

## IFRRO BOARD REPORT 2017

This report covers the period July 2016 – June 2017.

### 1. Organisational Overview

**Board Representation** - Until the 2<sup>nd</sup> November 2016 the Board was comprised of:

**Presidency:** Rainer Just, (VG Wort), President; Yngve Slettholm (Kopinor), First Vice President. Due to Jim Alexander (Copyright Agency) stepping down from the Board in June 2017, the position of the second Vice-President was filled by Yngve Slettholm until elections at the AGM in November 2016.

**Directors:** Tracey Armstrong (CCC), Pirjo Hiidenmaa (EWC), Dora Makwinja (COSOMA), Benoît Proot (Reprobel) and Eefke Smit (IPRO).

**Substitute Directors:** Ana María Cabanellas (IPA), Vincent van den Eijnde (Stichting Pictoright) and Samantha Holman (ICLA).

At the IFRRO Annual General Meeting on 2<sup>nd</sup> November 2016, the members approved proposed changes to the statutes to extend the terms of Board of Directors to three years and to permit individual directors to serve more than two consecutive terms.

On the 2<sup>nd</sup> November 2016, a new Board of Directors was elected comprised of:

**Presidency:** Rainer Just (VG Wort), President; Yngve Slettholm (Kopinor), First Vice President and Tracey Armstrong (CCC), Second Vice President and Treasurer.

**Directors:** Sandra Chastanet (CFC), Vincent van den Eijnde (Stichting Pictoright), Mat Pflieger (CLA), Benoît Proot (Reprobel) and Eefke Smit (IPRO).

**Substitute Directors:** Ana María Cabanellas (IPA), Edward Hasbrouck (NWU/IFJ), Samantha Holman (ICLA) and Dora Makwinja (COSOMA).

The term of the new Board of Directors began on the 3<sup>rd</sup> November 2016 and will continue until the AGM in November 2019.

On 4<sup>th</sup> November 2016, Olav Stokkmo stood down as CEO and Secretary General, continuing as Special Advisor to IFRRO till the end of 2016. Caroline Morgan was appointed by the Board as CEO and Secretary General on the 4<sup>th</sup> November 2016.

The Board met three times in the period under review: 31<sup>st</sup> October 2016 in Amsterdam, 6<sup>th</sup> February 2017 in Geneva and 31<sup>st</sup> May 2017 in Helsinki.

**Membership** - As at 30 June 2017, IFRRO has 146 members in 83 countries. Ninety-four members are RROs, of which 22 are Associate RROs and 11 Provisional RRO members. There are 52 Creator or Publisher Association Members. This represents an overall increase of three members since the last Financial Year. Collected fees by RROs decreased slightly, mainly due to exchange rate movements, to €1,058 million, from €1,067 million in 2016.

In the period under review, five organisations became members of IFRRO: JCOPY (Japan) as a full RRO member, Stichting PRO (Netherlands) as an associate RRO member. Koupis (Kazakhstan) and SODAV (Senegal) as provisional RRO members. The European Federation of Journalists joined as a Creator or Publisher Association member.

Three organisations cancelled their membership with IFRRO, each a Creator or Publisher Association member – the Publishers Association (UK), SAVA (Argentina) and the American Photographers Association (USA).

**Strategic Plan** - The three-year Strategic Plan as presented to the membership at the AGM 2014, guided IFRRO's activities through the Financial Year 2016. The plan positions IFRRO as a distinct and relevant voice in the copyright debate. It also enables IFRRO and its members to take their place in the digital environment and respond to the challenges and opportunities it presents.

At the Annual General Meeting in 2016, the members considered IFRRO's involvement with Public Lending Right (PLR) and approved changes to the membership fee and voting structures so that the collection of compensation for PLR is now included in the overall calculation of membership fees to IFRRO. Fifteen IFRRO members administer, and others are indirectly involved in the administration of PLR schemes in their respective countries, so that the formal recognition of these activities in IFRRO's strategic framework is not only welcome, but necessary.

## 2 Policy and Strategic Developments

In the year under review, activities continued on a strategic response to the developments facing IFRRO and its members. These developments include:

### 2.1 Author and publisher participation in RROs

A fundamental basis for RRO activities is cooperation between authors and publishers, and the understanding that both have a right to share in remuneration, in relation to the secondary reproduction of published works.

In the last Annual Report, we commented on the challenges facing the current RRO model of operation as a result of the decision of the Court of Justice of the European Union (CJEU) in the litigation between HP Belgium and Reprobel, and that of the German Federal Court of Justice in the Vogel case against VG Wort.

Although in the year under review progress has been made in responding to the challenges posed by these legal cases, the threats have not fully receded. In order to respond to the changed operating environment some members, such as Reprobel, have been required to make significant changes to their mode of operation.

The situation in Germany continues to pose challenges and is a continued threat to the traditional model of RRO operation.

The Task Force (TF) formed in FY 2016, which included Board representatives *Tracey Armstrong* (CCC) and *Samantha Holman* (ICLA); RRO representatives *Caroline Morgan* (LIF Chair and Copyright Agency), *Robert Staats* (VG Wort), *Jukka-Pekka Timonen* (Kopioisto) and *Kurt van Damme* (Reprobel); author nominated representatives *Malin Koch* (Swedish Writers Union and EWC) and *Anke Schierholz* (VG Bildkunst); and publisher nominated representatives *Sarah Faulder* (PLS) and *René Viljoen* (Lenz Caemmerer law firm) met several times during the year to examine the potential medium and long term consequences of the CJEU ruling on RROs and their activities under various models of operation.

In its report to the Board in November 2016 the TF concluded that Article 12 of the proposed Directive on Copyright in the Digital Single Market<sup>1</sup> would, if implemented, provide the necessary long-term solution to the CJEU decision in the HP and Reprobel case. This recommendation was endorsed by the Board and forms the basis of IFRRO's position on Article 12 of the proposed DSM Directive.

The TF was reconvened in June 2017, to provide advice and assistance to the Secretariat on lobbying in the European Parliament and Council on Article 12 of the proposed DSM Directive.

### 2.2 Orphan and Out of Print Works

The CJEU handed down its ruling in the Soulier case<sup>2</sup> in November 2016.

The case had been referred to the CJEU by the Conseil d'Etat (the French Supreme Court), who had asked the Court to clarify whether the French legislation on the digitisation of out-of-print books, which gives to

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[http://www.europarl.europa.eu/RegData/docs\\_autres\\_institutions/commission\\_europeenne/com/2016/0593/COM\\_COM\(2016\)0593\\_EN.pdf](http://www.europarl.europa.eu/RegData/docs_autres_institutions/commission_europeenne/com/2016/0593/COM_COM(2016)0593_EN.pdf)

<sup>2</sup> Case C-301/15 (*Marc Soulier, Sara Doke v Ministre de la Culture et de la Communication, Premier Ministre* <https://goo.gl/72nv6J>)

approved CMOs the right to authorise the reproduction in digital form of these books, is compatible with the InfoSoc Directive 2001/29/EC.<sup>3</sup>

The Court decided that the French legislation was not compatible with the InfoSoc Directive. The CJEU acknowledged that the prior consent of an author for the use of their works can be expressed explicitly or implicitly, so long as the conditions for such implicit consent are *strictly defined* and that the author has been *informed of the future use of his work by a third party and of the means at his disposal to prevent it if he so wishes*.

The CJEU considered that the conditions for such implicit consent had not been met and as a result it was possible that some authors were not aware of the planned use of their works, as a result, their lack of opposition could not be considered as *implicit consent*. In addition, the Court said that because of the specific nature of out-of-print books, one cannot *reasonably* presume that the authors of these books who have not opposed such use, will be in favour of their books being digitised and used commercially.

The CJEU also held that the conditions in the legislation through which an author can put an end to the commercial exploitation of their works in digital format restrict the exercise of the right of the author to end such exploitation, which should not be made subject to an agreement with the publisher or to the submission of additional formalities.

As a result of the ruling the Conseil d'Etat decided<sup>4</sup> on 6 June 2017, to partly rescind the decree that had established the ReLIRE scheme. The legal provisions enabling the digitisation and making available of out-of-commerce works were therefore declared null and void, the decision having a retroactive effect.

The question of mass digitisation of out of commerce works is addressed in Article 7 of the proposed Directive on Copyright in the Digital Single Market. IFRRO's position on this aspect of the Directive is that the Directive should reflect the industry position agreed in the 2011 Memorandum of Understanding signed by IFRRO, European authors, publishers and library associations.

### **2.3 Exceptions and Limitations - WIPO**

Discussion of the current framework for exceptions and limitations to exclusive rights continued at an international level throughout 2016, notably at the World Intellectual Property Organisation (WIPO).

The two WIPO SCCR (Standing Committee on Copyright and Related Rights) meetings held during the period under review saw continued discussions on exceptions and limitations, with a focus on education, and libraries and archives.

With respect to exceptions for libraries and archives, the SCCR has agreed to update the existing studies which date from 2008<sup>5</sup>. At the upcoming SCCR meeting in November 2017, the WIPO Secretariat is to propose an action plan for limitations and exceptions for libraries and archives, which will be discussed and, if adopted, will shape the future work of the Committee on this issue.

At each of the SCCR meetings in 2016 Professor Daniel Seng presented his comprehensive study<sup>6</sup> on exceptions for educational uses. In his study, Professor Seng highlighted the various flexible access mechanisms implemented in different countries under the current international instruments.

In IFRRO's view, his report indicates that the current international framework is sufficiently flexible to enable a broad spectrum of exceptions for education. As a result we oppose the introduction of any further international instrument on exceptions and limitations for education. IFRRO made a statement at the SCCR meeting in November 2016 to this effect, and continues to work closely with our members representing international authors and publishers to present this view to WIPO and its Member States.

At the time the Marrakesh Treaty was being negotiated no agreement could be reached on its application to persons with disabilities other than the visually impaired. As a result, the SCCR is now exploring the needs

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<sup>3</sup> <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A32001L0029>

<sup>4</sup> <https://www.legifrance.gouv.fr/affichJuriAdmin.do?oldAction=rechJuriAdmin&idTexte=CETATEXT000034978289>

<sup>5</sup> [http://www.wipo.int/copyright/en/limitations/libraries\\_and\\_archives.html](http://www.wipo.int/copyright/en/limitations/libraries_and_archives.html)

<sup>6</sup> [http://www.wipo.int/edocs/mdocs/copyright/en/sccr\\_33/sccr\\_33\\_6.pdf](http://www.wipo.int/edocs/mdocs/copyright/en/sccr_33/sccr_33_6.pdf)

of people with other disabilities. A study by Professors Reid and Ncube has been commissioned by WIPO and will provide the basis of further discussions.

## 2.4 European Union Copyright Review

Following the European Commission's 2015 Communication on a modern and more European copyright framework, which sets out key political objectives and areas for action, a first legislative proposal, a Regulation on cross-border portability of online content services, was adopted on 14 June 2017. The purpose is for consumers that buy or subscribe to e-books, film, music and games to be able to access them when they travel to other EU countries.

On 16 September 2016, the European Commission released a Copyright Package that included:

- A Communication on Promoting a fair, efficient and competitive European copyright-based economy in the Digital Single Market,
- A Proposal for a Directive of the European Parliament and of the Council on copyright in the Digital Single Market ("DSM Directive")
- A Proposal for a Regulation on the rights applicable to certain online transmissions of broadcasting organisations and retransmissions of television and radio programmes,
- A Proposal for a Directive on certain permitted uses of works and other subject-matter protected by copyright and related rights for the benefit of persons who are blind, visually impaired or otherwise print disabled,
- A Proposal for a Regulation on the cross-border exchange between the Union and third countries of accessible format copies of certain works and other subject-matter protected by copyright and related rights for the benefit of persons who are blind, visually impaired or otherwise print disabled,

as well as an impact assessment on the modernisation of EU copyright rules and a report on the results of the public consultation on the role of publishers in the copyright value chain and on the "panorama exception", and other documents.<sup>7</sup>

At the AGM and Congress on 2 November 2016 IFRRO confirmed and agreed its position on the DSM Directive.

In February 2017, the Board agreed on an IFRRO position paper<sup>8</sup> on the proposed DSM Directive which explained in more detail the key areas of common concern for IFRRO members: the exception for illustration for teaching (Article 4), the exception for libraries for preservation purposes (Article 5), out of commerce works (Article 7), and the right for publishers to be compensated (Article 12). In addition, the position paper suggests a clarification of the right of communication to the public and making available right in light of recent CJEU interpretations of the law, which allow third parties to 'free ride' on the efforts of rightholders to make works available. An accompanying document was also produced, setting out IFRRO's suggestions for wording to amend the Commission text in order to address these concerns.

As regards the proposed **exception for illustration for teaching**, IFRRO expressed our concerns and voting recommendations to MEPs in the European Parliament's Culture (CULT) and Industry (ITRE) Committees, ahead of their votes on the Commission's proposed text. Some of our concerns were addressed in the Opinion reports. IFRRO also wrote to MEPs in the European Parliament's Legal Affairs (JURI) Committee, ahead of a debate in July 2017 on the various proposals for amendments which MEPs had put forward. One of our key points – that there should be compensation paid where the exception was applied – was raised by an MEP during this debate.

As **Article 12 (right for publishers to be compensated)** remains a key issue for IFRRO members, following the HP Belgium v Reprobel case, a task force was reconvened to closely follow and discuss how this issue is being dealt with by the European Parliament and Council in their ongoing discussions. In short, the proposed Article 12, which seeks to restore the position before the HP Belgium v Reprobel case and which IFRRO supports, has so far been considered one of the less controversial proposals in the Directive.

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<sup>7</sup> <https://ec.europa.eu/digital-single-market/en/modernisation-eu-copyright-rules>

<sup>8</sup> <http://ifro.org/content/ifro%E2%80%99s-position-draft-directive-copyright-digital-single-market>

Looking ahead, IFRRO will continue to stay in touch with MEPs and their political advisers. IFRRO's rightsholder group met in Brussels in September to discuss a draft position paper setting out our concerns and voting recommendations on amendments tabled by MEPs in the JURI Committee. This position paper, once finalised, will be sent to all JURI MEPs ahead of the Committee vote, which is set to take place by the end of 2017. IFRRO has also been in contact with all 28 Member States representations to inform them of the IFRRO position and will continue to maintain contact with them, and in particular the Estonian Presidency of the EU (which will organise and chair discussions until the end of the year) and the future Bulgarian Presidency (which will run from January – June 2018), which may or may not be in a position to oversee the final adoption of the DSM Directive.

As regards **enforcement**, there is an ongoing review of the framework for enforcing intellectual property rights (IPR). The European Commission has not put forward any legislative proposals since it launched its public consultation on the enforcement of IPR at the end of 2015. It remains to be seen what sort of legislative action - if any - it will take. The Commission has also been working on developing self-regulatory initiatives under the "follow the money" approach to IPR enforcement. For example, on 21 October 2016, stakeholders agreed on the basic principles of an agreement<sup>9</sup> to help to restrict the income that IP-infringing websites get from online advertising.

## 2.5 Public Lending Right

Following the membership's decision for IFRRO to take a more strategic role in developing PLR systems around the world, a Steering Committee to oversee the activities of *PLR International* has been established.

The Steering Committee represents the key groups working on PLR, authors, visual artists, publishers and RROs. The Steering Committee has eight members Barbara Hayes, Carola Streul, Trond Andreassen and Anne Salomaa representing authors, José Borghino and Anne Bergman-Tahon representing publishers and Christian Roblin and Caroline Morgan representing RROs. Jim Parker has been engaged as the PLR administrator responsible for carrying forward the activity plan and objectives of *PLR International*.

*PLR International* has two main objectives:

- Supporting the establishment of PLR systems in EU Member States which have not yet met their obligations under the EU Lending Right Directive, and provide support to improve the operation of existing systems in the EU,
- Outside the EU, provide support for campaigns for PLR that are already underway and publicise the benefits of PLR more widely.

Priority countries in each area have been identified, in Europe these are Portugal, Romania and Bulgaria. For the rest of the world the priority countries are Hong Kong, and Malawi. The *PLR International* website is at <https://www.plrinternational.com/>.

In November 2016, *PLR International* cooperated with the IAF (International Authors Forum) in hosting a side event at WIPO on PLR which was chaired by the Malawi ambassador to the UN. The event focused on introducing PLR to the SCCR delegates and launching an introductory booklet on PLR focused on a global audience. At the event<sup>10</sup>, the Ambassador announced the recent decision by the Malawi government to introduce PLR for Malawi authors. Speakers included author and library representatives presenting their perspective on PLR. The meeting was chaired by Dora Makwinja.

This was followed by a meeting of African and Latin American delegates at the SCCR meeting in May, also hosted by the Malawi ambassador. The purpose was to encourage them to be supportive of PLR at WIPO and at a national level.

## 2.6 Authors Rights

In 2016, IFRRO in cooperation with its author association members, began developing a project to support the improved engagement of authors in collective management and in the work of IFRRO. The initial focus has been to establish PLR International, and to identify possible activities and focus countries.

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<sup>9</sup> [http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item\\_id=8974](http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=8974)

<sup>10</sup> <http://internationalauthors.org/iaf-event-summary-guide-public-lending-right-facts-fiction/>

In the coming year IFRRO will work with the international and regional authors association in membership of IFRRO to engage authors in the work of RROs. Proposed activities include awareness raising seminars and tailored written communications. We will also develop a toolkit for members on best practice in the representation of and distribution of fees for artistic works.

With our author association members, we also propose to engage with UNESCO on the implementation of their newly adopted *Guidelines to support The Convention on the Protection and Promotion of the Diversity of Cultural Expressions in a Digital Environment*.<sup>11</sup> These guidelines recognise the importance of valuing the work of creators in the digital environment, including respect for and protection of intellectual property rights and the role of collective management.

## 2.7 Visually Impaired

The Marrakesh Treaty<sup>12</sup> entered into force on 30 September 2016, with 31 countries having ratified it by the time of writing.

In September 2016 as part of the Copyright Package, the European Commission released two legislative proposals to implement the Marrakesh Treaty into EU law. The European Commission, Parliament and Council agreed on two compromise texts that were formally adopted by the European Parliament in plenary session on the 6<sup>th</sup> of July and by the Council on 17<sup>th</sup> July 2017. The two legislative acts entered into force on 21<sup>st</sup> September 2017.<sup>13</sup>

A separate issue was question of whether each Member State individually and/or the European Union on their behalf had the competence to ratify the Marrakesh Treaty. The Court of Justice of the European Union found in February 2017 that the European Union has exclusive competence to conclude the WIPO Marrakesh Treaty.<sup>14</sup>

IFRRO is an active participant in the Accessible Books Consortium (ABC)<sup>15</sup>, which plays a practical role in implementation of the Marrakesh Treaty. *Olav Stokkmo* represents IFRRO on the Board of ABC, which is chaired by the WIPO Director General Francis Gurry. The ABC Board also includes representatives from IPA, IAF, publishers, organisations representing people with print disabilities, including the World Blind Union, and libraries serving the print disabled.

ABC has three main activities:

- (i) Inclusive publishing, to increase the number of works published in accessible formats through encouraging enhanced use of the latest version of EPUB3;
- (ii) Sharing of technical skills and know-how through a technical assistance and capacity building programme, primarily directed towards countries under development; and
- (iii) Further development of the international database and book exchange, hosted by WIPO. At the finalising of the Annual Report, 25 participating libraries have uploaded their catalogues to the ABC Global Book Service database, which contains over 353,000 titles in 55 languages. Publishers, author and RROs have cleared rights for 19,700 titles, which, in turn, has enabled over 128,000 loans by people with print disabilities. Argentina, Bangladesh, India, Nepal, Sri Lanka and Uruguay are the current focus countries of the capacity building initiatives.

The Board encourages RROs to play an active role in assisting authors and publishers, when they require it, to facilitate the making available accessible format copies of their works, including the clearance of rights for uploading to the ABC database. IFRRO has a dedicated web page on print disability issues<sup>16</sup>, which includes tools developed by IFRRO to assist RROs on the issue, and links to various other resources.

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<sup>11</sup> [https://en.unesco.org/creativity/sites/creativity/files/sessions/6cp\\_11\\_do\\_numerique\\_en.pdf](https://en.unesco.org/creativity/sites/creativity/files/sessions/6cp_11_do_numerique_en.pdf)

<sup>12</sup> <http://www.wipo.int/wipolex/en/details.jsp?id=13169>

<sup>13</sup> Entry into force the day after publication in Official Journal, OJ-242 pg.1, 6 <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L:2017:242:TOC>

<sup>14</sup> <https://goo.gl/n5Xjs5>

<sup>15</sup> <http://www.accessiblebooksconsortium.org/portal/en/index.html>

<sup>16</sup> <http://ifro.org/content/access-persons-print-disabilities>

## **2.8 Governance and Transparency**

Good governance and transparency continue to be of importance for RROs as collective management becomes increasingly important as a rightholder led alternative for access to content. National governments are increasingly looking to regulate CMOs, with several reviews announced or ongoing, in places as diverse as Singapore, Ukraine and South Africa.

In the second half of 2016, IFRRO was involved in WIPO events focused on governance of collective management organisations in Cameroon, Albania, and Botswana.

At the beginning of 2017, WIPO announced a change of focus in its activities in respect of the collective management sector. WIPO remains committed to building a strong collective management sector as part of the digital economy and in the last six months of the period under review IFRRO has participated in WIPO events focused on developing good governance in collective management organisations in Ukraine, El Salvador, Singapore, and Tunisia.

## **3 Member Relations, Stakeholders and Communication**

### **3.1 Communication and Engagement**

The Board recognises that IFRRO's communication activities must enable IFRRO and its members to defend the principles of copyright and authors' rights, embrace the digital environment, communicate the importance of collective management in society, and to position IFRRO as a constructive, distinct and relevant voice in the copyright debate.

In the period under review, IFRRO organised or spoke at awareness raising activities and events on these topics to national and international audiences in more than 15 countries including:

- Workshops and seminars for publishers and authors, in Cameroon, Kenya, Nigeria, Serbia, Ivory Coast, Turkey, Sharjah and Zambia.
- Seminars for government officials and ministers, in Zimbabwe, Republic of Korea, Serbia, UAE, Botswana, Singapore and Tunisia.

### **3.2 Member Relations**

IFRRO continues to support members, in relation to proposals to amend copyright legislation in their countries. During the period under review IFRRO made submissions on proposed legislation in Singapore, Greece, South Africa, Zambia, Turkey, Romania, Tanzania, Kenya, Azerbaijan, China, Ukraine, Ivory Coast, Bulgaria, Mali and Nigeria and reviewed licensing, tariff or membership agreements and other documentation for members in Zambia, Slovenia, Serbia, Nigeria, Latvia, Kenya, Indonesia, and Botswana.

In cooperation with WIPO and the Norwegian Copyright Development Association, NORCODE, the assistance programme to REPRONIG, was implemented. Significant progress has been made in reworking REPRONIG's Constitution and mandate, and in developing a template licence for universities.

In May 2016, the Board also made the decision to write off the 2012 loan of €11,690 to ZANA for litigation against copy shops in Croatia to recover unpaid operator fees. Although the action was successful, by the time the action was finalised and costs awarded many of the copy shops had gone out of business and ZANA was ultimately unable to recover its costs.

IFRRO held its mid-term meetings in Helsinki from 30 to 31 May 2017. Meeting included the European Group, the Legal Issues Forum, a joint meeting of the Equipment Levy Forum and Public Lending Right Forum, the Newspapers and Periodicals Working Group, the Visual Working Group and the Musical Forum. IFRRO also facilitated an IAF meeting and an authors' gathering.

The Board meeting agendas continue to be posted on the Members Only section of the IFRRO website one month prior to the meetings, and Executive News informs the membership's executives and boards of the most important Board decisions. The IFRRO Newsletter was published five times while three issues of the Digital Alert were produced. Monthly Alerts have been sent to members to remind them of important deadlines and information that has been disseminated by IFRRO, and to give links to articles and events. The IFRRO website is updated on a regular basis as are social media channels such as Twitter and LinkedIn.

### 3.3 Stakeholder engagement

#### **CISAC** (Confédération Internationale des Sociétés d'Auteurs et Compositeurs)

The new CEO met with CISAC Director General Gadi Oron in January 2017 to discuss opportunities for collaboration in regional development activities, and joint initiatives to support implementation of levy systems where they exist in national legislation.

As a result of those discussions, in May 2017, the CISAC and IFRRO Asia Pacific Committees held a joint meeting in Seoul, which also included a seminar to promote the introduction of a private copying levy in the Republic of Korea. Cooperation with CISAC on technical standards work also continues.

#### **IFLA** (International Federation of Library Associations)

The IFRRO President attended the IFLA General Assembly Congress and participated in the strategic partner discussions in Ohio, United States of America in August 2016. IFLA was also represented at the IWC and AGM 2016 in Amsterdam and will participate in the 2017 AGM and Congress in Tokyo.

## 4 Developing Business Approaches

### 4.1 Business models and cases

The IFRRO Business Models Forum (IBMF) chaired by Tracey Armstrong (CCC) offers opportunities for the exchange of best practices and discussions to stimulate development of RRO business models, and for the communication and exchange of views on the digital future. The forum in November 2016, in Amsterdam, focused on how to meet user needs in an increasingly disrupted environment. The theme of the Conference was – *At a Crossroads: Copyright and Collective Management*. Speakers included Dr Francis Gurry, Director General of WIPO and Kevin R. Amer from the US Copyright Office. Discussions focused on how IFRRO and RROs have evolved and continue to develop to meet dynamic user requests for access to published works.

### 4.2 Agreements between RROs

The Board has established two Task Forces (TF) to review IFRRO's tools for entering bilateral agreements and to make recommendations for their continued use and development.

The *Type B Agreement Task Force*, led by the IFRRO General Counsel, made up of Dora Makwinja (COSOMA), Hege Døssland (Kopinor), Caroline Morgan (Copyright Agency), André Myburgh (DALRO), Robert Staats (VG Wort), and Kurt Van Damme (Reprobel), examined the legal basis for Bilateral Agreements Type B (exchange of repertoire with no exchange of collected fees) and reported their conclusions to the Board in November 2016.

The Board considered and endorsed the recommendations of the TF, that international legislation does not prevent Type B bilateral agreements. The conclusion is that it is an individual decision for each RRO whether to enter into Type B agreements. To assist RROs in making decisions about Type B agreements the Board has posted a statement on the Members Only section of the IFRRO website which explains the considerations.<sup>17</sup>

The *IFRRO Sample Bilateral Agreements Task Force*, convened by the Board in June 2016, led by Caroline Morgan as Chair of the IFRRO Legal Issues Forum, with members Martin Kyst (COPYDAN Writing), Philippe Masseron (CFC), Javier de Olarte Díaz (CEDRO), Carlo Scollo Lavizzari (Lenz Caemmerer, representing publishers) and Carola Streul (EVA, representing authors) continued its work of reviewing the IFRRO instruments on bilateral agreements. In May 2017, Martin Kyst (COPYDAN writing) replaced Caroline Morgan as the Chair of the Legal Issues Forum and also as Chair of this Task Force.

The TF has identified issues for review in the toolkit for bilateral agreements, and presented those issues to the Board in February 2017. The TF has also consolidated the current obligations and guidelines contained in IFRRO's existing tools and documents regarding bilateral agreements into a single resource for members. The Task Force gave a progress report to the Board and the membership in Helsinki in May 2017. The next project for the TF is to develop a guide on how to use the existing IFRRO tools and instruments as well as a

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<sup>17</sup> [http://ifro.org/sites/default/files/bilateral\\_agreements.pdf](http://ifro.org/sites/default/files/bilateral_agreements.pdf)

draft workplan for 2017/2018. The TF will present its work to the membership at the Congress in November 2017.

### **4.3 Technical standards and identifiers**

#### ***EDItEUR***

IFRRO is a member of EDItEUR, which is responsible for a number of standards of interest to IFRRO members, including ONIX for RROs, and administers the ISTC and ISNI International Agencies. Caroline Morgan has represented IFRRO on the Board of EDItEUR since the beginning of 2017.

#### ***ISNI (International Standard Name Identifier)***

Michael Healy (CCC) chairs ISNI-IA (ISNI-International Association) on behalf of IFRRO. Caroline Morgan is actively involved in the ISNI work for IFRRO, also sitting on the Board. The ISNI database is a cross-domain resource, contributed to by 43 major national and research libraries, institutions and databases. CEDRO, COPYRUS, ICLA and PLS are ISNI members. There are now over 9.46 million ISNIs, including 8.81 million individuals, of which 2.6 million are researchers and 658, 121 organisations.

#### ***ARROW***

In June 2017, the members of the Arrow Association made the decision to terminate its activities. The decision was made as the current number of large scale digitisation projects using ARROW did not generate sufficient demand to justify an entity dedicated to its maintenance. The ARROW software will be under license Apache 2.0., and a final decisions on downloading (and availability) are to be made.

ARROW is a tool to facilitate rights information management in any digitisation project involving text and image based works. ARROW infrastructure allows streamlining the process of identification of authors, publishers and other rightholders of a work, including whether it is orphan, in or out of copyright or if it is still commercially available.

#### ***ISTC (International Standard Text Code)***

The International ISTC Agency (ISTC-IA), is a global identification system for textual works. It is intended for use by publishers, bibliographic services, retailers, libraries and rights management agencies. There are eight Registration Agencies (RA) representing interests across the globe. These are BTLF (Canada), ISTC-CN (China), CB (the Netherlands), Electre (France), Meta4Books (Belgium), MVB (Germany) and two Nielsen Book Agencies (UK and Australia/New Zealand).

#### ***PLUS (Picture Licensing Universal System)***

PLUS is a non-profit initiative to create a standard to define and categorise images of all kinds inter alia to simplify and facilitate image licensing and the exchange of repertoire and remuneration for the use of images. The PLUS system is made up of four components: the *Glossary*, which defines the terminology and language used in image licensing agreements; the *Media Matrix*, which specifies “media categories and organizes them by type”; the *Licence Data Format*; and the *PLUS Registry*, the online resource providing searchable metadata on images. PLUS is membership based. IFRRO is a member, and is represented on its Board, during the period under review, by IFRRO Director Vincent van den Eijnde.

### **4.4 Standard Software package for RROs**

The Web-based IFRRO standard Software Environment (WISE) for RROs is a cloud based system for managing rightholders, works, licensing and distribution. WISE is currently used by four RRO's, ICLA, DALRO, CLNZ and Jamcopy. Those RROs report that the system has streamlined their workflows and improved the efficiency of their operations.

## **5 Intergovernmental Agencies**

### **5.1 WIPO (World Intellectual Property Organization)**

In September 2016, Sylvie Forbin took on the position of Deputy Director General of the Culture and Creative Industries sector at WIPO, responsible for copyright. In a reshuffle of the sector in early 2017, Kevin Fitzgerald assumed the position of acting Director of the Copyright Infrastructure Division, replacing David Uwemedimo.

As part of a refocus of activities the TAG project was discontinued. WIPO has reiterated its commitment to building a strong and resilient collective management sector, demonstrated by IFRRO's engagement and collaboration in several WIPO events and consultations in the 2017 calendar year. In order to ensure that the information gathered as part of the TAG exercise remains accessible, WIPO has established a working group, including IFRRO, to develop a toolkit based on the TAG work for use by CMOs and governments.

In conjunction with the IFRRO Board meeting in February 2017, Sylvie Forbin and her team collaborated in a strategy meeting with the IFRRO Board. During the meeting, the Board communicated IFRRO's position on issues such as the role of collective management organisations in the digital economy and IFRRO's perspective on the preferred outcome of the exceptions discussions at WIPO.

WIPO is developing a project to ensure inclusive and quality education for all and promote lifelong learning. The project seeks to respond to two main challenges:

- How to contribute to guaranteeing access to educational materials, particularly in low income countries, and
- How to ensure sustainability of the national publishing sector.

IFRRO is closely involved in the initial phase of the project, as RROs are ideally placed to carry this project forward.

Efforts continue to have Resale Royalty added to the formal agenda of the SCCR. An international conference on the resale right was held on 28<sup>th</sup> April, just before the May SCCR meeting. The seminar provided perspectives on the operation of resale royalty schemes in various parts of the world. A study of the economic implications of the resale right by Professor Kathryn Graddy is also underway and will be presented at the next SCCR in November 2017. Despite support from many Member States, and observers such as IFRRO, the topic is yet to become a standing item on the agenda of the SCCR.

During the FY under review, IFRRO provided speakers for and collaborated with WIPO in the organising of nine conferences, seminars or workshops: four in Africa, two in Europe, one in each of Asia Pacific and Latin America and the Middle East. Representatives from over 80 national governments participated in these events.

## **5.2 European Union**

Slovakia took over the Presidency of the European Council from the Netherlands on 1 July 2016, followed by Malta in the first half of 2017. In the year under review, IFRRO met with representatives of each Presidency as well as those of other key Member States, such as France and Estonia.

IFRRO, along with EWC and FEP also organised a breakfast briefing and a seminar with the then rapporteur for the Directive, MEP Therese Comodini Cachia, on 2 February 2017, at the European Parliament. This was a unique opportunity to showcase the various licensing schemes that exist in Europe and to advocate for a narrow illustration for teaching exception, subject to a licence override and mandatory remuneration, and for an approach to the digitisation of out-of-commerce works based on the 2011 Memorandum of Understanding.

## **5.3 ARIPO (African Region Intellectual Property Organization)**

In 2006, IFRRO signed a cooperation agreement with ARIPO, which represents 19 English and Portuguese-speaking Sub-Saharan African countries. In December 2016, ARIPO celebrated its 40<sup>th</sup> anniversary and Council of Ministers meeting in Harare, attended by the CEO, who addressed the meeting on IFRRO's priorities and opportunities for future collaboration.

ARIPO's Strategic plan for 2017-2020, announced at the December 2016 meeting, includes a focus on CMO development and governance in the 19 countries which are part of ARIPO. The plan included a major symposium in June 2017, facilitated by WIPO and including IFRRO, to develop national action plans for copyright and CMO development in each ARIPO member country. The IFRRO CEO participated in this meeting, and made a presentation on *The role of RROs in Creating an Environment for Growth*. In the last day of the symposium the delegates developed a Comprehensive Agenda for Copyright in Africa, which will guide copyright policy development in ARIPO member countries.

ARIPO was represented by Maureen Fondo, responsible for copyright issues, at the IFRRO Congress in Amsterdam in November 2016.

#### **5.4 OAPI (Organisation Africaine de la Propriété Intellectuelle)**

OAPI, led by DG Paulin Edou Edou until July 2017, with Solange Dao-Sanon responsible for copyright issues, represents 17 French-speaking Sub-Saharan African countries. In the year under review, IFRRO and OAPI cooperated on a number of activities with a particular focus on the implementation of the OAPI activity plan on the enhancement of collective rights management in French speaking Africa.

IFRRO participated in the OAPI-WIPO seminar on good governance in Yaoundé in September 2016 and in the annual meeting of CMOs in OAPI Member States the same month. Ms Dao-Sanon attended the IFRRO World Congress in Amsterdam. Follow up activities to enhance the governance and transparency of CMOs in the region are planned for 2018.

## **6 Regional Development Activities**

Annual reports submitted from the regional groups provide further information about activities in their respective regions. Financial aspects of the development work are reported separately under Finances and in the Financial Statements 2016-17.

### **6.1 Asia Pacific Committee (APC)**

There are 14 RROs in membership of IFRRO in the region, including a new member in Japan, JCOPY. There is also one creator and publisher association member in the region – KOSA (Korea) and one Music RRO, MCSC (China). The APC met three times in the period under review – in August 2016 in Sydney, in October 2016 in Amsterdam and in May 2017 in Seoul, Republic of Korea. Sarah Tran (Copyright Agency) was appointed Chair of the Committee in February 2017, replacing Caroline Morgan.

The period under review has seen substantial progress in revenue collection in China (PRC), and the Republic of Korea. Following its structural reorganisation to respond to new legislation regulating CMO's YRCI (now PRCI) has continued making progress in the licensing of tertiary institutions. VIETTRO has improved relations with the Ministry of Education and entered a formal partnership with the Copyright Office of Vietnam to carry out usage surveys in schools and universities. HKRRLS continues to work with PLR International to lobby for the introduction of PLR in Hong Kong.

In Japan, educators and rightholders are working with government to develop a copyright limitation and/or licensing mechanism for the reproduction and transmission of copyright materials for educational purposes. Licensing has also progressed in Singapore, with the commencement of licensing in kindergartens, and recent success in establishing licenses with all government universities. On the policy front, a general public consultation on Singapore's IP arrangements was held in late 2016, which flagged several concerning changes for CLASS. A further review of the copyright collective rights management ecosystem in Singapore took place in May 2017.

The decision in Delhi University case that course packs could be compiled under exceptions to copyright sent shock waves through the region, and has significantly hampered licensing activities in India.

### **6.2 African Development Committee (ADC)**

The African region counts 14 RROs as members of IFRRO, of which two are Provisional RRO members. In addition to COPYGHANA and COSOMAs continued progress, the Board is pleased with the significant progress ZARRSO has made in licensing in Zambia, with a number of licensing agreements signed with schools and colleges and initiatives to strengthen the writers' associations. In June 2017, the Attorney General in Tanzania clarified that universities are required to use the statutory licence for reprography for their copying activities, and new regulations will be passed to confirm that requirement. When that has happened, we anticipate that licensing activities can recommence in Tanzania.

Kopiken has taken positive steps to restore its operating licence from the Kenyan government and recommence licensing activities. In cooperation with WIPO and the Norwegian CMO development organisation NORCODE, the assistance programme to REPRONIG, has been implemented. Significant

progress has been made in reworking Repronig's Constitution and mandate, and in developing a template licence for universities.

In Ivory Coast a 2016 amendment to the Copyright Act enabled the collective management of rights for the text and image sector through a levy system. IFRROs member, BURIDA, expects the implementation decree to be adopted soon. In Cameroon, the Secretariat has worked to better involve the publishers in the governance of the RRO, also through a sensitising seminar for publishers in September 2016. A few months ago, a new Board was elected and two publishers are now members of the Board.

### **6.3 European Group and European Development Committee**

#### *European Group (EG)*

The European Group met twice during the FY, in November 2016 in conjunction with the Congress in Amsterdam, and in May 2017 in Helsinki. It is chaired by Benoît Proot (Reprobel), with Samantha Holman (ICLA) and Anders Kristian Rasch (COPYDAN Writing) as Vice Chairs.

The focus of the EG in the period under review has been on developing IFRRO's position on the proposed Copyright Directive, and providing a central point for members to discuss aspects of the Directive. Conference calls amongst interested EG members were held several times during the year and the information provided during these calls incorporated in IFRRO's positions.

To complement this work and ensure that the European Commission and Parliament have accurate information on RRO activities, the Secretariat has collated information and updated matrices on the different licensing schemes in place in Europe, the digital uses allowed under those schemes, both in the education sector and for libraries and the implementation of the EU copyright framework in each Member States. All of this information is accessible to members on the Members Only section of the IFRRO website.

With the participation of the EG and its Executive Committee, IFRRO also held regular meetings with the units and cabinets of the European Commission. Some of those meetings were jointly organised with the European author and publisher organisations in membership of IFRRO. In parallel, meetings have been organised with governments and copyright offices of the Member States holding the next EU Presidency, and sensitising selected Members of the European Parliament (MEP) to copyright review issues of importance to the IFRRO membership.

#### *European Development Committee (EDC)*

The EDC met once during the year under review, in Belgrade in October 2016. The meeting was combined with a successful stakeholder awareness raising seminar, organised in cooperation with OORP, the Serbian RRO, and with the Serbian Intellectual Property Office. The EDC is chaired by Samantha Holman (ICLA).

The Board is pleased that LATREPRO (Latvia) continues its progress, having signed a licence with the Ministry of Culture of Latvia for all copying undertaken in public schools and libraries. The Board also welcomes new legislation implementing an appropriate text and image levy in Portugal resulting in substantial increase in AGE COP's revenue collection; and also that SAZOR has licensed education, the effect of which we shall see in the next years. In Lithuania, LATGA-A won a court case that could lead to the proper implementation of the equipment levy scheme. In Romania, OperaScrisa.RO and CopyRO continue their joint work to collect the levies. In February 2017, the Chair of the EDC travelled to Ukraine to take part in a WIPO workshop to prepare a draft law on collective management. The Secretariat continued to work with the European Commission's Directorate-General for Trade and has made submissions regarding IPR aspects of the EU trade negotiations with Azerbaijan, Ukraine and Turkey.

### **6.4 Latin America and the Caribbean (LAC)**

The Committee met twice during the period under review, during the IWC in Amsterdam in November 2016, and in Bogota, Colombia in May 2017. There are 13 RRO members of IFRRO in the region. As ECCLA is a sub-regional RRO for six Eastern Caribbean States, the 13 RROs in Latin America and the Caribbean cover 17 countries. The Board is pleased to note continued progress in the activities of CADRA and CDR. A main focus is on providing assistance to ACODERE (Costa Rica), to SEA to develop licensing activities, and the exploration of a Caribbean wide licensing programme for the University of the West Indies. Ana Maria Cabanellas (CADRA) chairs LAC.

## **7 Technical Working Groups and Fora**

### **7.1 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 Text and Image (TI) levies. It met twice during the period under review, chaired by Kurt van Damme (Reprobel), until May 2016 when George Zannos from Osdel was appointed as Chair of the Forum.

The right of publishers to be compensated under collective management schemes, which was put into question by the decision of the Court of Justice of the European Union (CJEU) in the HP Belgium case (2015), was extensively discussed by the forum during the year. National developments in Member States as a result of the legal cases and the solution offered in the proposed EU directive on copyright in the Digital Single Market were explored.

In January 2017, the CJEU decided<sup>18</sup> that VAT does not apply to copyright levies. The decision could have far-reaching consequences on the way CMOs apply VAT across their operations and an information gathering exercise is underway on this issue.

### **7.2 Legal Issues Forum (LIF)**

LIF is a forum open to all IFRRO members for the exchange of information on legal issues. In May 2017 Martin Kyst (Copydan Writing) was appointed as the Chair of the LIF replacing Caroline Morgan (previously Copyright Agency). The LIF met twice during the FY, in conjunction with the IWC 2016 in Amsterdam in November 2016, and the mid-term meetings in Helsinki in May 2017. In addition to assessing changes in legislation around the world, LIF participants discussed recent relevant developments to RROs, such as the HP Belgium v. Reprobel case before the CJEU, the Canadian Copyright Board's decision on Access Copyright's provincial and territorial government tariff, the *Georgia State University* case, WIPO-related issues, the ongoing EU Copyright Reform, the upcoming implementation of EU data protection rules impacting RROs operations, the implementation of the EU Collective Management Directive and its impact on IFRRO's sample bilateral agreements.

### **7.3 Musical Work Forum**

The Musical Work Forum, chaired by Marc Hofkens (SEMU) met twice during the FY under review, during the IWC in Amsterdam in November 2016, and during the mid-term meetings in Helsinki in May 2017. During the meeting of the Musical Forum in May, participants discussed the current state of play for licensing sheet music by exchanging information on best practices and discussing the practical experiences of Kopiosto, licensing print music in Finland. The participants also discussed the new Belgian legislation as result of the HP-Belgium – Reprobel CJEU ruling and its impact on licensing of sheet music. SEMU will continue to offer its voluntary licensing arrangements for the copying and use of sheet music.

### **7.4 Newspaper and similar periodicals Working Group**

The WG provides an opportunity for information exchange for IFRRO members on the analogue and digital licensing of material from newspapers and similar periodicals. Topics discussed include information on requirements for digital services in the news and journalistic media and how these can be monetised for the rightholders of original copyright materials, and benchmarking different business approaches. Focus during the period under review has been on the licensing of news content by RROs, in particular with educational institutions, and on the move from copying from newspapers and periodicals to copying directly from websites and the need to licence web copying. Also discussed were the impact that the current revision of EU copyright law could have on licensing activities, as well as the development of republishing licensing, where users request a licence to re-publish news content on their website. The WG, which is chaired by Sandra Chastanet (CFC), met twice during the FY.

### **7.5 Public Lending Rights Forum (IPF)**

The IPF, chaired by Christian Roblin (SOFIA), is an informal forum open to all IFRRO members. It was convened twice during the period under review, in conjunction with the IWC 2016 in Amsterdam in November 2016, and the mid-term meetings in Helsinki in May 2016.

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<sup>18</sup> <http://curia.europa.eu/juris/document/document.jsf?text=&docid=186861&pageIndex=0&doclang=EN>

The PLR Forum is a key element of IFRRO's enhanced role in PLR, providing an opportunity for IFRRO members to engage with the work of the International PLR steering committee.

A database with key information relevant to the administration of PLR is available on the Members Only section of the IFRRO website<sup>19</sup>. The Forum also monitors the implementation of the EU rental and lending rights directive.

### **7.6 Visual Material Working Group**

The Visual Material WG, chaired by Vincent van den Eijnde (Stichting Pictoright), met twice during the FY. Its charter is to study and review issues involved in the reproduction of still images contained within books, journals and newspapers and to determine strategies and suggest solution for co-operation and closer involvement of the visual creators in the field of RRO licensing. Topics discussed by the WG included hyperlinking and framing, the development of identifiers for visual works, and the share of visual material in RRO licensing.

In November 2016, the IFRRO AGM, at the request of the Visual Material Working Group adopted a resolution on the issues posed by framing for visual artists<sup>20</sup>.

This issue was incorporated into IFRRO's position on the EU Copyright Package, and in June, IFRRO secured a meeting with Jorgen Gren, Cabinet member of Vice President Ansip to discuss issues posed by framing for visual artists. As a result of the decision in the GS Media case this issue has become more widely discussed and we are working closely with our member EVA on the industry response.

Earlier meetings of the WG had proposed to update the Art of Copying booklet from some years ago, however in June 2017 the WG decided to further analyse through information exchange the practical issues involved in identifying and distributing the share for visual artworks in RRO distributions, and to provide examples of best practice.

## **8 Finances**

### **8.1 Operational accounts**

The year-end balance on the operation of IFRRO, i.e. excluding the Development Fund and the Enforcement Fund, is a surplus of €86,207 against a budgeted surplus of €195. The Operational reserve remains at €405,755, equalling some six months of the budgeted yearly spending, which is considered indicative of a sound fiduciary practice. A total of €229,500 of paid membership fees was allocated towards development work and transferred as voluntary contributions to the Development Fund.

### **8.2 Development Fund**

No IFRRO member contributed directly to the Development Fund during the FY. As in previous years, members also contributed financially through their own development funds and by not charging IFRRO when participating in development activities.

A total of €175,823 was paid out towards approved grants during the FY. As at 30 June 2017, the Development Fund held €55,604, of which €329,151 had already been allocated through Board decisions towards specific projects. This leaves a total of €26,453 available for new projects.

### **8.3 Enforcement Fund**

There have been no contributions to the Enforcement Fund during the FY under review. During the year under review, the Board made the decision to write off the 2011 loan to ZANA of €11,690, and also to fund legal advice on the prospects of success in a WTO legal action. As at 30 June 2017, the fund balance is €78,499.

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<sup>19</sup> <http://ifvro.org/content/database-queries>

<sup>20</sup> <http://ifvro.org/content/ifvro-adopts-resolution-framing-its-agm-amsterdam>

#### 8.4 Tax issues

The Belgian tax authorities' examination of IFRRO's tax liabilities on interests yielded on saving accounts, as reported in last years' Board Annual Reports, has not been concluded, and there has been no contact with IFRRO on the issue during the FY.

### 9 The Secretariat

The Secretariat is based in Rue du Prince Royal 85-87, 1050 Brussels, where the IFRRO Secretariat is co-located with IFRRO members SCAM and SOFAM, and other international copyright and authors' rights organisations.

*Olav Stokkmo* stepped down as Chief Executive and Secretary General on the 4<sup>th</sup> November 2016, remaining with IFRRO as Special Advisor until 30 December 2016. *Caroline Morgan* was appointed CEO and Secretary General on 4<sup>th</sup> November 2016. During the period under review, *Nadine Dauer* continued as General Counsel responsible for legal work at the Secretariat, whilst *Manuela Francesia* as Office Administrator and PA to the CEO, managed the office and IT. *Pierre-Olivier Lesburguères* as Policy Advisor is involved in regional development work and assists in EU and WIPO relationships. *James Boyd* retired from his roles on technical standards and communications in December 2016, and has continued to undertake projects in those areas on a consultancy basis since then. *Veraliah Bueno Álvarez* maintains the IFRRO website, attends to selected communication and information activities, and manages events, including the Congress and AGM. In June 2016 *Catherine Starkie* was employed on a contract basis to focus on EU affairs, in particular the proposed Copyright Directive.

*Munkhdulam Naranbayasakh* was the IFRRO accountant during the period under review, employed on a consultancy basis. IT is outsourced to *IT Anywhere*, a Belgian IT service company. Regional Development Representatives (RDR) reporting directly to the CEO were contracted to assist as follows: *Carol Newman* focusing on the OCES, Belize and Caribbean network; and *Maria Fernanda Mendoza* assisted to get the RROs in Panama and Costa Rica started, concluding her contract in 2017.

### 10 Future Perspectives

In last year's report, we noted that the main challenge for the Board to address in the short and medium term were the decisions of the CJEU decision in the HP Belgium – Reprobel case and the German Supreme Court ruling in the Vogel – VG Wort case. The impact of those decisions has been mitigated to some degree, and provided Article 12 of the Copyright Directive comes into effect as soon as possible their impact will be minimised.

However other threats, in particular the pressure for wide unremunerated exceptions in the name of *innovation* and *development* continue. Many national governments are responding to this pressure and implementing wide, unremunerated exceptions to copyright, particularly for education. The publishing industry and RROs are seen as an impediment to innovation and to access, rather than as enablers and innovators. In the coming period, it will be the main focus of the Board, working closely with our partners, to communicate the important role of authors, publishers and collective management organisations in creating innovative products and enabling access to quality content for educators and society.



Rainer Just / President