



LEGALTECH REVIEW

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LEGISLATION

MPS WANT TO REDUCE THE SUM OF COMPENSATION FOR COPYRIGHT INFRINGEMENT

A draft law that has been [submitted](#) to the State Duma is designed to make the measure of liability for copyright infringement directly proportional to the gravity of the level of infringement. In the explanatory note lawmakers comment that collective management organizations (CMOS), established to protect the interests of copyright holders, are unable to monitor the use of their intellectual property on a regular basis and are in fact interested in collecting the maximum amount of compensation. In the case of copyright infringement, the sum of compensation can be very significant, and the court is not authorized to reduce it even if the circumstances of the case testified that the infringements are not enough severe. For this purpose, the document proposes to remove from the Civil Code the regulation according to which the compensation for copyright infringement of intellectual assets cannot be less than 50% of the amount of minimum compensation for each of the violations. It will enable courts to make up the sum of compensation taking into account the consequences and the nature of such violations.

THE STATE DUMA HAS GIVEN THE GOVERNMENT THE RIGHT TO PRODUCE DRUGS WITHOUT THE PERMISSION OF THE PATENT HOLDER

The State Duma passed a [bill](#) that gives the government the right to use inventions and utility models in the field of healthcare and produce medicines without the patent holder's permission in the interests of national security in case of emergency. The amendments made to the Civil Code will enable to make up for a lack or shortage of foreign patent medicines or medical equipment in Russia.

THE MINISTRY OF JUSTICE IS EXPANDING ITS JURISDICTION: FORENSIC EXAMINATIONS IN THE FIELD OF INTELLECTUAL PROPERTY

The Ministry of Justice of Russia has developed a [draft law](#) with an appendix which expands the list of types of forensic examinations performed in subordinate forensic expert institutions. The document defines a new type of legal practice – valuation of intellectual property assets. We will also see the emergence of a new type of law specialization which will enable us to perform independent forensic examinations in the federal budget forensic institutions of the Ministry of Justice ("examination of intellectual property assets"). Pursuing the goal to distinguish between forensic expertise and valuation, lawmakers suggest replacing the term "valuation" in titles of expertise and experts in a particular area with the term "value." The explanatory note says that forensic and expert examination will contribute to selecting an expert of respective specialization in appointment of the forensic examination, examination of its competence, specific volume of knowledge for the research of a particular IP asset.

RUSSIA APPROVES THE BASICS OF STATE POLICY IN THE FIELD OF INTERNATIONAL INFORMATION SECURITY

Russian President Vladimir Putin signed a [Decree](#) titled "On Approval of the Basics of State Policy of the Russian Federation in the Field of International Information Security." This Decree is an important document for strategic planning in the Russian Federation compiled to reflect the views on the essence of international information security (IS). The document also lists the main threats posed to the international information security. The document was discussed in March at the Security Council meeting. Vladimir Putin drew attention to the need to make universal international legal agreements focused on preventing conflicts and building mutually beneficial partnerships in the global media environment.

A DRAFT LAW ON REMOTE PARTICIPATION IN COURT HEARINGS USING PERSONAL EQUIPMENT HAS BEEN SUBMITTED TO THE STATE DUMA

A [draft law](#) has been submitted to the State Duma. The provisions of a draft law submitted to the State Duma are formulated to improve the procedure for e-documents in court hearings using users' personal means of communication. In line with the draft bill, a statement of claim, application, complaint, submission and other documents may be submitted to court in e-form on the public services portal (PSP) or in the information system established by the Supreme Court of the Russian Federation, the Judicial Department at the Supreme Court or via the electronic document management system of a process participant of the process in the uniform system of interdepartmental electronic interaction (SIEI).

The Draft Bill stipulates that participants of the process will be able to take part in a court hearing using a web-conference system provided that they have submitted a petition and the courts have the technical ability to organize a web-conference. According to the explanatory note, the Draft Law creates the legal basis for the use of already existing opportunities in courts for electronic filing of documents and remote participation in court hearings, and also takes into account the planned changes while implementing the service "Justice Online." Meanwhile, the participants of the process will be given the right to submit a hard copy of documents and to attend court hearings in person.

AUTHORITIES HAVE PREPARED A PLAN TO BRING ARTIFICIAL INTELLIGENCE IN COURTS

A working group "Normative Regulation" under the ANO "Digital Economy" has approved the concept of machine-readable i.e. understandable for algorithms law and sent it to the Ministry of Economic Development for adoption. Sergey Izraylit, director of planning and development department at the Skolkovo Foundation, [says](#) that there are a few areas which may be affected by such technologies. In such a way, these algorithms enable citizens to deal with various legal documents. Signing contracts, giving consent to processing of personal data, fulfilling the requirements of various administrative procedures for a citizen can be simplified by the fact that the software will be able to perceive and process legal information. At the same time, Izraylit admitted that the process of introducing machine-readable law will be "certainly complicated" as it "directly relies on such system concepts as fairness, evaluative categories – proper implementation, the opinion of a judge in respect to the circumstances of the case – accepted or not." However, in standard situations, the judicial process should be simplified because it will be "based on already emerging practices."

THE DRAFT LAW FOR E-FILING INCOME TAX RETURNS HAS BEEN ADOPTED IN THE THIRD READING

The State Duma in the third reading adopted a [draft law](#) which simplifies the procedure for getting tax returns: property deductions – for expenditures on the purchase of housing and repayment of interest on loans – and investment – on transactions registered on the individual investment account. In line with the Bill, contacts with tax authorities will be made by a personal tax account while tax authorities will verify the taxpayer's right to a tax deduction in the automated information system. The State Duma notes that the introduction of a simplified procedure will lead to a significant reduction in the term of provision for tax returns.

BANK OF RUSSIA PRESENTS DIGITAL RUBLE CONCEPT

The website of the Bank of Russia has [unveiled](#) Digital Ruble Concept. In line with this Concept, the creation of a prototype of the digital ruble platform is scheduled for December 2021. The launch of testing a prototype of the digital ruble platform is scheduled for 2022. The document includes the description of Digital Ruble advantages, a target model, approaches to monetary policy of digital ruble and the key stages of the project. A two-tier retail model was selected as a target model which provides that the Central Bank is the issuer of digital rubles and the operator of the digital ruble platform. At the same time, financial institutions open wallets in digital rubles for their clients and perform transactions involving a digital ruble platform. Digital rubles will be available to citizens and entrepreneurs in any bank for serving their needs.

THE MINISTER OF JUSTICE SUPPORTED THE ELECTRONIC CASE MANAGEMENT FOR ATTORNEYS

The Minister of Justice Konstantin Chuichenko has supported the [project of digitalization of Defense Attorneys](#) which makes legal processes transparent. Electronic systems can distribute requests from the court and investigation procedure when the state gives a defendant a right to have the assistance of counsel. In line with the minister of justice, the initiative for creation of a system of automated distribution between attorneys deserves a positive assessment. The website of the Ministry of Justice featured a presentation of this project for representatives of law enforcement bodies. The Ministry of Justice intends to ensure media interaction between its information system with the Russian Advocate's Integrated Information System.

INTELLECTUAL PROPERTY

TULA GINGERBREAD AND KOKOSHNIK WILL BE PROTECTED FROM ILLEGAL EXPLOITATION IN EUROPE

Russia is preparing to sign the Geneva Act of the Lisbon Agreement. This document will allow to patent regional brands in all territories of the European Union (EU) rather than register patents in every state. The Ministry of Economic Development (Minekonomrazvitiya) and Rospatent are busy with the elaboration of the respective documentation. Previously, there were repeated incidents abroad with the exploitation of some Russian brands such as "The Russian crown" and "Crimean sparkling wine." Producers ignored the issue of "royalties" for patent holders. If the agreement is implemented, Russia will be able to claim royalties on a number of items, including Ossetian pies, Tula gingerbread, Kazan chak-chak, Adygei cheese, Caucasian mineral water, among others.

AVITO WILL BAN EBOOK MARKETING SERVICES

From April 1, Avito will ban ebook and audiobook marketing services. Maksim Ryabyko, CEO of the Association for Copyright Protection on the Internet, [says](#) the copyright infringement cases against publishers on Avito are becoming widespread. Fighting book piracy on Avito has been complicated by uploading book covers and reference information on the books rather than their illegal copies. Accordingly, within the framework of the current anti-piracy legislation, copyright holders did not have an opportunity to disable access to any such content. The current developments on the website have to do with the recently adopted several changes to the law "On Information, Information Technology and Information Security," which obliged big platforms to prevent crimes, otherwise they can be accountable for complicity.

A MANUFACTURER OF RED BULL CHEWING GUM FINED UZS 2.4 MILLION

A manufacturer of Red Bull chewing gum has been fined UZS 2.4 mln, the Intellectual Property Agency (IPA) [reported](#). During the organized inspections, it turned out that the domestic family company used the Red Bull trademark without the official permission of the legal copyright holder. Under the trademark of the Austrian company Red Bull GmbH, various products were produced, including Red Bull chewing gum. Red Bull GmbH issued repeated warnings to the company, demanding to stop the illegal use of intellectual property, however, all requests were simply ignored. After that, the Austrian company appealed for help to the agency. After reviewing the situation (the trademarks of Red Bull GmbH are registered in Uzbekistan and are legally protected), the agency passed the case to the court, which recognized M.R.R. as an infringer. An Uzbek businessman was fined UZS 2.4 mn (10 basic estimated accounts).

TOMSK: A TRADEMARK SEIZED TO PAY OFF 5 MILLION DEBT

A trademark has been seized in Tomsk [to pay](#) off 5 million debt. The owner of a trademark is a distributor and producer of beer. Prosecutors intend to transfer property for sale. The trademark owner's debt amounted to 1 300 000 rubles, including alimony payment. Jointly with credit payment, taxes, debts that result from contract, the total amount to be paid made up 4 900 000 rubles. The debtor practically did not make payments: only some minor sums could be deducted from his accounts. As the debtor owns the trademark of the beer house, the bailiff department of the Kirov district has imposed seizure of property. It has been already transferred for assessment for further sale.

YOUTUBE: THE MOST POPULAR MUSIC STREAMING SERVICE

YouTube has been recognized as the most popular music streaming service across the globe — more than 2 billion people consume music using this music streaming service. An international research data group YouGov offers new statistics data based on a survey of people in 17 countries about their media habits, including streaming music. The company published the data [in its blog](#). In line with this research, 44 percent of Americans use YouTube to listen to music which surpasses Spotify (27%), Pandora (25%), Amazon Prime Music (24%) and Apple Music/iHeartRadio (both 12% each). Interestingly, the gap with Spotify is much smaller for the 18-to-34 age group with 53% and 45% using the service, respectively.

CHINESE MEDIA CONTENT PROVIDERS SIGN AN ANTI-PIRACY PACT

Ten Chinese content providers, including online video platforms Youku, Kuaishou, Mango TV and iQiyi, have signed a joint [declaration](#) on strengthening online copyright protection and promoting creativity in the digital age. The declaration was signed at the Malanshan Copyright Protection and Innovation Forum held on April 8 in Changsha, capital of central China's Hunan province, which is recognized as the UNESCO creative city of Media Arts.

FOR THE FIRST TIME, AN AMERICAN CHOREOGRAPHER COPYRIGHTED A DANCE STEP

JaQuel Knight has made history as the first choreographer to [copyright](#) his iconic dance moves. Knight shot to fame after crafting the moves in the "Single Ladies (Put a Ring on It)" dance by American pop queen Beyoncé. The dance moves from the video became popular all over the world, and JaQuel became the singer's go-to choreographer, choreograph the global artist's tours and her Coachella performances. Now the movement performed by Beyoncé and two girls became copyrighted. The choreographer created 'Knight Choreography and Music Publishing Inc' to aid other dancers. The company functions by the principle of music labels to ensure licensing of dance steps and protection of the choreographer's intellectual property.

ARTIFICIAL INTELLIGENCE

THE EU IS CONSIDERING A BAN ON AI FOR MASS SURVEILLANCE AND SOCIAL CREDIT SCORES

The EU is considering a total ban on AI for different spheres, including mass surveillance and social credit scores. [Under the bill](#), EU member states would be required to form councils to assess potentially dangerous AI systems. Under the bill, EU member states would be required to form assessment councils for potentially dangerous AI systems. The companies that develop and sell banned software in the EU — including foreign companies — will be fined 4 percent of annual global revenue if they continue to operate in the EU. It is not known yet what changes will be made to the document before it is officially announced on April 21. But once the bill is officially introduced for discussion, MEPs will be able to make changes before it goes through the voting process in each member state.

AI COMPOSES "NEW" SONGS FOR NIRVANA, AMY WINEHOUSE, JIMI HENDRIX, AND OTHER MEMBERS OF THE CLUB 27

As part of a project making a difference in support of musicians and mental health, AI recorded “new” songs of Nirvana and Amy Winehouse. [Over The Bridge](#), a Toronto-based organization, released a song titled “Drowned in the Sun, ” part of Lost Tapes Of The 27 Club, a project featuring songs written and performed by machine in the style of other musicians who passed away at 27. AI Music Project Magenta was used for generating songs which analyses previous works of artist to create music in the same style. Other generic AI program is used to create lyrics. In addition to Winehouse and Nirvana, AI wrote the songs for Jimi Hendrix and Jim Morrison.

CONTINUAL LEARNING IS THE PATH TO A MORE HUMAN-LIKE ARTIFICIAL INTELLIGENCE

Today's machine learning systems are highly functional. However, they have a serious disadvantage – they are incapable of learning new information without retraining. A group of AI specialists and neurobiologists from ContinualAI presented Avalanche — a library of tools designed to facilitate the continual learning of artificial intelligence. Even the most sophisticated deep learning algorithms can experience a "catastrophic situation" when networks can't remember what they've learned from the data. However, despite efforts, catastrophic forgetfulness remains an unsolved problem. [According](#) to Kailand Cooper, cognitive science and neuroscience researcher and co-founder of ContinualAI, these and other tasks can be manageable by continuous learning, capable of making AI more universal, i.e. similar to human intelligence.

RESULTS FROM THE STUDY OF AI HAVE SHOWN DISCOVERIES THAT TOOK PEOPLE DECADES TO MAKE

Scientists at the College of St. George, University of London, have [discovered](#) that machine learning technology can decipher the "biological language" of a few serious diseases. In the future this technology could be used to "correct errors in the cells that cause disease phenotypes." Researchers applied similar technology to train a large-scale language model. It was posed with the task to understand what happens when something goes wrong with proteins in the body. In particular, the software should learn the language of biomolecular condensates, cellular proteins. With their help, scientists will be able to unravel the language of biological of the functions and dysfunctions that cause cancer and neurodegenerative diseases. Scientists have discovered that the model independently explored the facts that scientists had already discovered in the field of protein languages over decades of research.

VTB BANK AND MIPT WILL LAUNCH A LABORATORY FOR THE DEVELOPMENT OF ARTIFICIAL INTELLIGENCE

VTB Bank has [signed an agreement](#) with the Moscow Institute of Physics and Technology on the launch of a joint lab to develop the research of big data and artificial intelligence. The lab's first project will include voice recognition apps and services to improve the bank's client support and also carry out research and projects to identify the emotional state of the staff with neural network. MIPT will also develop math models to improve the efficiency of the bank's work and technologies for the bank's business partners.

DIGITALIZATION

BOTH GENERATING CASH FLOW AND INTERNAL CONTROL ARE ESSENTIAL: GAZPROM-MEDIA TOOK PART IN THE FIRST SESSION OF IPQUORUM 2021: TECH FOR CONTENT

David Kocharov [has said](#) that the digital content market is being shaped anew: "Online platforms are getting the status of media players, therefore the media market continues to transform. The future belongs to originals which is both a marketing platform and a distributor of its own products. Platforms have many external competitors, including video hostings, blogs, TV channels that compete to hook an audience. The advantage of online services of Gazprom Media holding is that the company can both create the best premium content and count money."

THE FIRST REMOTE TRANSACTION CERTIFIED IN RUSSIA

For the first time, Russian notaries have performed an [online transaction](#) between ex-spouses who decided to settle the alimony issue residing in two different cities – Yuzhno-Sakhalinsk and Moscow. Such an option of applying for a notarial deed allows to employ a few notaries working in different locations, which significantly saves time and money for citizens. In this case, the parties to the contract receive the full range of legal and property guarantees, the Federal Notarial Chamber reported.

In a similar way, it is possible to solve an issue of the alienation of shared property, which owners reside in different part of Russia, or if someone plans a multilateral corporate transaction. This notary form can be discussed if applicants do not intend to meet in person. The spokesperson of the Federal Chamber of Notaries said that notaries involved in verification of the contract are jointly and completely liable for their actions, therefore the parties involved are guaranteed full compensation in the event of notary errors.

NEW ACCOUNTS WILL REQUIRE PROVING YOUR IDENTITY

Roskomnadzor has issued a draft order under which new users of social media and messengers will be asked to provide their passport details, residential address, phone number, and e-mail. The [draft bill](#) is being prepared as part of the amendments to the Bill "On Personal Informaion," which partially came into force in March. According to the amendments, data operators will not be allowed to post and distribute information published on the social media about users without their consent. This refers to data from social media, ad websites, and public registers. Platforms must ensure that citizens can choose which details can be collected, processed and used publicly. According to the amendments, starting July 1, the data operator will have to organize the operational process of data collection. The operator will be able to do it on its own or via The UIS (unified information system) of Roskomnadzor. According to Roskomnadzor's draft, the user can decide which system to use to give consent. If he chooses the UIS, the user will have to enter their full name, passport details, residential address, phone number, and e-mail in a special form. It will go through a data check at the state services website which will be integrated with the UIS.

RUSSIANS HAVE SOLD A MOVING DIGITAL PAINTING FOR 6.6 MILLION RUBLES

Russians have sold a moving [digital canvas](#) for 6.6 million rubles. This artwork of the Russian artists is a digital piece of art that changes endlessly being generated by the authors' algorithms. The project titled "Mars Miners" was created by an art group 404. Zero. The work has received a certificate of authenticity, protected by NFT-token. The media artwork was sold at an auction for a record 6.6 million rubles. The proceeds from the sale went to The Center for Curative Education "Special Childhood" and charitable foundation "The Lifestyle".

FACEBOOK HAS RELEASED A DATASET OF FACES WITH GENDER, AGE, AND SKIN COLOR TONES

Facebook AI open-sourced a dataset [designed](#) to surface age, gender, and skin tone biases in computer vision and machine learning models. Research has shown that state-of-the-art image-classifying AI models trained on ImageNet, a popular dataset containing photos scraped from the internet, automatically learn humanlike biases about race, gender, weight, and more. A Facebook spokesperson told that the company would continue to develop and use data in its image classification models. They plan to extend a dataset next year to make it more inclusive.

TOP RUSSIAN BANKS WILL BECOME THE FOUNDERS OF A BLOCKCHAIN OPERATOR

Russia will launch its first [blockchain operator](#) to develop that will develop distributed ledger technology. The formal documents on the establishment of the society “Distributed Ledger Systems” were signed by representatives of Gazprombank, VTB, PSB, the National Payment Card System (NPCS), Moscow Exchange and the FinTech Association. Establishing a new company to promote the blockchain sphere will give impetus to blockchain-powered services and solutions for Russian financial market. Members of The FinTech Association have decided to spin off blockchain as an individual legal entity for the development of Russian IT solutions and technologies.

CHINA: DIGITAL YUAN USED TO BUY A PLANE TICKET FOR THE FIRST TIME

For the [first time](#) in China, a plane ticket was purchased via digital yuan. Spring Airlines has accepted payment in digital yuan in Shanghai. The first ticket for the Shanghai-Shenzhen flight in digital yuan was 560 yuan (about \$86) which marked the beginning of the use of Chinese cryptocurrency in civil aviation. It is possible to purchase a plane ticket via digital yuan in the official mobile app of the company “Spring Airlines”. The payment option in digital yuan is now available in the payment options section of the app.