

IFRRO BOARD REPORT 2005

This report covers the period July 2004 – June 2005. The Board met three times during this period: in October 2004 in Singapore in conjunction with the AGM; in February 2005 in Geneva in conjunction with the meeting of the joint IFRRO – WIPO Committee; and in June in Brussels. In addition, two e-votes were carried through, in March and in April.

On the whole, the Financial Year (FY) 2004-05 proved to be a positive one for IFRRO. There was a net increase in the membership, both in respect of RROs and Associate Members, previous initiatives were completed and new ones initiated.

It has become increasingly important for organisations such as IFRRO to be able to influence on which matters that shall be on the copyright agenda. There are initiatives that question the work, efficiency and intentions of copyright holders and their representatives: within the framework of the World Intellectual Property Organisation (WIPO) some governments ask for the examination of the value of copyright in relation to the developing of nations; the European Commission has carried out an impact assessment on cross border management of rights in the field of music that can lead to recommendations which would easily influence also the print media and the work of RROs; there are new draft legislative projects that may lead to the weakening of the positions of copyright holders if carried forward as proposed, especially in respect of certain digital uses of intellectual property.

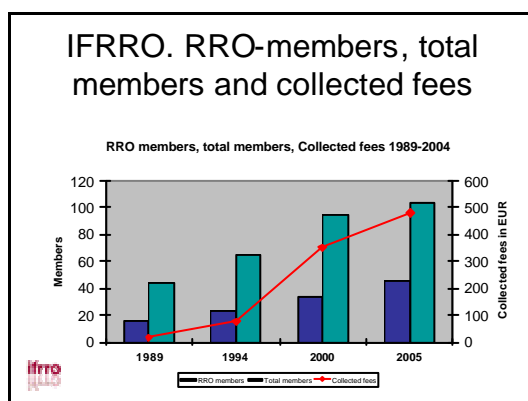
For these and other reasons it is important that IFRRO be in a position to contribute to the setting of scenes and the agenda, and that we can exert influence on items considered to be essential to the membership. The general basis for the Board initiatives during this and coming periods remains the IFRRO Business Plan adopted for 2004-08 and presented to the membership last year.

Building on the excellent work carried out in previous years, IFRRO has intensified its activities in the digital area. The focus at this stage is on setting up new structures, planning, and consultation with rights holders and users. The aim is to provide leadership from which benefits will flow to members in the fields of international document delivery, digitisation and digital licensing, digital mandate exchange, and rights data exchange. This work is being given top priority at the highest level.

IFRRO’s regional development activities have successfully supported copyright in every region, through our energetic programmes of training, development, and investment in capacity building and the building of RROs. This aspect of our work is in such demand that there is growing pressure on resources, in particular on funding, which will need to be addressed if this important work is to be sustained and increased in the medium to longer term.

1. MEMBERSHIP

As at 30 June 2005, IFRRO counts 45 RRO members and 59 national and international authors’, creators’ and publishers’ associations, a total of 104 members, which represents a net increase of 7 members since last FY.



Four new RRO members – COPYGHANA (Ghana), COSOMA (Malawi), KRTRC (Korean Reprographic and Transmission Rights Centre, Republic of Korea) and LUXORR (Luxembourg) – and five new Associate Members – The American Society of Media Photographers (ASMP, USA), European Visual Artists (EVA), The Newspaper Licensing of Ireland (NLI), Société des Éditeurs de Musique (SEMU, Belgium) and VISCOPY (Australia) - were approved during the FY, thus adding a total of 9 new organisations to the IFRRO membership. Two associate members – Society of Authors and Fédération Luxembourgeois des Éditeurs des Livres – left IFRRO during the year, the latter as a result of the establishment of a national RRO approved as a full member of IFRRO.

2. ORGANISATION

Inter alia to render more visible and improve the communication of IFRRO's main purposes to the outside world, the Board has adopted a Mission Statement and a set of Core Values:

IFRRO MISSION STATEMENT

IFRRO works to increase on an international basis the lawful use of copyright works and eliminate unauthorised copying by promoting efficient Collective Management of rights through RROs. IFRRO facilitates co-operation among RROs as well as with and among authors, creators, publishers and their associations. Through this work and its persistent fight against copyright infringement, piracy and other forms of unauthorised use of published works IFRRO stimulates creativity, diversity and investment in cultural goods as a useful tool for rights holders, consumers, the economy and society as a whole. IFRRO represents creators and publishers alike and provides internationally a common platform for them to foster the establishment of appropriate legal frameworks for the protection and use of their works.

IFRRO CORE VALUES

- ✚ **IFRRO** respects the rights of individual creators and publishers to determine how their works are managed.
- ✚ **IFRRO** encourages management of rights and provides systematic and proactive support to RROs and supports joint efforts by authors, creators and publishers to literary and scientific printed works worldwide to establish RROs.
- ✚ **IFRRO** works to strengthen its role as the leading international body in fostering and providing information on reproduction rights and the collective administration of such rights
- ✚ **IFRRO** encourages and provides opportunities for authors, creators, publishers and their representatives to meet, exchange information, collaborate and partner in respect of reproduction of copyright works, document delivery and certain digital uses of their works.
- ✚ **IFRRO** and its members deploy the highest ethical standards when dealing with the rights of which they are involved in administering (collection and distribution of remunerations) - and the funds they hold in trust.

3. POLICY STATEMENTS

The Board adopted two important policy statements during the FY: on piracy and open access. Both are on the Agenda of the AGM 2005 in order to allow further discussions among the members of IFRRO on these issues.

Piracy

The Piracy statement focuses among other things on the need to see the fight against piracy and the building of rights holder organisations and RROs as complementary. Collective management structures are essential in a successful combat against piracy and unauthorised use of Intellectual Property.

Open Access

On several occasions, IFRRO has been asked to voice its opinion on Open Access. To that end the Board adopted a statement that *inter alia* urges for Open Access models to be transparent, understandable and sustainable. The statement recognises the right of authors and publishers to choose freely among contract models and stresses at the same time that IFRRO cannot support Open Access initiatives that cause confusion amongst creators, publishers and users which may in turn discourage respect for copyright.

4. MEMBERSHIP RELATIONS

The relationship between IFRRO and its members and the rights holders they represent remain a key priority task to the Board. This includes striving to achieve a maximum of membership involvement in respect of IFRRO submissions and comments to draft proposals on new legislation, e.g. from the European Commission.

Moreover, both on a formal and on an informal level the Board will continue to pay attention to the development of the communication, means of contact and interchange of information between IFRRO and its membership. To that end, as from June 2005 an *Executive News*, which will appear shortly after each Board meeting, is published to inform about the main Board decisions and Committee/Working Group priorities. A third newsletter directed mainly towards the membership with the scope of informing more comprehensively of activities carried out by IFRRO members than the current Newsletter allows is on the line.

During the FY, IFRRO has supported HKRRLS and the Hong Kong International Publishers Association (HKIPA) in the consultation process on possible modifications of the Hong Kong Copyright Ordinance, the outcome of which is still not clear. Submissions have also been made in support of Access Copyright's position regarding draft new legislation in Canada. IFRRO will continue to put resources into offering such assistance to its members whenever required. However, it is a prerequisite that it be done at the request of local RROs and/or rights holders associations.

5. DIGITAL ISSUES

There is a growing need to bridge the gap between user needs and expectations on the one hand and the rights holders' objectives regarding the use and licensing of content on the other. Users wish to have timely access to and ability to disseminate content, preferably through a simple convenient, uniform licensing covering all media and all formats. Rights holders wish to maintain the possibility of cost efficient licensing of uses benefiting from both individual, direct and collective licensing mechanisms while maintaining control of the integrity of their works. The Board has noticed that there is new legislation being implemented such as the extension of the Extended Collective Licence to cover some forms of digital uses in the Nordic countries and has registered impatience from users and legislators with rights holders in respect of finding adequate solutions to providing electronic access to intellectual property works.

In order to increase the efforts towards developing sustainable business models that can assist rights holders in providing access to content in the digital environment, the Board decided to implement a set of new committee and working group structures. These structures build among other things upon the excellent work performed by the Document Delivery Working Group (DDWG) and Digital Issues Working Group (DIWG), which they replace. They consist of a Digital Strategy Committee (DSC) made up of the IFRRO Board members and chaired by the IFRRO President, a Digital Strategy Technical Sub Committee (DS-T) which reports to the DSC and a Digital Issues Forum (DIF) also reporting to the DSC.

The new working group structures aim at addressing digital uses, mandates and licensing including international document delivery. There is a need to agree on the terms of an internationally accepted standard mandate for scanning / digitisation (whether as an image or by OCR transfer to a text file), storage and dissemination of works, enabling foreign repertoire to be exchanged between RROs and users. An important first step of the DSC work will be to engage in direct consultation processes, initially with rights holders organised by their international associations in membership of IFRRO and later with users and user groups. The aim is to finish the consultation process and the subsequent analyses in time to come up with concrete proposals before the 2006 IFRRO AGM.

6. INFORMATION AND COMMUNICATION

The IFRRO Newsletter has changed format back to a two page publication that appears at least bimonthly. Between December 2004 and July 2005, 6 Newsletters were published. The subscription is on a rapid increase and counted at the end of June 2005 275 subscribers.

In April 2005, the English version of *Collective Management in Reprography*, which is based on a study carried out by Tarja Koskinen-Olsson, IFRRO's Honorary President, was co-published by IFRRO and WIPO.

The French and Spanish versions are scheduled for September 2005. There is also an option to translate the publication into Arab, Chinese and Russian, which will be explored further with WIPO during the coming FY. The publication was launched together with an IFRRO study on European RROs through a work shop in Brussels in June.

The IFRRO - WIPO publication on the general administration of reproduction rights is being followed up by a Manual on how to set up and manage these rights. This work is carried out through a task force that involves Victoriano Colodrón (CEDRO), Hans-Petter Fuglerud (Kopinor), Judy Mark (Access Copyright), Caroline Morgan (CAL) and Franziska Schulze (Secretariat). It is chaired by Tarja Koskinen-Olsson. Before being published sometimes during the coming FY, it will pass through comments from a reference group of individuals involved in or having recent experience from the setting up of an RRO.

Finally, resources have been put into the development of a new and more up-to-date IFRRO Homepage, released in August this year. The Board thanks Kopinor for the generous hosting of the home page since the establishment in 1996, in the beginning as a mirror site of the one offered by CCC, later as the main IFRRO site. In this respect a special thank is addressed to *Heidi Wøllo*, Kopinor's Executive Secretary, for all the efforts laid down in keeping the IFRRO Home page updated. It has represented a most valuable contribution to IFRRO's communication policy. As from September 2005 the IFRRO Home site is hosted by *Tagora* in Brussels. During the coming FY the focus will be on the development of the Members Only page (the intranet).

7. WORK IN RELATION TO INTERGOVERNMENTAL BODIES

WIPO (World Intellectual Property Organization)

WIPO remains a key co-operation partner for IFRRO. The 2003 co-operation agreement establishes *inter alia* a joint forum that met twice during the year under review: in Singapore in conjunction with the IFRRO 2004 AGM and in Geneva on 18 February. All Regional Committee chairs are invited to participate in these meetings. A major achievement during the FY was the co-publication of the publication *Collective Management in Reprography*.

WIPO meetings are mainly attended by IFRRO's Honorary President, Tarja Koskinen-Olsson, and the Secretary General. Following an initiative from Brazil, a new Development Agenda has been established within WIPO. Three meetings were held in 2005 – in April, in June and in July. The aim is said to be to achieve at a more member driven organisation that is open to addressing the concerns of all stakeholders and in particular those of the civil society. The general implication of the proposals put forward is that the tone in international discussions has clearly sharpened and there is a requirement for a more development friendly agenda. The general climate towards copyright appears to become more negative.

Rights holders and their representatives have all reasons to activate their operations and inform about the impact of a well functioning market with Intellectual Property related goods and services. There is also an immediate need to intensify the IFRRO development work towards assisting local rights holders in setting up RROs, building appropriate infrastructures for the administration of Intellectual Property Rights and combating unauthorised used of their works.

IFRRO also attended the forth session of the Permanent Committee on Cooperation for Development Related to Intellectual Property (PCIPD), which met in April and the Standing Committee on Intellectual Property and Copyright.

IFRRO provided speakers for 9 WIPO conferences and seminars during the FY, 3 in Africa, 1 in the Middle East, 2 in Asia, 1 in Europe and 2 in Latin America and co-organised one seminar in Latin America. At the request of IFRRO, WIPO provided speakers for 1 IFRRO work shop and 1 seminar in Africa.

UNESCO (United Nation's Economic, Social and Cultural Organization)

At the invitation of UNESCO, the Secretary General attended the 13th Session of the Intergovernmental Committee of the Universal Copyright Convention in June. The Board has approved a proposal that IFRRO applies for Non Governmental Organisation (NGO) status with UNESCO. This requires that a certain number of co-operation activities between UNESCO and IFRRO have been achieved before the application can be

filed. The Board foresees to start up co-operation on copyright awareness and anti-piracy activities, and will also consider projects related to training in collective management of reproduction rights and the establishment of RROs. An application for NGO status is expected to be submitted in the course of the next three years.

CERLALC (Centro Regional para el fomento del Libro en America Latina y en el Caribe)

IFRRO co-operates actively with CERLALC, e.g. within GEDRI, the common forum for Latin American RROs and rights holder associations. They are invited as observers to meetings in IFRRO's regional committee for Latin America and the Caribbean. A regional workshop was co-organised in Montevideo during the year under review and IFRRO was represented at CERLALC's 23rd Ordinary General Assembly.

SADC (Southern African Development Community)

IFRRO signed an agreement on co-operation with SADC in 2000. We participated in one SADC conference in Malawi in October 2004.

8. REGIONAL DEVELOPMENT ACTIVITIES

There has been substantial development activities carried out on all continents. These are accounted for in separate reports from the different IFRRO regional committees to the AGM, with a synopsis further down in this chapter of the Board's report.

The **Development Fund**, which represents an indispensable tool in IFRRO's development work, is based on voluntary contributions from the membership. The current and planned level of activities will undoubtedly lead to the need for allocations in excess of the expected level of contributions. Unless there is a considerable increase in the contributions to the Development Fund, it is unavoidable that the Board will need to look into the financing of it in order to keep up the intensity of activities deemed necessary by the Board.

The Board has revised the principles according to which the Development Fund money is put to use and presents them to the AGM 2005 together with an Explanatory memorandum.

Asia Pacific Committee

The Committee has continued its work on sensitising rights holders and the general public in the region, notably in Vietnam, where it has been carried out partly through IFRRO seminars and work shops and partly in co-operation with WIPO. Following expanded contacts with the rights holders in the Philippines, there is an attempt to revitalise PRRO. A new Board with defined responsibilities for each Board member has been set up and several activities have been organised locally to attract more members to and interest for the RRO. This is being followed up by an IFRRO sponsored awareness seminar and a work shop in September this year.

In China new regulations on collective management, which also deals with administration of reprographic reproduction rights came into force on 1 March. These regulations are expected to pave the way for the setting up of RRO activities. The Committee follows the situation and has offered assistance to the Chinese rights holders and authorities.

European Group and European Development Working Group

On a short term basis, the European Group will prioritise the European Commission study on cross border licensing and collective management, the draft Service Directive and the co-ordination of the position of the European RROs on the draft UNESCO Convention on Cultural Diversity. On the longer term it will be necessary to follow announced initiatives by the European Commission *inter alia* on Digital Rights Management Systems (DRMs) and levy systems and other issues related to the assessment of the implementation of the Information Society Directive. Priority will also be given to the assessment of RROs and RRO activities in Europe against EU legislation on competition.

A study on European RROs was carried out during spring 2005. It shows that the typical European RRO is a rights holder driven and governed association or company with limited guarantee not for gain. It is highly transparent and an efficient administer of rights to the benefit of rights holders and users.

In respect of development work, priority is given to Bulgaria, Portugal, Serbia & Montenegro, Slovenia, Turkey and Ukraine.

IFRRO Development Committee for Africa and the Middle East

The committee has continued its work in the English and Portuguese speaking African countries, where there are RROs in operation in six countries, and initiatives to set up RROs in five other countries. This last year the Committee was active in the Arab speaking countries through cooperation with WIPO on seminars in Sudan and Syria, and increased its activities towards the French speaking African countries. Most of these countries have parastatal, multipurpose collective management organisations (*Bureau du Droit d'Auteurs*). Several of these, primarily those in Benin, Burkina Faso, Côte d'Ivoire, Senegal and Togo, have made decisions to expand their repertoire to cover the administration of reprographic reproduction. In addition, an RRO has been set up in Cameroon which may collect reprographic fees *inter alia* on the basis of a comprehensive system of levies and legal licences. The Board has appointed Jean Lissarrague Vice Chair of the Committee with a special responsibility for the French speaking countries in the region.

Latin America and the Caribbean

There are 8 RROs established in the region in membership of IFRRO: CADRA (Argentina), ABDR (Brazil), SADEL (Chile), CEDER (Colombia), Jamcopy (Jamaica), CeMPro (México), TTRRO (Trinidad and Tobago) and AUTOR (Uruguay). Together with CEDRO (Spain), GIE (Grupo Interamericano de Editores) and CERLALC (Centro Regional para el Fomento del Libro en América Latina y el Caribe) the RROs in the 6 Spanish and Portuguese speaking countries form GEDRI (Grupo de Entidades de Derechos Reprográficos de Iberoamérica) to promote RRO activities in Latin America. GEDRI has its own web page (www.gedri.com) to inform of relevant activities.

During the FY, AUTOR has signed its first licences and CADRA, CEDER and CeMPro have improved their licensing activities. On the other hand, ABDR has suspended all licensing activities for a limited period to concentrate on anti piracy activities. It is the firm conviction of the Committee that licensing reprographic reproduction and fighting piracy should be carried out contemporarily to be successful and has communicated this view to ABDR. On the basis of a study carried out by Diane Delay, the possibility of a regional RRO in the Caribbean will be explored further. The first examination of this alternative will take place during the IFRRO - WIPO regional consultation in September 2005.

9. TECHNICAL WORKING GROUPS AND FORA

Digital Issues Working Group

The Digital Issues Working Group (DIWG) has focused on the opportunities and challenges presented to RROs by the Internet and new digital economy. During the year in review DIWG has discussed issues around distribution and repertoire data exchange, the development of bilaterals on electronic rights and repertoires and the role of the DIWG in International Document Delivery. Three sub-committees on RRO exchange standards were created: repertoire exchange standards; title-specific distribution data; non title-specific distribution data.

As from July 2005 the DIWG has been replaced by a new Digital Strategy Committee (DSC). The three DIWG sub-committees will continue their work and report to the Digital Strategy Technical Sub Committee (DS-T) established under the DSC.

Document Delivery Group

The Document Delivery Group was set up to look into issues regarding document delivery services and the possibility of common licensing systems for international (cross boarder) document delivery. A technical paper on an "*International Document Delivery Database*" by Niels Rump and Mark Bide, commissioned by Alicia Wise which analysis four different models (centralised, distributed, hybrid and direct communications between authorities) lead to the setting up of a strategy group. The strategy group concluded that RROs have a role to play in Document Delivery, e.g. by offering services that are complementary to the publishers' own services and other initiatives such as Crossref.

As from July 2005 the DDG has been replaced by a new Digital Strategy Committee (DSC) that will carry the work of DDG forward.

Legal Issues Committee

The Legal Issues Committee (LIC) has a consultative role to the Secretariat, the Board and the IFRRO members. During the year under review, the Committee has discussed a prototype for digital bilateral agreements between RROs. This work has been put on halt till a further mandate can be established following the discussions in the Digital Strategy Committee. At the request of the Board, the LIC has started an assessment of the current model agreements.

The Board also asked the LIC to look into issues related to a possible IFRRO Code of Conduct. On the basis of a documents prepared by the Committee the Board has requested that the LIC work out a checklist on issues that in a second step could be considered to be turned into a non-binding IFRRO Code of Conduct/Industry Practice. The aim would be to advance the regulations as far as possible with the option for later inclusion of external assessment.

Working Group on Copying of Visual Material

The Working Group on Copying of Visual Material is chartered to study and recommend solutions on matters involved in the reprography of still images contained within books, journals and newspapers and to determine the strategy for co-operation and closer involvement of the visual creators in the field of reprographic rights. In agreement with the Board, the WG has worked on a proposal to revise part 6 of the Status Report that RROs submit to the AGMs dealing with the collection and distribution of revenues to visual creators. To assess this part, a document entitled *Summary of responses made by RROs to questions about copying visual material* was produced. The WG's recommendations for changes in the Status report in order to collect more meaningful information were approved by the Board and incorporated into the template that has been used for the reporting to the 2005 AGM. The WG will continue to analyse trends of copying visual material and will provide reports on these to the Board.

The WG has also started a discussion on the establishment of a *best practice* for RROs on collection and distribution of revenues by RRO for visual creators and this work will be discussed at the 2005 AGM. At the same time the Board has asked the Legal Issues Committee to look into code of conduct related issues for RROs in membership of IFRRO and the WG will be paying close attention to the progress of this work to ensure that it is complemented by the activities of the WG and duplication of effort is avoided.

Working Group on Licensing of Musical Works

The main purpose of the WG is to analyse challenges, make studies and recommend solutions in respect of reprographic reproduction of musical works. The WG did not meet during the last FY. The Board has appointed *François Leduc* Chair of the WG as from 1 July 2005.

Working Group on the Licensing of Newspapers and similar Publications

The main activity of the WG over the past years has been the exchange of information. To this aim, a standardised country report showing facts and figures in the form of a matrix to be produced by each RRO has been developed. The matrix was revised during the FY and a first draft of the revised standard report will be discussed at the WG meeting organised in conjunction with the 2005 AGM.

Equipment Levy Forum

The Equipment Levy Forum has been established as an informal forum for the exchange of information between RROs administering equipment levies and others that take an interest in these issues. The Forum has developed three matrices giving a comprehensive overview of the application of levies to reprographic devices, for reprographic copying otherwise than devices and on the uses allowed by law which are remunerated through reprographic levies. Levy systems are established in national legislation also in other regions and the matrices would benefit from being extended into covering countries outside Europe.

10. FINANCES

Operational accounts

The year end balance on the operation, i.e. excluding the Development Fund and the Communication Project, was made up with a surplus of € 21,749 against a budgeted deficit of € 30,680. The surplus is proposed to be

added to the operational reserve which will then amount to a total of €260,819 as at 30 June 2005, or just under half of the budgeted yearly spending.

Communication Project

The 2003 AGM allocated €200,000 towards a Communication Project. This amount has been set aside on a separate fund and is accounted for separately. As at 30 June 2005, there is a total of €162,800 left on this fund which will be reduced further during the coming FY due to the development of the IFRRO home page, the Members Only page, new publications and consultancy regarding the development of strategies on digital issues.

Development Fund

The IFRRO Development Fund is accounted for separately. Twelve IFRRO members contributed a total of €432,238 directly to the Fund during the FY, of which €304,235 was an extraordinary contribution made by Stichting Reprorecht.

The Board has approved allocations totalling €375,982 still to be paid towards development projects, of which €263,111 in the form of grants and €108,000 in loans were approved during the year under review. The new loan agreements were signed with Luxorr (€98,000) and CEDER ((€10,000). Of the 23 grants that were approved, 3 were directed towards activities in Africa and the Middle East, 6 towards the Asia Pacific region, 3 towards Europe, 10 towards Latin America and the Caribbean and one approved as a buffer towards the Secretariat for fact finding missions covering all regions.

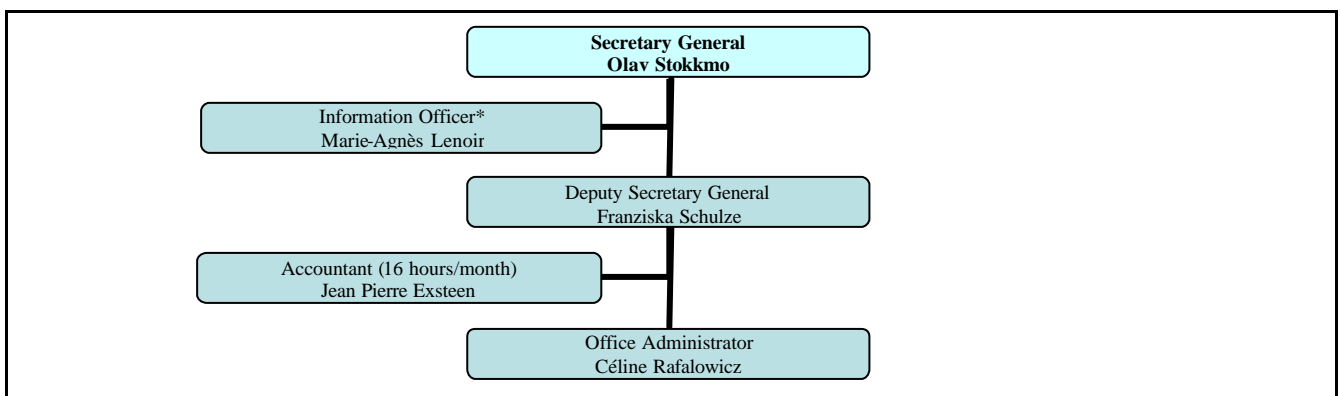
In addition, member organisations contribute to the IFRRO development work either through their own development funds, which is the case of Kopinor or by not charging IFRRO's Development Fund when participating in development activities, which was the case last FY for instance for CFC.

As at 30 June 2005, the Development Fund amounts to €1,225,952 (including €33,000 in loans that have been paid out), of which €663,832 has already been allocated through Board decisions or earmarked towards new and/or existing projects. This leaves a total of €562,120 available for new projects.

11. THE SECRETARIAT

The Secretariat is based in Rue du Prince Royal 87, Brussels (Belgium). As from September 2005, it is co-located with other international organisations such as the European Visual Artists (EVA) and the European Writers Congress (EWC).

During the FY the Secretariat was strengthened *inter alia* by adding a Deputy Secretary General to the staff and partly restructured. *Olav Stokkmo* replaced Veronica Williams as Secretary General as from 1 December 2004 with *Franziska Schulze* as Deputy Secretary General since August 2004. *Marie-Agnès Lenoir* as Information Officer is responsible for IFRRO's information activities, including newsletters, and *Céline Rafalowicz* is since January 2005 responsible for secretarial matters, including the day to day book keeping. *Jean Pierre Exsteen* is engaged on a consultancy basis to assist with the book keeping bringing the organisational chart to look like this:



* IT is outsourced, administered by Marie-Agnès Lenoir.

12. FUTURE PERSPECTIVES

Over the past years copyright and in particular the image of copyright has been put under pressure. This is a challenge that any organisation involved in copyright administration is bound to take seriously. There is a huge need for accurate information on the importance of copyright and copyright related industries and activities, as well as their importance to education, science, cultural development and economic growth. RROs and the licensing of reprographic reproduction are no exception to this. There is a general lack of knowledge and often misunderstanding of the work of these organisations which IFRRO and its membership need to face up to. The Board intends to put efforts into communication activities that can help to improve the image of copyright and RROs, starting with a particular session on this during the 2005 AGM.

Some of the challenges are closely linked to the role of copyright in developing countries. Whereas piracy in these countries often is rampant there is at the same time a huge need for reasonable and affordable access to intellectual property. This challenge can only be met by offering adequate structures for the licensing of the use of such works in combination with assistance to build national industries based on copyright and fighting unauthorised use of copyright works. The establishment of RROs is an indispensable part of these efforts. A new manual on how to set up an RRO is in the process of being released and the new IFRRO Home page will have a more balanced regional profile than the previous one. In the development work, co-operation with WIPO will still play a central role, in particular with respect to normative approaches and awareness building. Moreover, attempts will be made to start co-operation with UNESCO. The Board encourages the membership to make whatever contribution they see fit in order to assist in the IFRRO development work.

The Board will give priority to the development of a Digital Strategy Plan for IFRRO that will also address how IFRRO and RROs can assist the rights holders in dealing with the gap between the objectives of users and rights holders regarding digital uses and licensing of content. Efforts will be put into co-operation with rights holders to develop sustainable business models for digital uses and licensing as well as for international document delivery. On a short term it would be important to concentrate on the scanning and digitisation mandate and to resolve outstanding issues in respect of cross border document delivery. On a medium and longer term questions related to structures on the licensing of material that is born digital must be attended to.

It is the Board's view that work carried out and initiatives taken during the FY have contributed positively to the possibility of IFRRO to influence on the copyright agenda. In order to hold up and strengthen the position of IFRRO, it is important to engage in development work and establish infrastructures such as the setting up of RROs to assist rights holders, world wide to protect and administer their rights with respect to analogue as well as digital uses. A key factor is also the co-operation, dialogue and interchange of information with the rights holders that RROs and IFRRO represent. The Board is of the opinion that IFRRO is well set to address these issues adequately to the benefit of rights holders as well as users.

Brussels, 30 June 2005

Peter Shepherd, President