

Local Knowledge for Global Business

Parallel imports vs Counterfeits: Mechanisms of preventing Intellectual Property Rights infringement in Azerbaijan

Parallel import, which refers to the import of original trademarked products without the consent of the right holder, is a matter of great concern in the international trade. Parallel import is tightly associated with another global issue of counterfeit. The general notion of counterfeit shall be distinguished from the concept of parallel import. The definition of counterfeit goods is envisaged in the Law of the Republic of Azerbaijan on Trademarks and Geographical Indications dated June 12, 1998, #504-IQ (hereinafter "the Trademark Law") as goods illegally equipped with trademarks, geographical indications or signs confusingly similar to them. The significant difference between parallelly imported goods and the counterfeit goods is that unlike the case with parallel import, counterfeit goods are non- original products created by breaching the intellectual property rights (IPRs). The fact that parallelly imported products are genuinely produced makes the matter even more complex. As a result, there is no unified approach to the regulation of parallel import in the world and different countries apply various regimes.

In practice, it is usually questioned whether the parallel imports are allowed under the legislation of Azerbaijan. Current legislation of the Republic of Azerbaijan does not regulate parallel import matters; hence it is not practically barred, which means that it is generally allowed in the country. Contrary to the parallel import, Azerbaijani legislation only stipulates the measures for combatting the import of the counterfeit goods. One of such measures is customs registration.

Customs registration:

The main provisions covering the issue are stipulated in Chapter 49 of the Customs Code of the Republic of Azerbaijan dated June 24, 2011, #164-IVQ (hereinafter "the Customs Code"). The Customs Code provides that in order to prevent the release of counterfeit goods the right holder or other authorized person can apply for the registration of goods containing intellectual property rights to the State Customs Committee of the Republic of Azerbaijan ("Customs Committee"). Customs Committee is considered as an authority responsible for maintaining a register of goods containing IPRs in order to ensure the implementation of customs control. Opposed to the procedure in the neighboring countries, in Azerbaijan the customs registration is carried out not for the trademarks, patents or other intellectual property objects, but rather for the goods containing the objects of IPRs. In other words, only the goods that include trademarks, patents and etc., are subject to registration in the Customs Registry as a means of protection of the IPRs.

Read more here.

Authors: Shabnam Sadigova Huseynova, Senior Associate; Nargis Tagiyeva, Junior Associate, GRATA International, Azerbaijan.

Practice areas

INTELLECTUAL PROPERTY

Locations



AZERBAIJAN

