



IFRRO BOARD REPORT 2009

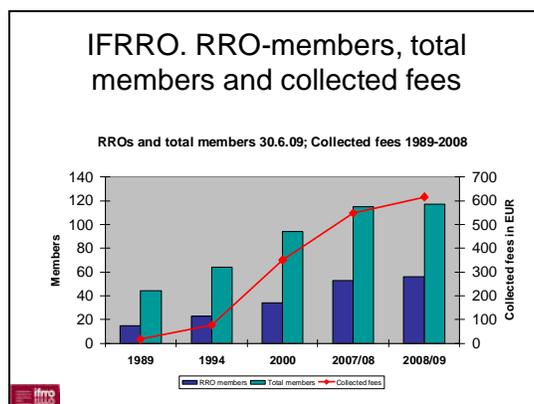
This report covers the period July 2008 – June 2009 during which the Board was made up of *Magdalena Vinent*, CEDRO (President, First Vice President till 30.10.08); *Franziska Eberhard*, ProLitteris (First Vice President, Second Vice President till 30.10.08); *Bruce Funkhouser* (Second Vice President, Board member till 30.10.08); Directors: *Jim Alexander* (CAL, from 30.10.08), *Jens Bammel* (IPA), *Christer Johansson* (Bonus Presskopia, Substitute Director till 30.10.08), *Hélène Messier* (COPIBEC) and *Mats Lindberg* (BUS, Substitute Director till 30.10.08); Substitute Directors: *Trond Andreassen* (EWC from 30.10.08), *Maureen Cavan* (Access Copyright), *Rainer Just* (VG Wort from 30.10.08) and *Michael Mabe* (STM). *Peter Shepherd* (CLA) served as President, and *Jean Lissarrague* (CFC) and *Anne-Louise Schelin* (IFJ) as Board Director 1.7-30.10.08. The Board met four times during the period under review: in October 2008 in Montego Bay; in January 2009 in Geneva; in February 2009 (by telephone); and in June 2009 in Madrid. One e-vote was carried through in March 2009.

In 2009 IFRRO celebrates its 25 years anniversary. Whereas the first decade mainly emphasised the establishment of an information network and the second developed tools to extend it through the creation of new RROs, current focus is also on supporting RROs to expand their assistance to authors and publishers through new services and in new sectors. The current 117 members - RROs, publishers and authors/visual creators association - in 56 countries make IFRRO the broadest existing network of rightholder/associations and collective management organisations in the text and image based sector. This was also a main reason why IFRRO and its members were asked and accepted to assist in notifying authors and publishers of their rights under the Google settlement; 81 IFRRO members in 54 countries participate in the Notice programme.

Photocopy licensing does by no means belong to the past only. Several countries are yet to start up licensing and in most countries not all sectors are covered. Reports from the membership indicate, nevertheless, that FY 2008/09 was the year when digital mandates to RROs as well as the exchange of digital mandates and bilaterals between RROs started to develop. A majority of the digital bilaterals seems to have been concluded on the basis of a voluntary non-exclusive mandate to the RRO. Moreover, rightholders and users are asking for a broadening of services offered by RROs including acting as trusted intermediaries in new areas. During the FY the Board approved tools that will facilitate RROs in assisting rightholders to provide access to their works by visually impaired people. Also RROs increasingly include the use of orphan works and out-of-print/commerce works in their licensing schemes. IFRRO has played a part in developing model licensing agreements to facilitate this. RRO business models are thus being re-examined. In the year that IFRRO celebrates its first 25 years IFRRO and its members are truly at a cross road.

1. MEMBERSHIP

As at 30 June 2009, IFRRO counts 56 RRO members and 61 national and international authors', visual artists' and publishers' associations, a total of 117 members and a net increase of 2 members since last FY.



Three new RRO members – BBDA (Burkina Faso), FILCOLS (Philippines) and SOCILADRA (Cameroun) – and one new Associate Member – Vietnam Literary Copyright Centre (VLCC) - were approved during the FY, thus adding four new organisations to the IFRRO membership. The Board approved that JAACC (Japan) changed status from Associate to RRO member. Stichting Burafo cancelled its membership effective from 1 July 2008 as it is represented by Stichting Pictoright and Kopjamalt's membership was terminated by the Board as from 1 July 2008 due to lack of compliance with its duties towards IFRRO.

2. ORGANISATION

The Board has adopted a short and medium priority action plan for the implementation of the IFRRO Business Plan 2009-12. Focus will be on business models/cases development, especially for the digital arena, further REM¹ and HTAR¹ implementation and communication activities. Also a step up of the monitoring of EU activities, with increased focus on collaboration and sharing of responsibility with Brussels based rightholder organisations in membership of IFRRO, is envisaged in order to enhance work efficiency.

With the aim of providing further assistance to negotiate agreements between RROs, the Board adopted criteria which it recommends RROs to comply with before requesting negotiations. ([Annex 1](#)). Moreover, in the wake of the experience with the Google settlement the Board decided that any future signing of Non-Disclosure Agreements (NDA) by an IFRRO Board Director or Executive requires Board approval.

The mandates and membership of IFRRO Regional Committees and Working Groups have been reviewed. Assisting rightholders in providing legal access and in enforcement activities was added to the mandates of all Regional Development Committees. The Board also changed the names of several groups and committees. The DS-T becomes the Technical Standards Committee (TSC) and its mandate is modified to work on an IFRRO Party Identifier and ISNI (International Standard Name Identifier). The Newspaper WG is now the Newspaper and Periodicals Working Group and its mandate includes business models and licensing in the digital arena. The WG on Visual materials issues is renamed the Visual Materials Working Group. The Legal Issues Committee was stood down and replaced by a Legal Issues Forum open to all IFRRO members that would wish to attend its meetings. The Secretariat will establish issue specific resource pools of IFRRO members' lawyers and legal advisers to provide assistance to the Board, the Secretariat and the membership when required.

3. POLICY ISSUES AND STRATEGIC COOPERATION

The Copyright Agenda

Access to copyright works is high on the agendas of WIPO², the European Commission and other intergovernmental bodies. The position of the Board is that solutions are best found through constructive dialogues between rightholders and their representatives and the user groups concerned. RROs can play a vital role in such initiatives. IFRRO followed up its March 2008 statement at the WIPO SCCR³ meeting on exceptions and limitations through an active collaboration in the drafting of a position paper based on the IFRRO statement. The joint position was endorsed by 26 international rightholder organisations and presented at the WIPO SCCR in November 2008.

Visually Impaired People (VIP)

At the November meeting of SCCR, IFRRO also made a statement in which WIPO was invited to consider a stakeholder platform to discuss the concerns of the Visually Impaired Persons (VIP). This initiative was later generally endorsed by the WIPO Member States and a stakeholder platform has been facilitated by WIPO. At the SCCR meeting in May, Brazil, Ecuador and Uruguay also put forward a verbatim copy of a draft treaty originally proposed by the World Blind Union (WBU) enabling VIP access to copyright works through exceptions and limitations. Discussions on this will run parallel to the stakeholder platform.

IFRRO participates actively in the WIPO facilitated stakeholder platform on access to copyright works by VIPs. The platform had its first meeting on 19 January 2009 at the WIPO Headquarters in Geneva with a

¹ Repertoire Exchange Mandate; Headings and Toolkits for Agreements between RROs

² World Intellectual Property Organization; see also Chapter 6

³ Standing Committee on Copyright and Related rights; see Annual Report 2008, page 2

follow up on 20 April in London. New meetings are scheduled this autumn. IFRRO is represented by *Tarja Koskinen-Olsson*, *Georgina Bentliff* (CLA), *Alicia Wise* (PLS) and *Olav Stokkmo* with an option for *Hélène Messier* (COPIBEC) in her capacity as the IFRRO VIP *ad hoc* task force Chair to join the delegation, when appropriate⁴. The platform is also examining criteria for and the role of trusted intermediaries with the aim to pilot solutions in 2010.

RROs can assist authors and publishers in their endeavours to facilitate user access to their works including acting as trusted intermediaries. To this end the Board approved three documents drafted by the IFRRO *ad hoc* VIP task force made up of *Hélène Messier* (COPIBEC, Chair), *Jens Bammel* (IPA), *Georgina Bentliff* (CLA), *Roanie Levy* (Access Copyright) and *Alicia Wise* (PLS): (i) model for a RRO VIP licence; (ii) amendment to agreements between RROs; and (iii) template for permission request to make a copy in alternative formats. These tools complement the previously approved standard mandate from rightholders to RROs to allow them to licence access to copyright works by VIPs. It is the Board's aspiration that the documents, all publically available, lead to more RROs than the current ones (Access Copyright, CAL, COPIBEC, CLA and VG Wort) becoming involved in the licensing of VIP access to copyright works.

Cooperation with CISAC

The joint IFRRO–CISAC board meeting in 2008 has been followed up at Presidency and Executive levels. There is already cooperation on practical and technical issues such as the identifiers *ISTC*⁵ and *ISNI*⁵ and discussions have started on a joint anti-piracy program with UNESCO. Future cooperation could also include more strategic aspects such as improving the understanding of policy makers and the general public of the importance of copyright and efficient rights management to culture, knowledge, education and the economy.

Relationship with IFLA (International Federation of Library Associations and institutions)

The IFRRO *President* and *Chief Executive* met with IFLA Secretary General, Ms. *Jennefer Nicholson*, in March 2009. IFRRO and IFLA co-operate in the organising of awareness conferences on the development of a book and reading culture, involving also WIPO. To this end a standard conference program has been developed. At the invitation of the Frankfurt Book Fair, IFRRO, IFLA, WIPO in cooperation also with EWC and IPA have scheduled a conference on the same topics in Frankfurt on 13 October 2009. The IFRRO Board has agreed to start up regular meetings between IFRRO and IFLA Presidencies and Executives.

4. MEMBERSHIP RELATIONS, COMMUNICATIONS AND INFORMATION

Copyright and RROs are essential contributors to the establishment of an economic basis for culture, knowledge and education. Legal access to copyright works is best provided through creators' and publishers' direct licensing supported by collective licensing through RROs. This remains the key IFRRO messages in the Communications and Information plan. The immediate priorities and actions to take the plan forward include the enhancing and re-hosting of the IFRRO website; publishing of easy to read booklets on selected topics related to copyright and administration of rights; development of a comprehensive presentation of collective management of rights; and the publishing of a study paper on digital rights and the management of them in the digital arena. A resource group of Communication Officers in member RROs was established in May to assist the Secretariat in prioritising activities related to the implementation of the Communications and Information plan and in building a network of Communication Officers in the membership.

Consultation with international trade associations in membership of IFRRO and with individual authors and publishers remained high on the agenda during the period under review. In April 2009 the *President* and *Chief Executive* met with STM's Copyright and Legal Affairs Committee; meetings with other international authors and publishers associations are scheduled for later this year. At its meeting in June in Madrid the Board met with Spanish authors and publishers and representatives of their associations. It showed that the enforcement activities foreseen in the IFRRO Business Plan are high also on the rightholder agenda.

Transparency on the Board's work is also carried forward through the posting of Board agendas on the intranet one month prior to the meetings combined with three issues of the *Executive News* informing the membership's executives of the main Board decisions. The IFRRO *Newsletter* was published eight times.

⁴ EWC, FEP, IPA and STM also take part in the WIPO facilitated stakeholder platform on access to works by VIPs

⁵ International Standard Text Code; International Standard Name Identifier. See Chapter 5 Technical standards

The format and the frequency of the *Digital Alert* which is produced under the supervision of *Bruce Funkhouser*, the Chair of the Digital Issues Forum (DIF), have changed. We thank *Courtney Wegener* and *Tara Buongiorno* at CCC for helping us with the four issues produced during the period under review.

The 2009 *Senior Managers Forum* (SMF) hosted by Access Copyright in Toronto (Canada) and attended by 32 Senior RRO officers focused on data collection. Separate authors' and publishers' gatherings have been facilitated through the incorporation of meetings in the weekly program of the IFRRO AGM in Montego Bay, for the authors also in conjunction with the DIF in Madrid in June 2009.

Google

Considerable efforts have been invested in assisting the membership regarding information on the Google settlement. A class action lawsuit was brought by authors and publishers in the US in 2005 who had claimed that Google violated their copyrights and those of other rightholders of books and inserts, by scanning their books, creating an electronic database and displaying short excerpts of their works without the permission of the rightholders. The announcement of the "Google Book Search" settlement by the Authors Guild, AAP and Google coincided with IFRRO's AGM 2008 in Montego Bay, where IFRRO also facilitated the presence of Kinsella Media LLC, the "Notice Provider". As a part of the settlement, the parties have an obligation to notify all authors and publishers concerned of their rights under the settlement. Notification merely implies dissemination of information. Most IFRRO members – currently, 81 IFRRO members in 54 countries – take part in the "Notice Programme". IFRRO has not expressed a judgment on the merits of the settlement as such but has limited its involvement to providing its members with information so as to enable them to take an informed decision. To this end a specific Google page was established on the "Members Only" under the guidance of IFRRO's *General Counsel*. The court extended the deadline to "opt-out" or object to the settlement till 4 September 2009, and will determine on 7 October whether to approve it.

5. FACILITATING DEVELOPMENT OF RRO AND RIGHTHOLDER BUSINESS MODELS

Business models and cases

RRO business models to sustain authors' and publishers' own activities also in the digital environment vary considerably. Digitisation, such as scanning of analogue material for the printing out of a hard copy or for the posting to secure networks, is a part of most RRO business models. Several also licence copying from digital originals for internal use; downloads from Internet and similar sources including for the making of further hard copies or for posting to internal networks; downloads and re-use of paid-for digital content; downloads and re-use of free-to-view web pages; projection of material to whiteboards, the inclusion of copyright material in power point presentations, etc. Licensing of education frequently includes Virtual Learning Environments (VLE), also for digital uses. Some RROs also licence the use of orphan works, out-of-commerce works and/or the transformation of material to alternate formats readable by visually impaired.

To further examine the RRO business cases and models a conference was organised in March 2009 for RROs which, at that date, had approved business models or were running pilot programmes for the digital arena. This led to the establishment of a Business Model Task Force (BMTF) under the chairmanship of the IFRRO *President* and otherwise made up of the *Vice Presidents*, *Sandra Chastanet* (CFC), *Georgina Bentliff* (CLA) and *Anders Rasch* (COPYDAN) with the remit to collect and present functioning RRO business models to the membership and prepare for the launch of an IFRRO Business Model Forum in 2010 in accordance with the IFRRO Business Plan. *Maureen Cavan* in her capacity as Chair of the ONIX Governing Body (OGB), *Jim Alexander* and *Yngve Slettholm* (Kopinor) are associated to the task force.

As a part of the BMTF work a questionnaire was issued to the membership to identify digital mandates granted to RROs, with the aim of later including the information also in the Status Reports to IFRRO General Meetings. A report is scheduled for the AGM 2009. Examples of business models are also being posted by members to the digital toolkit page on the IFRRO Members Only.

Digital arena

IFRRO members have started to use the IFRRO recommended Repertoire Exchange Mandate (REM) and Heading and Toolkits for Agreements between RROs (HTAR). Nonetheless, the take up is slower than anticipated. Rightholders' concern regarding copyright infringement may be a part of the explanation. Reports indicate that sales of e-books and other works in digital formats are exponentially up; and so is also

unauthorised digital copying of such works. An increasing amount of resources, human as well as financial ones, are used to police websites offering copyright content. The IFRRO Business Plan envisages active cooperation with the international rightholder associations in membership of IFRRO to explore the appropriate way for IFRRO and RROs to assist rightholders on issues of copyright compliance and education. This will be high on the Board's agenda in the coming FY. However, copyright enforcement frequently requires that it be linked to the offering of a licence for appropriate uses, which involves mandates to the RRO.

REM implementation will also be on the agenda of meetings that the *President* and *Chief Executive* have scheduled with Boards and Copyright Committees of international authors and publishers associations in membership of IFRRO and be included in the work of the BMTF. Furthermore, the Board will consider presenting best practices at IFRRO DIF; improved marketing of the digital toolkit on the IFRRO Members Only; presentation of the REM and RROs in membership magazines; and a virtual exchange of information and discussion network made up of IFRRO, RROs and rightholder representatives.

Technical standards

During the period under review technical standards activity has centred on implementation of the ONIX message standards for Repertoire and Distribution and on the finalisation and development of the international identifier standards for Text codes (ISTC) and Name Identifiers (ISNI).

The 2009-2012 Business Plan includes the aim that "by 2012 at least 50% of the RROs in membership of IFRRO use ONIX, either for distribution; repertoire or both". The ONIX Governing Body (OGB) chaired by *Maureen Cavan* (Access Copyright) and otherwise made up of *Franziska Eberhard* (ProLitteris), *David Grundy* (ALCS), *María Fernanda Mendoza* (CeMPro, till April 2009), *Heather Reid* (CCC), *Alicia Wise* (PLS) and *James Boyd* with *Mark Bide* (EDITEUR) associated to it, made the decision to concentrate first on the implementation of the ONIX for Distribution message (ONIX-DS) and has initiated a number of actions to facilitate the take-up of the standards by all categories of RROs at whatever stage of technical advancement. A standard Excel spreadsheet was commissioned and delivered in February 2009, which enables smaller RROs, using Excel databases to generate ONIX compliant messages. A webinar, attended by over 25 RROs, was organised, also in February, to demonstrate actual usage of ONIX messages and to discuss implementation challenges. Furthermore the OGB has asked its technical sub committee to investigate if the development of specific profiles of the standards for groups of RROs could be feasible to ease implementation and how to deliver guidance in the form of a Guide Book and/or online training. Coincidentally with the DIF in Madrid, CEDRO organised a showcase of the third party ONIX implementation service providers some of which have been used by IFRRO members – PLS and ProLitteris/VG Wort. The OGB has been asked by the Board to investigate alternative implementation strategies.

IFRRO continued its close involvement in the development of the international identifier standards ISTC and ISNI. IFRRO, CISAC, Bowker and Nielsen Bookdata, established formally the International ISTC Agency established in January 2009 and enabled the final publication of the ISO standard 21047 in March. IFRRO is supported in this activity by a group of 9 members - Access Copyright, ALCS, CAL, CCC, CEDRO, CLA, COPYDAN, ProLitteris and Stichting Reprorecht. The priority now is to recruit sufficient Registration Agencies to make the standard viable. By the end of June 2009 contracts were in the process of being signed with Bowker, Nielsen, MvB (the German ISBN agency) and ProLitteris. Interest has also been expressed by organisations in the Netherlands, Belgium, France and some Nordic countries.

The ISNI standard is less advanced and is due to be published in 2010. IFRRO has devoted considerable resources not only to the development of the standard itself in the drafting group of the International Organisation for Standardization (ISO/TC/46/SC9/WG6) but also to the establishment of an International ISNI Agency along the lines of the one set up for ISTC. Current potential partners, besides IFRRO, include CISAC, Bowker, the British Library, Bibliothèque Nationale de France, OCLC and ADAMI. ISNI, together with ISTC and ONIX, is considered to be fundamental for exchanging messages between RROs.

It has become clear, during the period under review, that the breadth and expense of standards activities are becoming a significant challenge to IFRRO. However, the importance of standards – and particularly of the ONIX messages – to reducing costs to the IFRRO membership has been recognised by the Board. When, early in 2009, the organisation responsible for the ONIX standards, EDITEUR, invited IFRRO, among others, for support, the Board agreed for IFRRO to contribute financially and be involved in the Management

Board of EDITEUR. The aim is to ensure that EDITEUR can continue to maintain and develop the ONIX family of standards and perhaps also act as a coordination point for IFRRO's other standards activities – saving money and improving coherence.

6. WORK IN RELATION TO INTERGOVERNMENTAL BODIES

6.1. WIPO (World Intellectual Property Organization)

At the General Assembly in September 2008 WIPO, which remains a key partner for IFRRO, appointed Dr. *Francis Gurry* its new Director General. The IFRRO-WIPO co-operation agreement establishes a joint forum that met once during the year under review: in Geneva on 30 January, 2009. The Board and Regional Committee Chairs met with Deputy Director General *Michael Keplinger* and the WIPO Regional Bureaus to discuss longer term commitments in target countries. In addition to the yearly IFRRO-WIPO meetings, relevant WIPO meetings throughout the year including the General Assembly (GA) are mainly attended by IFRRO's Honorary President, *Tarja Koskinen-Olsson* and the *Chief Executive*, selected meetings also by the *General Counsel* and *Caroline Morgan* (CAL) in her capacity as Chair of IFRRO's Legal Issues Committee.

The discussions at the WIPO SCCR on possible exceptions and limitations also concern education and libraries, in addition to VIPs. The May 2009 meeting decided that the WIPO Secretariat engage researchers to make a study on exceptions and limitations in relation to education. IFRRO's view is that the study must include access to copyright works through individual and collective licensing as an alternative to exceptions and has offered its cooperation in providing factual information to be used in it. Also, the SCCR will consider adding orphan works, collective management, enforcement, and resale rights to its agenda.

During the FY, IFRRO joined by EVA, ENPA, IFJ, IPA and STM, also met with WIPO's External Relations Department. Discussions will continue on the maintenance and, if required, improvement of the mechanisms to ensure the appropriate relationship between WIPO and the non-governmental sector. IFRRO provided speakers for and/or collaborated in the organising of twelve WIPO conferences, seminars and workshops: five in Africa including one in Lilongwe for 21 African countries on the WIPO Treaties with *John-Willy Rudolph* (Chair of IFRRO's Development Committee for Africa and the Middle East) as one of the speakers; three in Asia; one in Europe; two in Latin America; and two in the Middle East.

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

On 24 April, 2009 IFRRO was granted Non Governmental Organisation (NGO) status with UNESCO. The cooperation has focused on copyright enforcement activities which have also included IPA and other rightholder organisations. A third Anti Piracy Training the Trainers (APTT) seminar for lawyers, judges, customs and police officers was organised in Dakar (Senegal) 17-20 September 2009 for eight Francophone Western African countries – Benin, Burkina Faso, Guinea, Mali, Niger, Senegal and Togo. IFRRO sponsored representatives from BBDA (Burkina Faso) and BUBEDRA (Benin). IFRRO/IPA speakers were *Antje Sörensen* (IPA), *Ana Maria Cabanellas* (CADRA and IPA) and *Gerard Louise* (MASA and Vice Chair of IFRRO's Development Committee for Africa and the Middle East). IFRRO is working with CISAC and UNESCO on securing financing for a three year APTT programme for Africa, Asia and Latin America.

6.3. European Union

Key European Union initiatives during the FY under review include a Green Paper on Copyright in the Knowledge Economy, the "Medina report" and the copyright levy initiative. IFRRO will also follow closely a joint European Commission (EC) DG Consumer and DG Information Society initiative of 5 May 2009 on *eYouGuide*, a new "Digital Agenda" for consumer rights. An eight-point plan includes establishing "multi-territorial licensing regimes" for digital content, addressing issues related to private copying of copyright content and rules for e-accessibility, for instance to make it easier for disabled people to use websites.

Copyright in the knowledge economy

In July 2008 the EC DG Internal Market invited a public consultation on a Green Paper on Copyright in the Knowledge Economy. The 371 replies published on the EC website in April 2009 demonstrate the broad interest for the issues addressed in it, paramount also to IFRRO and its membership: access to content in education; in libraries; by disabled persons; and through user generated content. The core messages in IFRRO's submission on the paper were that (i) there is no need to reopen any of the EC copyright directives, and (ii) access to copyright work should be based on the current provisions in Community legislation rather than introducing new ones. A follow up through an EC Communication is expected later in 2009. A separate consultation on orphan works is allegedly also under consideration by the EC.

Copyright levies

A stakeholder forum organised by the European Commission on 27 May 2008 to supplement its consultation on copyright levies agreed to set up four Working Groups (WG) to discuss (1) the grey market (i.e. payment of levies upon import of devices used to reproduce copyright works); (2) reimbursement of levies (e.g. upon export of a levied device); (3) methodology to determine devices to be levied and the levies; and (4) piracy including levy dodging. Subsequently a subgroup was established to discuss more specifically methodology related to levies relevant to reprography. All meetings have been governed by the Chatham House Rules: the parties agreed not to disclose information on when meetings take place, who participate on behalf of which organisations, statements made by participants or organisation involved or any of the conclusions.

WGs 1 and 2 on import and export have clarified a number of issues albeit not yet having expressed them in writing. WGs 3 on methodology, including the reprography subgroup, and 4 on piracy have not yet finalised the work. As a basis for a conclusion in the reprography subgroup IFRRO has, after proper consultation with the members concerned, offered a Memorandum of Understanding (MoU) that could be signed by the companies concerned and IFRRO and each of its members in Europe administering levies in relation to reprography. The Board approved that IFRRO could be a signatory to it.

Digital libraries

IFRRO has continued its active co-operation in the EC i2010 Digital Libraries initiative which aims at establishing a multilingual access point to the European cultural and scientific heritage. IFRRO's Honorary President, *Tarja Koskinen-Olsson* is a member of the High Level Expert Group (HLG), she and *Olav Stokkmo* are members of the copyright subgroup, which also include *Myriam Diocaretz* (EWC), *Sophie Scrive* (ENPA) and *Anne Bergman-Tahon* (FEP). Both these groups met for a stocktaking exercise in 2009. Olav Stokkmo also met and presented the ARROW project at the HLG meeting on 25 June 2009.

EUROPEANA was launched on 20 November 2008 as "Europe's on-line library", set up to run services for the European Digital Library (EDL) Foundation. Its main business case is to provide online access through a portal to individual and institutional users across Europe to intellectual and other works both in and out of copyright, free of charge to the user. The goal is to reach 25 mill. objects by 2014. The EC envisages granting € 25 mill. for projects including digitisation and open access to scientific content and the use of the cultural heritage for educational purposes. EU Member States also contribute financially to EUROPEANA.

Arrow – Accessible Registries on Rights and Orphan Works

ARROW is a EC sponsored project involving 27 partners including IFRRO, FEP, six RROs (CEDRO, CFC, CLA, COPYDAN, Kopinor, Kopiosto) publishers and authors organisations including IFRRO members ALCS, PLS and SNE, ten European National Libraries, ISBN agencies and technology developers. It has been set up to develop solutions for digital libraries including EUROPEANA. Cooperation between the leadership of the two projects is therefore considered necessary and the HLG recommended the EC Directorate General for Information Society and Media to provide a link from its website to the ARROW web page and to facilitate implementation meetings involving ARROW and EUROPEANA. The contract with the EC to sponsor the project was signed on 12 December 2008. IFRRO is responsible for awareness and dissemination including the project website. Relevant documents are also made available to IFRRO members on an "ARROW page" on the IFRRO Members Only. *Veraliah Bueno* is the main responsible for the work at the IFRRO Secretariat.

Medina Report

The "Medina report", a non-legislative document on the outlook for copyright in the EU drafted by the Spanish Member of European Parliament (MEP) Manuel Medina Ortega, aims at providing the European Parliament's response to the EC report on the implementation of the "Copyright Directive" (2001/29). The main elements of the report are that (i) it is premature to consider reforming the Copyright Directive as transposition by the Member States did not end until 2006; (ii) the Copyright Directive's exhaustive list of non-compulsory exceptions is sufficiently flexible and still valid; (iii) the Commission should give consideration to the best ways of combating piracy, particularly on the Internet. The Report, albeit having been adopted by the European Parliament's (EP) Legal Affairs Committee, has not yet been voted by the EP.

6.4. ARIPO (African Region Intellectual Property Organization)

ARIPO is an intergovernmental organisation representing 16 English speaking, sub-Saharan African countries with which IFRRO signed an agreement on cooperation in 2006 covering all major IP activities.

An IP education programme developed jointly by ARIPO, IFRRO and WIPO has been offered to IP Officers and RRO employees in ARIPO's Member States since 2007. IFRRO Honorary President *Tarja Koskinen-Olsson* developed the teaching material under a contract with IFRRO and WIPO and is the main lecturer. The 2008 training event took place in Windhoek (Namibia) in November 2008. *James Boyd* and *Peter Wasamba* (Kopikén) were IFRRO resource persons. The 2009 session is scheduled for November and should include the administration of visual material.

6.5. OAPI (Organisation Africaine de la Propriété Intellectuelle)

OAPI represents 16 French-speaking Sub-Saharan African countries. An agreement on co-operation covering all major IP relevant activities was signed on 27 September, 2007. The period under review saw the start up of the IFRRO-OAPI-WIPO training programme on Intellectual Property for IP Officers and RRO personnel in the OAPI Member States. It is based on the adaptation of the teaching material developed for the ARIPO Member States. *Tarja Koskinen-Olsson* was the main lecturer. *Anita Huss* was IFRRO's representative and speaker at the first training event that took place in Yaoundé 30 March – 3 April 2009.

Olav Stokkmo represented IFRRO at OAPI's Ministerial meeting and General Assembly in Brazzaville (Republic of Congo) 15-16 December 2008 and was also an invited speaker at the OAPI regional conference that took place in Dakar on 4- 6 November 2008.

6.6. SADC (Southern African Development Community)

SADC and IFRRO signed a co-operation agreement in 2000. It is inactive, its activities have been replaced by those which take place under the agreement with ARIPO.

6.7. APEC/IPEG (Asia Pacific Economic Co-operation/Intellectual Property Experts Group)

In agreement with APEC/IPEG a questionnaire was developed to collect information on digital libraries related initiatives in APEC Member Economies. At the end of the period under review a minority of the Economies has completed the questionnaire. We shall review with IPEG the follow up of the initiative.

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

In Latin America and the Caribbean, IFRRO co-operates actively with CERLALC which also meets as an observer in the IFRRO Regional Committee for Latin America and the Caribbean. During the period under review IFRRO and CERLALC co-organised a workshop on reprography in Lima (Peru), and IFRRO sponsored an anti piracy seminar and RRO participation at Book Fairs in Latin American countries coordinated by CERLALC. The IFRRO *Chief Executive* attended as a speaker and expert CERLALC's Iberoamerican Forum on books, literature and libraries in the knowledge economy in Santiago (Chile) on 4th-8th November 2008. The Forum issued a statement calling on governments to promote reading and access to information and culture in a way that respects national and international copyright legislation. Rightsholders were called upon to facilitate access to copyright works through individual and collective licensing. The contract with CERLALC on regional development work was renewed for 2008/09. A general cooperation agreement has been offered and is expected to be signed later in 2009.

7. REGIONAL DEVELOPMENT ACTIVITIES

Development activities have progressed successfully in all regions as documented in separate regional development committee reports to the AGM. Costs are partly covered by the operational budget under "development work", partly by the Development Fund, which represents a vital tool for the IFRRO development activities. The financial aspects are reported separately in Chapter 9 Finances.

Asia Pacific Committee (APC)

The region counts 11 RROs in membership of IFRRO administering reproduction rights, including one Music RRO. Since the last Annual Report, FILCOLS (the Philippines) has been granted RRO membership and is expected to start licensing the coming FY, and the membership status of JAACC has been changed from Associate to RRO membership. China, India, Indonesia, the Philippines and Taiwan remain priority countries. Progress has been made in Indonesia where YCBI was launched as the national RRO at a WIPO sponsored seminar on 14 November 2008. The China Written Works Copyright Society was approved as the national CMO for literary works on 24 October 2008. There is regular contact between the IFRRO

community and relevant Chinese bodies which have also visited CCC, CeMPro and CAL during the FY under review. The APC met once during the period under review. The Chair is *Caroline Morgan* (CAL).

Development Committee for Africa and the Middle East

Africa counts 9 RROs in membership of IFRRO. Two new RROs (BBDA, Burkina Faso; and SOCILADRA, Cameroon), which both already collect fees for reprography, were approved as RRO members during the FY under review. Kopitan has been approved by the Tanzanian authorities and has applied for IFRRO membership, whereas the RROs in Namibia, Uganda and Zambia require some further organisational development before they are ready to approach IFRRO for a formalised relationship. An approach towards the Middle East was made through the IFRRO *Chief Executive* speaking in October 2008 at a WIPO – League of Arab States conference attended by all the League's 22 members. At the invitation of the IP Office he also spoke at a WIPO sponsored national seminar for Lebanese rightholders and others in Beirut in November 2008. A follow up is envisaged in the coming FY. For activities in Africa in cooperation with WIPO, UNESCO, ARIPO and OAPI see Chapter 6. The Development Committee for Africa and Middle East (AMC), chaired by *John-Willy Rudolph* (Kopinor) with *Gérard Louise* (MASA) as Vice Chair with a special responsibility for French speaking countries, met once during the year under review.

European Group and European Development Committee

European Group (EG)

The European Group met twice during the FY. *Kevin Fitzgerald* (CLA) is Chair and forms the Executive Committee with *Rainer Just* (VG Wort) and *Yngve Slettholm* (Kopinor). During the FY under review the EG met in Montego Bay in conjunction with the IFRRO AGM and in Madrid on 5 June 2009. Both meetings discussed the topics addressed in the EC Green Paper on Copyright in the knowledge economy, the Madrid meeting also included *Chris Friend* (World Blind Union) and *Manuel Medina* (European Parliament) as key note speakers. It also started the re-examination of the EG mandate, governance rules and election procedures with the aim to make a recommendation to the IFRRO Board before the end of the next FY.

European Development Committee (EDC)

The EDC met once during the FY under review and organised a workshop for Croatian rightholders and the Collective Management Organisation (CMO) set up by Croatian publishers to administer reprography. Europe counts 36 CMOs administering reproduction rights in membership of IFRRO, 25 with RRO status. The Board has admitted Bulrepro&Copy, the Bulgarian RRO, as an Observer to IFRRO. The law allows the collection of a levy for reprographic reproduction which has proved difficult to enforce. Together with the Baltic States, Balkan and Cyprus, Bulgaria remains a target country for the work of the EDC which is chaired by *Samantha Holman* (ICLA).

Latin America and the Caribbean

There are 9 RROs in membership of IFRRO in the region. During the period under review SADEL was approved by the Chilean authorities and is ready to start licensing. Other RROs made considerable progress: CADRA and CDR had breakthroughs in the licensing education and CeMPro successfully pursued its strategy of enforcement activities combined with subsequent licensing to get copying regulated. The Universities of the West Indies' (UWI) Jamaican campuses are now covered by a licence with Jamcopy. This should pave the way for the licensing of the UWI campuses throughout the Caribbean. CEDRO will soon launch the Iberoamerican Integrated Repertoire, a system devised to host bibliographic data from Iberoamerican RROs, while WIPO and IFRRO, subject to funding being approved, plan to collaborate in the establishment of a Caribbean wide database. Challenges are linked to proposals to introduce wider exceptions and limitations in national legislation, in particular in Brazil and Chile. Main targets remain Costa Rica, Ecuador and Peru and to agree on a proper solution for a Caribbean wide project. The Committee for Latin America and the Caribbean (LAC), chaired by *Victoriano Colodrón* (CEDRO) with *Brian O'Donnell* as Vice Chair responsible for the Caribbean, met twice during the period under review.

8. TECHNICAL WORKING GROUPS AND FORA

Digital Issues

Digital Strategy Committee – Technical Subgroup (DS-T)

The DS-T is tasked with examining the need for and eventually developing an IFRRO Party Identifier; it also acts as a resource group for the Board and the Secretariat in relation to IFRRO's work on ISNI. An outline of

a possible IFRRO PI scheme using ISNI as a basis has been drafted. Next steps include the development of business cases and the analysing of costs and business requirements. The DS-T (Technical Standards Committee (TSC) from next FY), which met four times during the FY under review, is chaired by *Franziska Eberhard* (ProLitteris)

Digital Issues Forum (DIF)

The DIF was convened twice during the year under review to discuss progress on the work on standards (including ONIX messages, ISTC and ISNI), digital mandates and licensing, and developments in the Digital Arena by individual RROs. While the DIF in Montego Bay 29 October 2008 also had a special focus on the Google settlement including its Notice programme the meeting in Madrid on 4 June 2009 emphasised business cases for the digital environment and digital libraries with EUROPEANA Director *Jill Cousins* as one of the speakers. DIF Chair is *Bruce Funkhouser* (CCC).

Legal Issues Committee

The Legal Issues Committee (LIC) has a consultative role to the Board, the Secretariat and the IFRRO members. During the year under review it met twice under the chairmanship of *Caroline Morgan* (CAL) to examine *inter alia* issues in relation to IFRRO's position on exceptions and limitations and the position paper to the WIPO SCCR⁶; legal issues arising from multi territory licensing and from the licensing of internet based works; and the Google settlement.

Working Group on Copying of Visual Material

The WG 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 reprography. Orphan works, the Google settlement and its potential impact on visual material and distribution issues were high on the agenda of this WG which met twice, chaired by *Mats Lindberg* (BUS).

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. Acknowledging the difficulties in organising meetings with members on all continents, the one WG meeting during the year under review emphasised alternative work forms including one based on task forces dedicated towards specific topics such as agreements between RROs; mandates; licensing conditions and strategies; business models; and digital licensing of sheet music. A first task force on mandating of (Music) RROs has been formed. The intention is that the task forces will decide themselves on their work form. The Musical WG is chaired by *François Leduc* (SEAM).

Working Group on the Licensing of Newspapers and similar Publications

The main activity of the WG is the exchange of information on the analogue and digital licensing of material from newspapers and periodicals. This includes information on requirements for digital services in the news and journalistic media and how these can be monetised for the rightholders of original content. Current focus is on business models and technical standards and identifiers relevant to the sectors concerned. The WG, which is chaired by *Martèl Bakker Schut* (SR) met twice during the FY.

Equipment Levy Forum

The Equipment Levy Forum (ELF) is an informal forum open to all IFRRO members for the exchange of information between RROs administering equipment levies and others that take an interest in these issues. As a consequence of the EC facilitated levy working groups (page 7) it met five times during the FY to discuss and advise the IFRRO and levy RRO representatives on the topics on the agenda of these WGs. ELF chair is *Frédéric Young* (Reprobel).

9. FINANCES

Operational accounts

The year-end balance on the operation, i.e. excluding the Development Fund and the Communication Policy Project, resulted in a surplus of € 42,670 against a budgeted surplus of € 500. This is due both to higher

⁶ See 3 Policy Issues and Strategic Cooperation, Copyright Agenda

income and lower costs than expected. A total of € 110,000 was allocated towards development work of which € 45,281 has been paid out leaving a balance of € 64,719, which has been provisioned for next FY.

The Board proposes that € 12,000 of the surplus be earmarked towards renewing the IFRRO website and that EUR 30,670 be added to the operational reserve which will then amount to a total of € 373,377, as of 30 June 2009. This equals some 6 months of the budget yearly spending indicating a sound economic situation.

Communication Project

The 2003 AGM allocated € 200,000 and the AGM 2008 an additional € 45,000 towards a Communication Project, set aside in a separate fund and accounted for separately. As at 30 June 2009, there is a total of € 52,186 left in this fund which will be reduced during the coming FY due to further development of the web pages, new IFRRO publications, the 25 year anniversary activity and other communication activities.

Development Fund

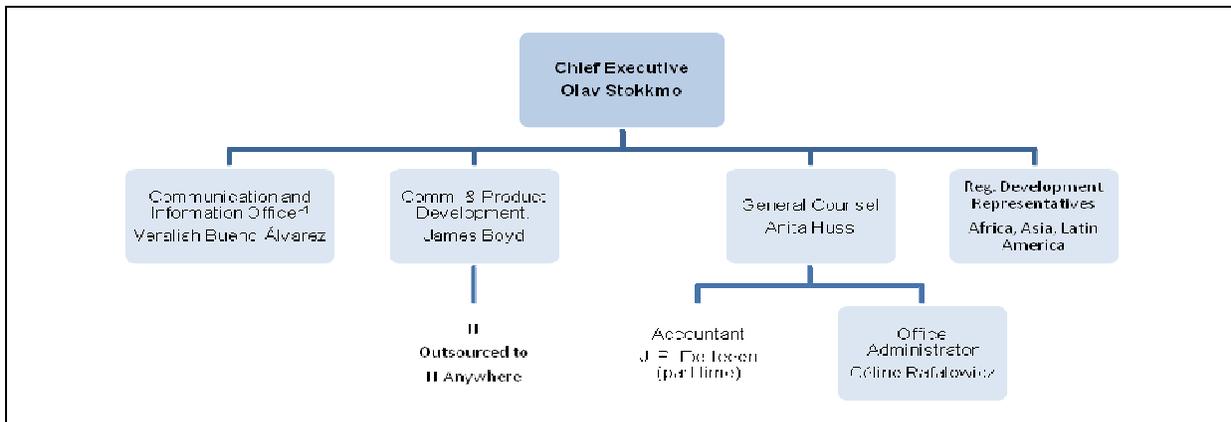
Ten IFRRO members contributed a total of € 133,940 directly to the Fund during the FY. As in previous years, members also contributed financially through their own development funds⁷ and by not charging IFRRO when participating in development activities.

The Board approved that € 100,000 from the DF be earmarked towards investment in technical standards. All other allocations approved towards development work during the period under review were met by the part of the operational budget allocated towards development work. A total of € 215,787 was paid out towards previously approved grants during the FY. A loan of € 10,000 was approved and paid out to CDR, whereas CeMPro repaid the balance of € 14,000, setting its debts to IFRRO, and Luxorr repaid € 28,000 on the loan reducing its loan balance to € 70,000.

As at 30 June 2009, the Development Fund amounts to € 1,026,360, of which € 374,357 has already been allocated through Board decisions towards specific projects. This leaves a total of € 652,003 available for new projects.

10. THE SECRETARIAT

The Secretariat is based at Rue du Prince Royal 87, Brussels (Belgium). Since September 2005, it has been co-located with other international organisations such as the European Visual Artists (EVA) and the European Writers Council (EWC). *Olav Stokkmo* is Chief Executive and Secretary General with *Anita Huss* as General Counsel and Deputy Secretary General. *James Boyd* is responsible for IFRRO’s work on technical standards and communications and product development, whereas *Veraliah Bueno Álvarez* is responsible for the IFRRO website and selected communication and information activities and event managing. *Céline Rafalowicz* handles secretarial matters, including the day to day book keeping. *Jean Pierre Exsteen* is engaged on a consultancy basis to assist with the book keeping and IT is outsourced to IT Anywhere, a Belgian IT service company: bringing the organisational chart to look like this:



(1) Wiebke Dalhoff till 31 December, 2008

⁷ COPYDAN has established a DF which financed the EDC seminar in Croatia

Regional Development Representatives (RDR) reporting directly to the Chief Executive were contracted to assist as follows: Africa: Zimcopy/*Greenfield Chilongo* with priority countries Tanzania, Uganda, Zambia; Asia: CLASS/*Paul Wee*, with focus on Indonesia and the Philippines; Latin America: CERLALC/*Mónica Torres Cadena*, main focus on Costa Rica and Ecuador. RROs have been established in all target countries with the exception of Uganda where the working party to set up the RRO is still working on formalities related to its establishment. FILCOLS, the Philippine RRO was approved as an IFRRO member in 2009, whereas Kopitan's (Tanzania) membership application is currently under examination. For next FY, a one year RDR contract will be considered also for the Caribbean.

11.FUTURE PERSPECTIVES

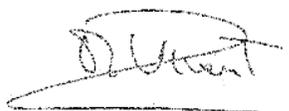
The main project of the President supported by the Board is the implementation of the IFRRO Business Plan 2009-12. Short and medium term priorities aim at facilitating the further development of RRO business models to sustain authors and publishers in relation to analogue as well as digital uses and with a clear emphasis on the digital arena. This implies more resources being channelled towards rendering more visible alternative RRO business models; the implementation of existing IFRRO tools such as the REM and the HTAR; and the development and deployment of technical standards and identifiers. With increased infringement on text and image based copyright works, especially on-line, it is also imperative to examine how IFRRO and RROs can collaborate more closely with authors and publishers internationally and nationally on copyright enforcement activities. IFRRO communication and information will endeavour to be issue specific rather than of a general and educational character, also including enforcement issues.

Parallel to this IFRRO will, when appropriate and in the interest of RROs and rightholders, continue its involvement in initiatives which aim at improved user access to copyright content. Practical solutions can and should be found on the basis of existing frameworks rather than developing new internationally binding legal instruments. The IFRRO Board therefore ventures to contribute to a positive outcome of the WIPO facilitated platform on access to copyright works by VIP and to collaborate constructively in digital libraries initiatives, the EC levy working groups and relevant new initiatives that aim at bringing stakeholders together for solution-oriented dialogues. It also envisages carrying forward the conference program with IFLA and WIPO on the development of a book and reading culture.

Noting that IFRRO is now regularly approached by local initiatives to set up RROs thus allowing a more reactive attitude in this work, the Board will increase its focus on support to existing RRO members. Hands-on work will be emphasised through mentoring and the Regional Development Representatives. At the same time and as announced in the Business Plan, the Board will gradually start examining the current and future scope of IFRRO activities, in a close dialogue with rightholders concerned, the membership and the AGM.

Co-operation with the membership is critical to the success of the implementation of the Business Plan. The development of IFRRO has always been favoured by equally strong RRO, authors' and publishers' voices. The Board will continue to facilitate the interchange with the RROs, the rightholders and their associations and keep these channels of communication high on the agenda. The membership's active involvement and willingness to share experience will be the key to IFRRO's future and new successes.

Brussels, 30 June 2009



Magdalena Vinent, President