organizations. The mentioned issues in Armenia are regulated by the Civil Code of Armenia<sup>1</sup>, the Law on Joint-Stock Companies<sup>2</sup>, Law on Limited Liability Companies<sup>3</sup>, Law on State Registration of Legal Entities<sup>4</sup> and other legal acts, which, however, do not fully cover the requirements of the EU legislation.

Based on the screening results it should be mentioned that the list of information subject to disclosure by legal entities and the disclosure procedure, responsibility for failure to fulfil the obligations of disclosure of required information, as well as mandatory disclosure of information on representatives of legal entities and branches are not clearly defined in the Republic of Armenia. The Armenian legislation provides for the reorganization of commercial organizations by means of division only through establishment of new legal entities, meanwhile the division of a company and transfer of its rights and responsibilities to already existing legal entities by succession is not envisaged by the legislation. Moreover, the relations concerning merger or joinder of companies are not regulated in detail either.

The Armenian legislation does not regulate either the relations relating to takeover bids, which are of key importance for the given field of the EU legislation.

Based on the screening results, it should be mentioned that the RoA Law on Accounting<sup>5</sup> lacks a number of key provisions of the EU's Fourth and Seventh Directives. Clause 31 of the Government Decree No. 147 of 2 May 1996 on the Approval of the statute on accounting and accounts in Armenia provides for the preparation of consolidated accounts of companies in accordance with the procedure established by the Ministry of Finance and Economy of Armenia, however, it has not been adopted. Thus, relations pertaining to the preparation of consolidated accounts are not clearly regulated either.

Based on the Eighth Directive, the RoA Law on Auditing<sup>6</sup> is also subject to approximation. Rather complicated requirements for performing auditing activities are stipulated for natural persons, i.e. they are, particularly, required to obtain a relevant qualification and to be registered as entrepreneurs (the latter is not provided for by the EU legislation), and only then they may apply for obtaining an auditing license.

Within the framework of the Programme, it is envisaged to fully approximate the "Company Law" subchapter with the requirements of the EU legislation during 2006-2009.

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<sup>1</sup> HO-239, 05.05.1998

<sup>2</sup> HO-232, 25.09.2001

<sup>3</sup> HO-252, 24.10.2001

<sup>4</sup> HO-169, 03.04.2001

<sup>5</sup> HO-515, 26.12.2002

<sup>6</sup> HO-512, 26.12.2002

**Y2006**

Considering the approximation of the general regulatory framework of the activities of commercial organizations as a priority issue under this Subchapter and taking into account the current institutional capacities sufficient for the settlement of that issue, the Armenian company law legislation shall be approximated with the Second and Twelfth Directives of the European Council.<sup>7</sup>

Particularly, amendments shall be made to the Law on Joint-Stock Companies and the Law on Limited Liability Companies in the context of regulation of the establishment of companies, maintenance and alteration of their statutory capital.

In an effort to harmonise the regulation of legal status of single-member limited-liability companies, amendments shall be made to the RoA Law on Limited liability companies.

**Y2007**

The Armenian legislation on Company Law shall be approximated with the Third, Sixth and Seventh Council Directives.<sup>8</sup> With the purpose of approximating the regulatory framework of division, joinder and merger of companies with the EU requirements, the Civil Code of Armenia, laws on Joint-Stock Companies, Limited liability Companies and Protection of Economic Competition shall be amended.

To bridge the gap of legal regulation of standards for consolidated accounts in compliance with the Seventh Council Directive, a draft Government Decree on Approving the procedure for preparation of consolidated accounts on accounting and submission order shall be elaborated.

The Armenian legislation on Company Law shall also be approximated with the EC Directive 2004/25 of 21 April 2004 and Council Regulation 2157/2001 of 8 October 2001.<sup>9</sup>

In an effort to fill the gap existing in the regulatory framework of company acquisition in the Republic of Armenia, a new draft law on commercial organizations takeover bids shall be elaborated.

To transpose the European standards for Company statute into the Armenian legislation, amendments shall be made to the RoA Law on Joint-Stock Companies.

**Y2008**

Fourth, First and Eleventh Directives, Council Regulation 1435/2003 of 22 July 1968 and EC Directive 2003/72 of 22 July 2003 shall serve as the basis for approximation of the Armenian legislation.<sup>10</sup>

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<sup>7</sup> Second Council Directive 77/91/EEC of 13 December 1976 on coordination of safeguards which, for the protection of the interests of members and others, are required by Member States of companies within the meaning of the second paragraph of Article 58 of the Treaty, in respect of the formation of public limited liability companies and the maintenance and alteration of their capital, with a view to making such safeguards equivalent.

Twelfth Council Directive 89/667/EEC of 21 December 1989 on single-member private limited-liability companies.

<sup>8</sup> Third Council Directive 78/855/EEC of 9 October 1978 based on Article 54 (3) (g) of the Treaty concerning mergers of public limited liability companies

Sixth Council Directive 82/891/EEC of 17 December 1982 based on Article 54(3)(g) of the Treaty, concerning the division of public limited liability companies.

Seventh Council Directive 83/349/EEC of 13 June 1983 based on Article 54(3)(g) of the Treaty on consolidated accounts.

<sup>9</sup> Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids, Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company

<sup>10</sup> Fourth Council Directive 78/660/EEC of 25 July 1978 based on Article 54 (3) (g) of the Treaty on the annual accounts of certain types of companies, First Council Directive No 68/151 of 9 March 1968 on co-ordination of safeguards which, for the protection of the interests of members and others, are required by Member States of companies within the meaning of the second paragraph of Article 58 of the Treaty, with a view to making such safeguards equivalent throughout the Community, 11th Council Directive 89/666/EEC of 21 December 1989 concerning disclosure requirements in respect of branches opened in a Member State by certain types of company governed by the law of another State, Council Regulation (EC) No

Considering the necessity to define a list of information subject to mandatory disclosure by commercial organizations and a disclosure procedure in line with the EU requirements, a draft Government Decree on the disclosure of information by commercial organizations shall be elaborated. Moreover, a draft Government Decree on the information subject to disclosure by separated subdivisions of foreign undertakings shall be elaborated as well. Training courses shall be organised on the information subject to mandatory disclosure by commercial organizations.

To approximate the legal status, the procedure and terms of operation of cooperatives with the EU requirements, a new draft law on Co-operatives shall be elaborated.

Taking into account the necessity to stipulate in the Armenian legislation the EU requirements on preparation and submission of annual accounts by companies, draft laws on making amendments to the RoA laws on Accounting and Auditing shall be elaborated.

### **Y2009**

The Eighth Council Directive shall serve as the basis for the approximation of the Armenian legislation.<sup>11</sup>

In an effort to define the legal status of persons responsible for auditing and their approval in line with the requirements of the EU legislation, a draft law on making amendments to the RoA Law on Auditing shall be elaborated.

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1435/2003 of 22 July 2003 on the Statute for a European Cooperative Society, Council Directive 2003/72/EC of 22 July 2003 supplementing the Statute for a European Cooperative Society with regard to the involvement of employees.

<sup>11</sup> Eighth Council Directive 84/253/EEC of 10 April 1984 based on Article 54 (3) (g) of the Treaty on the approval of persons responsible for carrying out the statutory audits of accounting documents.

1.1. Legislative Approximation

0	1	2	3	4	5	6
NN	Measure	EU Legal Source	Responsible Institution	Submission Date	Necessary Resources (man/days)	EU Technical Assistance
<b>2006</b>						
1.	<ul style="list-style-type: none"> <li>Elaboration of a draft law on making amendments to the RoA Law on Joint-Stock Companies</li> <li>Elaboration of a draft law on making amendments to the RoA Law on Limited liability companies</li> </ul>	Second Council Directive 77/91/EEC of 13 December 1976 on coordination of safeguards which, for the protection of the interests of members and others, are required by Member States of companies within the meaning of the second paragraph of Article 58 of the Treaty, in respect of the formation of public limited liability companies and the maintenance and alteration of their capital, with a view to making such safeguards equivalent	Ministry of Justice of Armenia	4 <sup>th</sup> quarter	57	Provisional expertise
2.	Elaboration of a draft law on making amendments to the RoA Law on Limited liability companies	Twelfth Council Directive 89/667/EEC of 21 December 1989 on single-	Ministry of Justice of Armenia	4 <sup>th</sup> quarter	15	Consultancy

		member private limited-liability companies				
<b>TOTAL</b>					<b>72</b>	
<b>2007</b>						
3.	<ul style="list-style-type: none"> <li>• Elaboration of a draft law on making amendments to the Civil Code of Armenia</li> <li>• Elaboration of a draft law on making amendments to the RoA Law on Joint-Stock Companies</li> <li>• Elaboration of a draft law on making amendments to the RoA Law on Limited liability companies</li> <li>• Elaboration of a draft law on making amendments to the RoA Law on Protection of Economic Competition</li> </ul>	<p>Third Council Directive 78/855/EEC of 9 October 1978 based on Article 54 (3) (g) of the Treaty concerning mergers of public limited liability companies</p> <p>Sixth Council Directive 82/891/EEC of 17 December 1982 based on Article 54(3)(g) of the Treaty, concerning the division of public limited liability companies.</p>	Ministry of Justice of Armenia (with participation of the State Commission for Protection of Economic Competition of Armenia)	1 <sup>st</sup> quarter	63	Consultancy
4.	Elaboration of a draft Government Decree on Approving the preparation and submission procedure of consolidated accounts	Seventh Council Directive 83/349/EEC of 13 June 1983 based on Article 54(3)(g) of the Treaty on consolidated accounts.	Ministry of Finance and Economy of Armenia	1 <sup>st</sup> quarter	66	Consultancy, provisional expertise
5.	Elaboration of a draft RoA law on takeover bids of commercial	Directive 2004/25/EC of the European Parliament and of the	Ministry of Justice of Armenia	3 <sup>rd</sup> quarter	42	Provisional expertise

	organizations	Council of 21 April 2004 on takeover bids				
6.	Elaboration of a draft law on making amendments to the RoA Law on Joint-Stock Companies	Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company	Ministry of Justice of Armenia	4 <sup>th</sup> quarter	96	Provisional expertise
<b>TOTAL</b>					<b>267</b>	
<b>2008</b>						
7.	Elaboration of a draft Government Decree on the disclosure of information by commercial organizations	First Council Directive No 68/151 of 9 March 1968 on co-ordination of safeguards which, for the protection of the interests of members and others, are required by Member States of companies within the meaning of the second paragraph of Article 58 of the Treaty, with a view to making such safeguards equivalent throughout the Community	Ministry of Justice of Armenia	2 <sup>nd</sup> quarter	15	Consultancy, provisional expertise, training
8.	Elaboration of a draft Governmental Decree on information subject to disclosure by separated subdivisions of foreign undertakings	Eleventh Council Directive 89/666/EEC of 21 December 1989 concerning disclosure requirements in respect of branches opened in	Ministry of Justice of Armenia	2 <sup>nd</sup> quarter	15	Consultancy, Provisional Expertise, Training

		a Member State by certain types of company governed by the law of another State.				
9.	Elaboration of a draft RoA law on Co-operatives	<p>Council Regulation (EC) No 1435/2003 of 22 July 2003 on the Statute for a European Co-operative Society</p> <p>Council Directive 2003/72/EC of 22 July 2003 supplementing the Statute for a European Cooperative Society with regard to the involvement of employees</p>	Ministry of Trade and Economic Development of Armenia	2 <sup>nd</sup> quarter	171	Consultancy, provisional expertise, training
10.	<ul style="list-style-type: none"> <li>Elaboration of a draft law on making amendments to the RoA Law on Accounting</li> <li>Elaboration of a draft law on making amendments to the RoA Law on Auditing</li> </ul>	Fourth Council Directive 78/660/EEC of 25 July 1978 based on Article 54 (3) (g) of the Treaty on the annual accounts of certain types of companies	Ministry of Finance and Economy of Armenia	4 <sup>th</sup> quarter	81	Consultancy, provisional expertise, training
<b>TOTAL</b>					<b>282</b>	
<b>2009</b>						
11.	Elaboration of a draft law on making amendments to the RoA Law on Auditing	Eighth Council Directive 84/253/EEC of 10 April 1984 based	Ministry of Finance and Economy of Armenia	2 <sup>nd</sup> quarter	24	Consultancy, provisional expertise

		on Article 54 (3) (g) of the Treaty on the approval of persons responsible for carrying out the statutory audits of accounting documents				
<b>TOTAL</b>					<b>24</b>	
					<b>645</b>	

**1.2 Institutional Capacities<sup>12</sup>**

<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>NN</b>	<b>Institution</b>	<b>Reorganization</b>	<b>Training Needs</b>	<b>Technical Assistance needs</b>
1.	RoA Ministry of Justice State Commission for Protection of Economic Competition of Armenia	-	Training courses on merger control in the European Union (2006-2007)	Consultancy
2.	RoA Ministry of Justice	-	Training courses on information subject to mandatory disclosure by commercial organizations (5 days / 2007)	Consultancy
3.	RoA Ministry of Trade and Economic Development RoA Ministry of Justice	-	Training courses on European Co-operatives (3 days / 2008)	Consultancy

<sup>12</sup> For coordination of legislative approximation activities, relevant EU Integration subdivisions shall be established within the responsible ministries and state agencies

## 2. Intellectual Property Right

### 2.1. Copyright and Related Rights

#### Introduction

The Armenian legislation in the field of intellectual property right, compared with that of the EU, regulates the relevant relations in a more general way and mainly does not comply with the EU legislation, where these relations are regulated in much more detail.

The EU legislation in this field defines common legal rules regulating copyright and related rights, and for legal regulation of specific fields (e.g. software, databases, etc) stipulates separate legal acts.

The protection of copyright and related rights in Armenia is provided by the Civil Code of Armenia<sup>13</sup> and the RoA Law on Copyright and Related Rights<sup>14</sup>. The Law on Copyright and Related Rights stipulates common provisions on different types of the use of the work, resale right for the benefit of the author of the original work of art, rental rights, copyrights and related rights on satellite broadcasting and cable retransmission as well as relating to the regulation of legal relations in regard to legal protection of databases and software, however it does not include detailed and specified legal rules, while the European legislation envisages separate legal acts for the regulation of mentioned legal concepts.

Considering the priority of effective regulation of issues relating to the protection of intellectual property rights in the sphere of economic policy of Armenia and the availability of required institutional capacities, within the framework of the National Programme it is envisaged to fully approximate the subchapter "Intellectual Property Right" with the requirements of EU legislation during 2006-2008

#### Y2006

Considering the priority of detailed and comprehensive regulation of legal relations arising in the field of copyright and related rights, the Armenian legislation shall be approximated with EU Directives 2001/29/EC of 22 May 2001, 93/98/EEC of 29 October 1993, which define a common regulatory framework.<sup>15</sup>

Particularly, amendments shall be made to the RoA Law on Copyright and Related Rights in an effort to provide for a more clear and detailed regulation of legal relations arising in the field of copyright and related rights.

#### Y2007

In the field of copyright and related rights, Directives No 2001/84 of 27 September 2001 and No 92/100 of 19 December 1992 shall be subjected to approximation.<sup>16</sup>

With the purpose of bridging the gaps and eliminating the discrepancies of the regulation of the resale of an original work of art for the benefit of the author as well as rental right and related rights in the field of intellectual property, amendments shall be made to the RoA Law on Copyright and Related Rights.

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<sup>13</sup> HO-239, 05.05.1998.

<sup>14</sup> HO-28, 08.12.1999.

<sup>15</sup> Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society, Council Directive 93/98/EEC of 29 October 1993 harmonizing the term of protection of copyright and certain related rights.

<sup>16</sup> Directive 2001/84/EC of the Parliament and of the Council of 27 September 2001 on the resale right for the benefit of the author of an original work of art, Council Directive 92/100/EEC of 19 November 1992 on rental right and lending right and on certain rights related to copyright in the field of intellectual property

**Y2008**

For legal regulation of the peculiarities of copyright and related rights sector, the Armenian legislation in the field of copyright and related rights shall be approximated with the Directives 93/83 of 27 September 1993 and 96/9 of 11 March 1996.<sup>17</sup>

For detailed regulation of legal relations in the field of satellite broadcasting and cable retransmission and for not overloading of the RoA Law on Copyright and related rights with specific rules, a draft law on the protection of copyright and related rights applicable to satellite broadcasting and cable retransmission shall be elaborated, and the RoA Law on Copyright and related rights shall be amended.

To ensure a comprehensive and multifaceted regulation of legal relations arising in the field of legal protection of databases, draft laws on making amendments to the RoA laws on Legal protection of databases and on Copyright and related rights shall be elaborated.

**Y2009**

The approximation process of separate fields of copyright and related rights of the Armenian legislation with the EU requirements, particularly with Directive 98/84 of 20 November 1998 and Directive 91/250 of 14 May 1991, shall continue in 2009.<sup>18</sup>

To fill the gap of the regulation of legal protection of services based on conditional access, a draft law on Legal protection of services based on, or consisting of, conditional access shall be elaborated.

For legal regulation of software in compliance with the European standards, a draft law on Legal protection of software shall be elaborated, as well as relevant amendments shall be made to the RoA Law on Copyright and related rights.

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<sup>17</sup> Council Directive 93/83/EEC of 27 September 1993 on the coordination of certain rules concerning copyright and rights related to copyright applicable to satellite broadcasting and cable retransmission, Directive 96/9/EC of the European Parliament and of the Council of 11 March on legal protection of databases

<sup>18</sup> Directive 98/84/EC of the European Parliament and of the Council of 20 November 1998 on the legal protection of services based on, or consisting of, conditional access, Council Directive 91/250/EEC of 14 May 1991 on the legal protection of computer programs.

**2.1.1 Legislative Approximation**

0	1	2	3	4	5	6
NN	Measure	EU Legal Source	Responsible Institution	Submission Date	Necessary Resources (man days)	EU Technical Assistance
<b>2006</b>						
1.	Elaboration of a draft law on making amendments to the RoA Law on Copyright and related rights	Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society  Council Directive 93/98/EEC of 29 October 1993 harmonizing the terms of protection of copyright and certain related rights	Ministry of Trade and Economic Development of Armenia	4 <sup>th</sup> quarter	24	Consultancy, provisional expertise
<b>TOTAL</b>					<b>24</b>	
<b>2007</b>						
2.	Elaboration of a draft law on making amendments to the RoA Law on Copyright and related rights	Directive 2001/84/EC of the Parliament and of the Council of 27 September 2001 on the resale right for	Ministry of Trade and Economic Development of Armenia	1 <sup>st</sup> quarter	30	Consultancy, provisional expertise

		the benefit of the author of an original work of art  Council Directive 92/100/EEC of 19 November 1992 on rental right and lending right and on certain rights related to copyright in the field of intellectual property				
<b>TOTAL</b>					<b>30</b>	
<b>2008</b>						
3.	<ul style="list-style-type: none"> <li>Elaboration of a draft law on the protection of copyright and related rights applicable to satellite broadcasting and cable retransmission</li> <li>Elaboration of a draft law on making amendments to the RoA Law on Copyright and related rights</li> </ul>	Council Directive 93/83/EEC of 27 September 1993 on the coordination of certain rules concerning copyright and rights related to copyright applicable to satellite broadcasting and cable retransmission	Ministry of Trade and Economic Development of Armenia	1 <sup>st</sup> quarter	15	Consultancy, provisional expertise
4.	<ul style="list-style-type: none"> <li>Elaboration of a draft law on legal protection of databases</li> <li>Elaboration of a draft law</li> </ul>	Directive 96/9/EC of the European Parliament and of the Council of 11 March on	Ministry of Trade and Economic Development of Armenia	2 <sup>nd</sup> quarter	18	Consultancy, provisional expertise

	on making amendments to the RoA Law on Copyright and related rights	legal protection of databases				
<b>TOTAL</b>					<b>33</b>	
<b>2009</b>						
5.	Elaboration of a draft law on legal protection of services based on, or consisting of, conditional access	Directive 98/84/EC of the European Parliament and of the Council of 20 November 1998 on the legal protection of services based on, or consisting of, conditional access	Ministry of Trade and Economic Development of Armenia	1 <sup>st</sup> quarter	15	Consultancy, provisional expertise
6.	<ul style="list-style-type: none"> <li>Elaboration of a draft law on legal protection of computer programs</li> <li>Elaboration of a draft law on making amendments to the RoA Law on Copyright and related rights</li> </ul>	Council Directive 91/250/EEC of 14 May 1991 on the legal protection of computer programs.	Ministry of Trade and Economic Development of Armenia	2 <sup>nd</sup> quarter	15	Consultancy, provisional expertise
<b>TOTAL</b>					<b>30</b>	
					<b>117</b>	

**2.1.2 Institutional Capacities<sup>19</sup>**

<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>NN</b>	<b>Institution</b>	<b>Reorganization</b>	<b>Training Needs</b>	<b>Technical Assistance Needs</b>
1.	RoA Ministry of Trade and Economic Development	-	Training courses on Copyright and related rights (5 days/2006)	Consultancy, provisional expertise

<sup>19</sup> For coordination of legislative approximation activities, relevant EU Integration subdivisions shall be established within the responsible ministries and state agencies.

## 2.2. Industrial Property

### Introduction

The EU legal acts on the protection of trademarks determine conditions for acquisition, operation and use of trademarks, priority issues, registration procedures, grounds and procedures for the annulment of trademarks, etc.

The legal relations arising in the sphere of trade and service marks in the Republic of Armenia are regulated by the RoA Law on Trade and Service Marks and Appellations of Origin.<sup>20</sup> This field does not cover the regulation of issues such as dispute over the registration of trade marks, rights of parties in settlement of such disputes, as well as other procedural issues.

The main legal act regulating the legal protection of designs is the RoA Law on Patent.<sup>21</sup> The Armenian legislation in the field of legal protection of designs does not separate registered and non-registered designs. Moreover, the legislation does not stipulate who is entitled to bring actions concerning the annulment of designs. It does not stipulate either the provisions regulating delays in disclosure of designs upon the request of the applicant, as well as oral and written proceedings. There are also a number of incompliances in regard to institutional structures, particularly, while the Armenian legislation stipulates that the patent is annulled by the Board of Appeal of the authorized body, according to the European legislation, together with the Board of Appeal there is also an Annulment Department within the structure of the relevant institution, which deals with relevant matters.

Compared with the European legislation, the Armenian legislation does not provide for detailed regulation of legal relations arising in the field of agricultural products and foodstuffs, particularly designation of origin and geographical indications of wine, as well as technology transfer agreements.

Moreover, the Armenian legislation, compared with that of the EU, does not envisage a separate legal act on legal protection of biotechnological inventions.

### Y2006

Highlighting the importance of economic development of Armenia and available institutional capacities, the Armenian legislation on legal protection of trademarks, service marks shall be approximated with Directive 89/104 of 21 December 1988 and Regulation 40/94 of 20 December 1993.<sup>22</sup>

To approximate the legal provisions governing the field of legal protection of trademarks with EU requirements, the RoA Law on Trademarks, Service Marks and Appellations of Origin and the Civil Code of Armenia shall be amended.

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<sup>20</sup> HO-41, 20.03.2000

<sup>21</sup> HO-175, 08.12.2004

<sup>22</sup> First Directive 89/104/EEC of the Council, of 21 December 1988, to Approximate the Laws of the Member States Relating to Trade Marks, Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark.

**Y2007**

The Armenian legislation on legal protection of trademarks and service marks shall also be approximated with Regulation 2868/95 of 13 December 1995.<sup>23</sup> As a result of amendments made to the RoA Law on Trademarks, Service Marks and Appellations of Origin and the Civil Code of Armenia, a draft Government Decree on “Ensuring the enforcement of the Law on Trademarks, Service Marks and Appellations of Origin” and a number of relevant agency legal acts shall be elaborated.

For detailed regulation of legal protection of designs and to ensure legal regulation of legal relations relating to trademarks, the Armenian legislation shall be approximated with Directive 6/2002 of 12 December 2001 and Directive 98/71 of 13 October 1998.<sup>24</sup>

To approximate the Armenian legislation governing the field of legal protection of designs with EU legal rules, amendments shall be made to the Law on Patent.

For simplification of procedures of acquisition of trademarks and patents and the collection of state duties payable during the period of their validity, a draft law on making amendments to the Law on State duties shall be elaborated and a relevant Government Decree shall be adopted.

**Y2008**

For legal regulation of legal relations arising in respect to the payment of state duties relating to the legal protection of designs, the Armenian legislation shall be approximated with Regulation 2245/2002 of 21 October 2002, Regulation 2869/95 of 13 December 1995, and Commission Regulation 2246/2002.<sup>25</sup>

For implementation of the RoA Law on Patents, a draft Government Decree on Implementing the Law on Patents and relevant agency legal acts shall be elaborated.

To transpose the sectoral peculiarities of the industrial property field into the Armenian legislation, the latter shall be approximated with Regulation 2081/92 of 14 July 1992.<sup>26</sup>

For legal regulation of geographical indications and designations of origin for agricultural products, a new draft law on geographical indications and designations of origin for agricultural products and foodstuffs shall be elaborated.

**Y2009**

In the field of industrial property, Regulation (EC) 772/2004 of 27 April 2004 and Directive 98/44/EC of 6 July 1998 shall be subjected to approximation.<sup>27</sup>

To fill the gap existing in the field of legal regulation of technology transfer agreements, a new draft law on legal regulation of technology transfer agreements shall be elaborated.

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<sup>23</sup> Commission Regulation (EC) No 2868/95 of 13 December 1995 implementing Council Regulation (EC) No 40/94 on the Community trade mark

<sup>24</sup> Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs, Directive 98/71/EC of the European Parliament and of the Council of 13 October 1998 on the legal protection of designs

<sup>25</sup> Commission Regulation (EC) No. 2245/2002 of 21 October 2002 implementing Council Regulation (EC) No. 6/2002 on Community Designs, Commission Regulation (EC) No 2869/95 of 13 December 1995 on the fees payable to the Office for Harmonization in the Internal Market, Commission Regulation (EC) No 2246/2002 of 16 December 2002 on the fees payable to the Office for Harmonization in the Internal Market (Trade Marks and Designs) in respect of the registration of Community designs.

<sup>26</sup> Council Regulation (EEC) No 2081/92 of 14 July 1992 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs,

<sup>27</sup> Commission Regulation (EC) No 772/2004 of 27 April 2004 on the application of Article 81(3) of the Treaty to categories of technology transfer agreements, Directive 98/44/EC of the European Parliament and of the Council of 6 July 1998 on the legal protection of biotechnological inventions.

Highlighting the necessity of separate legal regulation of biotechnological inventions, a new draft law on legal protection of biotechnological inventions shall be elaborated.

**2.2.1 Legislative Approximation**

0	1	2	3	4	5	6
NN	Measure	EU Legal Source	Responsible Institution	Submission date	Necessary Resources (man/ days)	EU Technical Assistance
<b>2006</b>						
1.	<ul style="list-style-type: none"> <li>Elaboration of a draft Law on making amendments to the Civil Code of Armenia</li> <li>Elaboration of a draft Law on making amendments to the RoA Law on Trademarks, Service Marks and Appellation of Origin</li> </ul>	<p>First Directive 89/104/EEC of the Council, of 21 December 1988, to Approximate the Laws of the Member States Relating to Trade Marks</p> <p>Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark</p>	Ministry of Trade and Economic Development of Armenia	4 <sup>th</sup> quarter	249	Consultancy, provisional expertise
<b>TOTAL</b>					<b>249</b>	
<b>2007</b>						
2.	Elaboration of agency legal acts and a draft Government Decree on implementing the RoA Law on Trademarks, Service Marks and Appellations of Origin	Commission Regulation (EC) 2868/95 of 13 December 1995 implementing Council Regulation (EC) 40/94 on the Community trade mark	Ministry of Trade and Economic Development of Armenia	2 <sup>nd</sup> quarter	225	

3.	Elaboration of a draft law on making amendments to the RoA Law on Patents	Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs  Directive 98/71/EC of the European Parliament and of the Council of 13 October 1998 on the legal protection of designs	Ministry of Trade and Economic Development of Armenia	4 <sup>th</sup> quarter	177	Consultancy, provisional expertise
<b>TOTAL</b>					<b>402</b>	
<b>2008</b>						
4.	Elaboration of agency legal acts and a draft Government Decree on implementing the Law on Patents	Commission Regulation (EC) No. 2245/2002 of 21 October 2002 implementing Council Regulation (EC) No. 6/2002 on Community Designs	Ministry of Trade and Economic Development of Armenia	2 <sup>nd</sup> quarter	150	
5.	<ul style="list-style-type: none"> <li>• Elaboration of a draft Law on making amendments to the RoA Law on State Duties</li> <li>• Elaboration of a draft Government Decree on the collection and accounting procedure of state duties related to the legal protection of industrial property</li> </ul>	Commission Regulation (EC) No 2869/95 of 13 December 1995 on the fees payable to the Office for Harmonization in the Internal Market Commission Regulation (EC) No 2246/2002 of 16	Ministry of Trade and Economic Development of Armenia	2 <sup>nd</sup> quarter	33	

	objects and topology of integral chip	December 2002 on the fees payable to the Office for Harmonization in the Internal Market (Trade Marks and Designs) in respect of the registration of Community designs				
6.	Elaboration of a draft law on geographical indications and designation of origin of agricultural products and foodstuffs	Council Regulation (EEC) No 2081/92 of 14 July 1992 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs	Ministry of Trade and Economic Development of Armenia	4 <sup>th</sup> quarter	36	Consultancy, provisional expertise
<b>TOTAL</b>					<b>219</b>	
<b>2009</b>						
7.	Elaboration of a draft law on legal regulation of technology transfer agreements	Commission Regulation (EC) No 772/2004 of 27 April 2004 on the application of Article 81(3) of the Treaty to categories of technology transfer agreements	Ministry of Trade and Economic Development of Armenia	1 <sup>st</sup> quarter	15	Consultancy, provisional expertise
8.	Elaboration of a draft law on legal protection of biotechnological inventions	Directive 98/44/EC of the European Parliament and of the Council of 6 July 1998 on the legal protection	Ministry of Trade and Economic Development of Armenia	2 <sup>nd</sup> quarter	18	Consultancy, provisional expertise

		of biotechnological inventions				
<b>TOTAL</b>					<b>33</b>	
					<b>903</b>	

**2.1.2 Institutional Capacities<sup>28</sup>**

0	1	2	3	4
NN	Institution	Reorganization	Training Needs	Technical Assistance Needs
1.	RoA Ministry of Trade and Economic Development (Intellectual Property Agency of Armenia)	-	Training courses on the legal protection of trademarks and service marks (10 days/2006)	Consultancy, provisional expertise
2.	RoA Ministry of Trade and Economic Development (Intellectual Property Agency of Armenia)	-	Training courses on the legal protection of designs (10 days/2007)	Consultancy, provisional expertise
3.	RoA Ministry of Trade and Economic Development (Intellectual Property Agency of Armenia)	Establishment of Annulment Department (Annulment of the right of intellectual property objects)		Consultancy

<sup>28</sup> For coordinating the legislative approximation activities relevant EU Integration subdivisions will be established within the responsible ministries and governmental bodies