



**Circular of the State Intellectual Property Office
Concerning the Implementation of *Several Opinions
of the CCCPC and the State Council on Deepening the
Reform of the Institutional Mechanisms and to Accelerate the
Implementation of Innovation-driven Development Strategy***

G. Z. F. G. Z. [2015] No. 20

To Intellectual Property Offices in all provinces, autonomous regions, municipalities directly under the Central Government and Xinjiang Production and Construction Corps,

The issuing and implementation of *Several Opinions of the CCCPC and the State Council on Deepening the Reform of the Institutional Mechanisms and to Accelerate the Implementation of Innovation-driven Development Strategy* (Z. F. [2015] No. 8) (hereinafter referred to *Opinions*) are the key top-level design and major reform deployment made by the CCCPC and the State Council about the innovation-driven development strategy, which is the guiding document for implementation of the innovation-driven development strategy at present and in a period of the future. Implementing the *Opinions* will speed up to get rid of institutional barriers restricting innovation, stimulate the whole society's vitality of innovation and creativity, provide better environment for mass entrepreneurship and innovation, speed up new national construc-

tion and to upgrade economic quality and efficiency. To carefully implement tasks in the *Opinions* and try to raise the country's intellectual property power, now relevant requirements are hereby notified as follows.

I. Fully understand the importance of implementing the *Opinions*.

The *Opinions* are the guidelines for action on supporting intellectual property and ensuring innovation-driven development, which is the milestone in promoting the development of the intellectual property career in our country. Based on the spirit of the 18th National Congress of the Communist Party of China and the third and the fourth plenary session of the 18th CCCPC, in the strategic and global height of achieving the "two centenary" goals, regarding deepening institutional reform as the masterstroke, the *Opinions* proposes general ideas, major goals and key initiatives for speeding up to implement the of innovation-driven development strategy. The *Opinions* clearly indicates that the system of intellectual property shall

become the basic guarantee to stimulate innovation, emphasizes the important role of IP system on innovation-driven development, indicates the way forward, makes overall arrangement and proposes detailed requirements for work on intellectual property in the next period, which will vigorously promote better and faster development of intellectual property.

All regions shall fully understand the significance to implement the *Opinions*, with high attention in thought, high unity in understanding, high consciousness in activity, regard implementing the *Opinions* as the central task and important work in current and next periods, regard supporting and ensuring requirements of innovation-driven development as guidance to comprehensively deepen the intellectual property strategy implementation, so as to promote reform in the field of intellectual property and try to open a new situation on construction of intellectual property power.

(I) Understand in depth the general requirements of the *Opinions* on the work of intellectual property. All regions shall organize all cadres and workers to learn and fully understand the spirits of the *Opinions*, comprehend meanings of the *Opinions* through collective learning, workshop, discussion and other ways, to accurately master the close relationship between intellectual property and innovation-driven development, unify thoughts and actions by themselves to that CCCPC and the State Council's major decision and arrangement on deepening institutional reform and speeding up implementing the strategy of innovation-driven development, so as to vigorously promote better and faster development of intellectual property.

(II) Comprehensively implement the decision

and arrangement of the *Opinions* on the work of intellectual property. All regions shall actively take measures to fully integrate the development of intellectual property into the strategy of innovation-driven development. According to the requirements for speeding up implementing the strategy of innovation-driven development, plan to promote reforms in the field of intellectual property, implement strict intellectual property protecting system, build intellectual property guiding system for technical innovation market, strengthen financial innovation functions of intellectual property, improve guiding evaluation index of innovation-driven development, promote reform experiments in the field of intellectual property to further support and ensure innovation-driven development.

(III) Extensively publicize the strategy orientation of the *Opinions* on work of intellectual property. All regions shall expand propaganda channels, use a variety of media to publicize to the public, relevant departments and the local party and government leaders at all levels to create good public opinion atmosphere and a good policy environment for deepening the reform of intellectual property system. All region shall enrich publicity contents, well unscramble major spirits and important actions in the *Opinions*, preach basic protection of intellectual property system to simulate innovation, so that the whole society is impelled to understand that IP is the “motive power” of innovation and the “bridge” of scientific and technical achievements transferred to practical productivity and is the necessary key link to the achievement from strong technology to strong industry and economy, which must be put in the fundamental position to work well.



II. Carefully master the overall implementation of tasks and requirements in the *Opinions*.

Deeply implement the spirits in the *Opinions*, further deepen reform in the field of intellectual property, make measures concerning reform deepening, refining, materialized and detailed, fully mobilize parties' enthusiasm and initiative to involve in the reform, so as to inject vigor and vitality for development of intellectual property career and provide more powerful support and protection to speed up the implementation of the strategy of innovation-driven development.

(I) Comprehensively implement reform tasks in the field of intellectual property

1. Speed up improving the intellectual property regulation and policy system. Widely investigate demands and suggestions to improve the intellectual property regulation and policy system from parties in society, actively coordinate the legislature and legal departments to further improve local intellectual property regulations to strengthen the use and protection of intellectual property. Actively coordinate development and reform, finance, science and technology departments to promote relevant indexes of intellectual property to be contained in the government procurement policy, to promote intellectual property service fee to be contained in the range of pre-tax reduction, and to promote to make preferential taxation policies on the reward for position inventors.

2. Create a strictly protected environment for intellectual property. According to the requirements in the *Opinions*, taking the establishment of the intellectual property enforcement corps as carrier and the construction of intellectual property enforcement as basis, actively promote comprehensive administrative

enforcement of intellectual property. Further perfect the intellectual property infringement investigation mechanism, establish and perfect collaborative schedule for patent infringement cases and infringement judgment mechanism, enforcement and right protection mechanism for patents in fields of e-commerce and exhibition, online patent dispute case handling mechanism, support and assistant mechanism of right protection center for enforcement. Cooperate with relevant departments to actively promote pilot "three in one" of civil, criminal and administrative cases judgment on intellectual property, and promote to build mechanism of trail in different places for cross regional intellectual property cases. Strengthen connection between administrative enforcement and judiciary, prefect judicial confirmation and intermediation system, and increase the intensity of transferring suspected criminal cases. Actively promote the construction of key industry intellectual property right protection center. Speed up the construction of society credit system of intellectual property system to promote patent infringement and counterfeiting, execution dishonesty and patent agent dishonesty to be contained in the society credit evaluation system.

3. Strengthen the support of intellectual property finance to technology innovation. All regions shall further deepen intellectual property pledge financing, promote generalization, scale and normalization of intellectual property pledge financing by promoting to set up intellectual property pledge risk compensation fund, improving third party patent value analysis mechanism and building intellectual property pledge process platform. Speed up to cultivate and standardize patent insurance market, optimize insurance oper-

ation mode to expand the coverage of work. Promote intellectual property securitization, explore intellectual property crowd funding and other internet financial models, support intellectual property internet financial enterprises to keep innovation of intellectual property financial service and products.

4. Actively promote the construction of the intellectual property service system. Every region shall actively develop intellectual property information public services which fit local industry development characteristics and satisfy the innovation demands of enterprises. Promote to establish the integrated service acceptance platform for intellectual property, to realize “one-stop” service for application, payment, complaints and legal status query of various types of intellectual property. In accordance with professionalization and marketization reform direction pointed out in the *Opinions*, vigorously develop intellectual property service industry, cultivate brand organizations for intellectual property service, construct intellectual property service industry agglomeration, establish and perfect standard system for intellectual property service, improve service quality by means of standard, and perfect market environment.

(II) Fully incorporate into innovation and reform of key fields

5. Step up efforts to structure the orientation mechanism of intellectual property which can enhance the innovation efficiency and benefit. Deeply implement pilot projects for patent navigation, expand pilot scope, deepen pilot content, and popularize the pilot working achievement. Strengthen communication and cooperation with relevant departments, employ intellectual property analysis and review for important government investment activities and scientific research

projects funded by public finance. Actively boost the alliance construction of industry intellectual property, and promote collaborative utilization of patents. Actively promote establishing the guidance fund of intellectual property operation, and explore an intellectual property operation system of mutually promoting commonweal and marketization complementarily.

6. Support the transformation and upgrading of leading enterprises as well as innovative development of medium and small enterprises. Every region shall strengthen the coordination, actively promoting the integration of transformation and upgrading work system of leading enterprises with the cultivation work of exemplary enterprises with intellectual property advantage as well as the standard performing work of enterprises intellectual property management practice. Deeply implement *Several Opinions on Supporting the Growth of Micro and Small Enterprises through Intellectual Property Rights*, perfect intellectual property service system for medium and small enterprises, encourage medium and small enterprises to intensify research and development.

7. Practically strengthen intellectual property ability construction of innovative subjects. Every region shall promote universities and scientific research institutions to employ standardization work, encourage qualified universities and scientific research institutions to set up transfer and transformation organizations, strengthen intellectual property management, intensify rights and liabilities of intellectual property application and operation. Actively coordinate administrative departments of science research mega projects and science & technology plan projects and undertaking units of the projects to bring intellectual property management in the whole process management of sci-



ence research mega projects and science technology plan projects. Explore establishing statistic report system of intellectual property transfer and transformation of universities and scientific research institutions. Research measures for implementation of compulsory transformation of intellectual property which is supported by fiscal funds and is not transformed within a reasonable term.

8. Actively promote structuring open innovation mechanisms at higher levels. Establish and perfect risk pre-alarm and legal right safeguard aiding mechanisms of intellectual property concerning foreign affairs, to provide intellectual property service and support for “going out” of domestic technologies, products, standards and brands. According to principles of reciprocal opening and safety assurance, effectively utilize global intellectual property resources, actively encourage and orient intellectual property service institutions and top-level talents of foreign capital to participate in the construction of intellectual property projects such as intellectual property utilization and operation, intellectual property alliance construction and patents pool formation, etc.

(III) Fully participate in policy planning of important reform

9. Promote to establish an innovation-driven evaluation system guided by intellectual property. Every region shall continue exploring accounting method of intellectual property products, and carry out pilots of incorporating intellectual property into system of national accounts. Actively promote incorporating intellectual property indicator into the innovation-driven development evaluation indicator, establish an innovation-driven evaluation system guided by intellectual property. Further perfect the statistic survey system

concerning intellectual property, enhance statistical analysis of intellectual property creation, utilization and protection, promote the connection of intellectual property statistic survey and innovation survey system.

10. Explore and carry out experiments of intellectual property supporting innovation-driven development reform. Every region shall actively assume specific reform experiment tasks of intellectual property supporting innovation-driven development reform. Actively carry out reform experiment in the field of intellectual property around promoting national key reform tasks, combining with actual local situations and by choosing local areas where innovation resources converge, endeavor to make new breakthroughs in the important fields and key links, timely summarize and publicize experience, play the role of demonstration and motivation, accelerate the deepening implementation of innovation-driven development strategy.

11. Further strengthen coordination and interaction of intellectual property and innovation policy. Accelerate to promote the construction of intellectual property think tank with Chinese characteristics, and actively serve major decisions of innovation policy. Promote to establish the examination mechanism and evaluation system of intellectual property policy and innovation coordination, examine whether the existing or newly-made policies restrict the innovation, extensively listen to opinions of enterprises and the public, track and analyze policy implementation at regular intervals, and make an adjustment and perfect in time.

III. Truly guarantee the implementation of the *Opinions*

Based on the spirit and follow-up division of tasks of the *Opinions*, intensify to formulate the implementation scheme, guarantee the implementation

of decisions of the CCCPC and the state Council, and promote the implementation of relevant reform tasks methodically.

(I) Strengthen the organizational leadership. Combining with various reform tasks explicitly proposed in the *Opinions*, every region shall intensify establishing lateral coordination mechanism with relevant departments, take responsibility and spare no effort in undertaking tasks mainly lead and implemented by local authorities, and actively integrate participate in tasks mainly lead and implemented by other departments. Firmly establish the idea of a system-wide “chess game”, combine top-down and down-top approaches and establish the longitudinal working mechanism of top-down linkage. Every region shall enhance communications and coordination, cooperate closely, report major intellectual property reform measure and important policy document publishing situation in time, collectively construct a good environment of intellectual property cause development and maintain a good momentum.

(II) Formulate supporting measures. Every region shall carefully analyze intellectual property work problems and difficulties faced in implementation of innovation-driven development strategy, actively promote to incorporate the various reform measures in intellectual property field into document for implementation of the *Opinions* by local party committee and government. Fully exploit the usefulness of deliberation and coordination agencies such as intellectual property work joint conference, etc., research scheme for division of relevant tasks, intensify to publish specific implementation measures, and form reform experience which can be copied and popularized as soon as possible. SIPO will establish related reporting system, which

will sum up the experience as well as exchange and popularize regions that achieve significant results. For regions whose work progresses slowly and implementation is undesirable, point out their problems, enjoin them to report reasons and improvement measures.

(III) Decompose reform tasks. Every region shall deploy elaborately, intensify to formulate the specific implementation scheme on key works explicitly proposed in the *Opinions*, come up with reform task checklist and annual working plan of this unit based on practice, specifically assign every work to the unit and person, and list the schedule and roadmap. The implementation scheme must be submitted to the Patent Management Department of this Office before April 30. In good time, this Office will carry out special research around key, difficult and hot issues for the implementation of the *Opinions*.

(IV) Intensify supervision and inspection. Every region shall establish the standing book of supervision and inspection work about the implementation of the *Opinions*, refine division of tasks, clarify responsible units, stipulate a work deadline, and strengthen the tracking and supervision. This Office will carry out the supervision and inspection of the implementation of every region, intensify performance assessment and administrative accountability, supervise in the middle of the year and inspect at the end of the year, ensuring that the key works are completed in time.

Hereby to notify.

Appendix: Major Reform Tasks on IP in the *Opinions*

State Intellectual Property Office

April 10, 2015



Appendix

Major Reform Tasks on IP in the *Opinions*

I. Principal tasks in IP regime

(I) Improve laws concerning IP right protection, research lowering threshold for investigating for criminal responsibilities for infringement, adjust liquidated damages criterion, and explore the possibility to implement punitive compensation system. Improve the right safeguarding mechanism of legal owners, and reasonably divide the burden of proof of legal owners.

(II) Improve laws & regulations concerning trade secret protection, expressly define trade secrets and infringement act, research and formulate relevant protection measures, and explore the possibility to establish pre-litigation protection systems. Research IP right protection measures applicable to new types of innovation achievements like commercial mode.

(III) Improve IP right judicial mechanism, advance “Three Traditional Procedures to be Consolidated to One System” of IP civil, criminal and administrative cases, give full play to the role of IP courts, explore the possibility to establish off-site trial mechanism of multi-regional IP cases, and break the local protection for infringement acts.

(IV) Improve occupational invention system, push forward revision upon patent right law, company law, etc., and enhance the proportion of transforming scientific achievements into benefits. Make more efforts to implement scientific research staff stock ownership incentive system.

(V) Improve IP infringement investigation mech-

anism, strengthen linking between administrative law enforcement and jurisdiction, intensify IP comprehensive administrative law enforcement, and improve IP safeguarding assistance system, and incorporate information about infringement acts into social credit record.

(VI) Push forward revision to relevant laws and regulations, and explore the possibility to develop IP securitization business. Set up stock ownership crowd funding pilots, and actively explore the possibility to develop innovative service-oriented Internet financing and regulate its development.

(VII) Develop IP pledge financing market-oriented risk compensation mechanism, and simplify IP pledge financing procedures. Speed up development of S&T insurance and push forward development of patent insurance pilots.

(VIII) Optimize medium and small-sized enterprise innovative service system, urge specialization and market-oriented reformation of entrepreneurship incubation, IP services and third party test & measurement certification organizations, and continue to expand technical transaction markets.

(IX) Urge opening to the public of major national scientific research infrastructures, large-scale scientific research apparatus and patent basic information resources.

II. Major innovative reformation tasks concerning IP

(X) Encourage establishment of strategic alli-

ance for industrial technology innovation which is featured by Enterprise Dominant “Industry–University–Research” mode.

(XI) National S&T plan shall focus on strategic demands, and research the key fields within which resources cannot be allocated effectively in markets. R&D trend, technical route and element allocation modes of technological innovation in competitive industries shall be independently decided by enterprises based on actual market demands.

(XII) Explore the possibility to adopt the innovative mode “enterprise dominant, universities–colleges cooperation, diversified investment, civil–military integration, achievement sharing” in strategic fields and set up several industrial innovation centers by integration.

(XIII) Improve technical standard systems and urge preparation and implementation of mandatory standards.

(XIV) Put more efforts to supervise and control the implementation of industrial technical policies and standards.

(XV) Set up leading enterprise innovative transformation pilots, and explore the possibility to establish new mechanism in which the government supports enterprise’s innovation in respect of technologies, management and commercial mode.

(XVI) Liberalize the restriction to the civilian enterprises and scientific research institutes for accessing scientific–research production, maintenance and procurement of military products.

(XVII) Research the preferential tax policies which can put forward development of venture investment enterprises, and properly loosen up the restric-

tions upon venture investment enterprises for investment in high–tech enterprises.

(XVIII) Optimize high–tech enterprise authentication approaches and encourage medium and small-sized enterprises to put more efforts on research and development.

(XIX) Push forward deepened market reformation of system–transferred scientific research institutes focusing on production and operation activities, and actively develop mixed ownership system by introducing social capitals or holistic listing, thus promoting establishment of industrial technology alliance.

(XX) Speed up delegating the rights of using, disposing and proceeding of scientific and technological (S&T) achievements, relevant authorities and financial departments will not review or file the use and disposal of S&T achievements within the territory of China. All proceedings from transformation and conversion of S&T achievements remain the property of the enterprises, and proceedings from disposal are not required to be handed over to the national treasury.

(XXI) Put more efforts to disseminate S&T achievements by way of licensing. Strengthen IP management of universities and scientific research institutes, and define the functional position of the technology transferor institutes and intensify their IP application and operation rights & responsibilities.

(XXII) Maintain and improve the S&T achievement transformation statistics and reporting systems applicable to universities and scientific research institutes. Other than S&T achievements in association with state defense, security, benefits and major public interests, such S&T achievements supported by national financial funds as are not be transformed



within reasonable period may be licensed or implemented compulsorily by the state.

(XXIII) Improve non-profit institute merit salary system and optimize distribution incentive mechanism encourage innovation and creation. Optimize management system for indirect expenses of scientific research projects, strengthen performance stimulation and make reasonable compensation for indirect costs and performance expenses paid by the project undertaking entities.

(XXIV) Develop comprehensive coordination system to resolve major issues, and join efforts to support the “going global” of Chinese technologies, products, standards and brands, and expand international markets. Enhance technical trading measure assessment and risk early-warning mechanisms.

(XXV) Research of setting up overseas innovative investment funds by state-owned important financial institutes, enabling foreign exchange reserves to participate into fund setting-up work by way of creditor's right and stock ownership, so as to take advantage of global innovative resources in a better manner.

(XXVI) Encourage listed companies to make investments in overseas innovation projects, reform investment information disclosure systems. Namely, relevant information may be disclosed based on the commercial negotiation progress between Chinese and foreign enterprises provided that the competent authority determine that such disclosure will not prejudice the national security and economic safety.

(XXVII) Prepare administration methods for opening of national S&T plans, and actively encourage and guide foreign-funded R&D institutes to participate into and undertake national S&T plans subject to

the principles of reciprocal opening and safety assurance.

(XXVIII) In the terms of basic research and major global issues, consider national scientific & research development demands and strategic targets as a whole; research the way to initiate international big scientific program and project, so as to attract participation by overseas top scientists and teams. Proactively participating into large-scale international S&T cooperation plans; give guidance to foreign-funded R&D centers to develop high value-added original R&D activities and attract international famous scientific research institutes to jointly establish international S&T center in China.

III. Coordination of major reformation policies in association with intellectual property right

(XXIX) Research the approach to establish innovation-driven development assessment indexes combining S&T innovation, IP rights and industrial development, and incorporate such indexes into the national economy and social development program.

(XXX) Improve the technologically-innovative operation performance assessment system applicable to state-owned enterprises, and increase the proportion of technological innovation in operating performance assessment of state-owned enterprise. Classified assessment shall be made to the R&D input and output of state-owned enterprises, and maintain such assessment mechanism as encouraging innovation and tolerating failure. Include innovation-driven development effectiveness into local leader assessment procedures.

(XXXI) Structure innovation-oriented talent cultivation mode, and establish and improve double-way shift system of scientific research talents and im-

plement the more competitive talent attraction system.

(XXXII) Strengthen overall coordination and effective linking among policies, plans and reformation measures of scientific technologies, economy and society, and put more efforts on civil–military integrative innovation.

(XXXIII) Give full play to the role of S&T sector and think tank in supporting innovative decision-making.

(XXXIV) Transform the government's S&T management functions and establish the mechanism in which specialized institutes implement management of scientific research management projects; in this way, the governmental agencies will not implement direct management of specific projects but will be responsible for evaluation and supervision of S&T development strategies, plans, policies and layout.

(XXXV) Establish open and consolidated national S&T management platform, and maintain sound coordinated S&T macro decision-making mechanism, strengthen department function division, and link basic research, application development, achievement transformation and industrial development on an overall basis.

(XXXVI) Further clarify central and local S&T

management authorities and functional positioning, and establish duties–powers unification coordinated linking mechanism and improve administration efficiency.

(XXXVII) Develop innovative policy coordination review mechanism and organize development of innovation policy clearing and promptly abolish policies and provisions in conflict with innovation rules, hampering emerging industries and emerging industrial development, and review whether new policies hampers innovation.

(XXXVIII) Work out innovation policy investigation and evaluation systems, and listen to suggestions from enterprises and the public, and make tracking analysis of implementation of relevant policies on a periodic basis and promptly adjust and improve such policies.

(XXXIX) Push forward all-around innovative reformation experiment in appropriate provinces (autonomous regions, municipalities directly under Central Government); grant authority to development reform experiment including IP right, scientific & research institutes, higher education, talent shift, international cooperation, financial innovation, stimulation mechanism and market access.