



Implementation of Collective Rights Management Directive

MPA comment to Greek Government

The UK Music Publishers Association is grateful for the opportunity to provide a few observations regarding the implementation of the Collective Rights Management Directive in Greece.

The UK Music Publishers Association (MPA) is the trade association representing and safeguarding the interests of UK music publishing companies. Our members are affected by the implementation of the Collective Rights Management Directive in Greece, directly as members of the Greek collective management organisation AEPI and indirectly as recipients of monies from uses of their works in Greece via reciprocal arrangements of the UK collective management organisation PRS for Music with AEPI. Such reciprocal arrangements are based on a model contract provided by CISAC representing most collective management organisations in the world. The UK MPA is working closely with other Music Publishers Associations amongst others the Hellenic Music Publishers Association (HMPA).

We welcome the amendments proposed in the draft legislation implementing the Collective Rights Management Directive. They will benefit Greek, UK and all European members of collective management organisations, composers and music publishers. The amendments will provide long term legislative solutions to ensure all collective rights management organisations operating throughout Europe meet minimum standards of transparency, accountability, and governance. This is ultimately to the benefit of European rights holders, i.e. composers and music publishers.

More specifically we consider that the suggested changes triggered by the Collective Rights Management Directive address current and crucial concerns of music publishers who are directly or indirectly relying on AEPI such as good governance, transparency, and accountability:

Good Governance: The key provision is Article 5 Collective Rights Management Directive which focusses on the rights of right holders who are members of collective management organisations, i.e. composers and music publishers. More specifically, Article 8 clarifies the rights of members in the General Assembly ultimately controlling the running of the collective management organisation. All categories of right holders as members need to be fairly represented in the operation of the collective management organisations. It is not acceptable and against the underlying proposition of the Collective Rights Management Directive that music publishers are excluded from governing the practical operation of the collective management organisation which ultimately operates only in the interest of their members representing their rights, i.e. composers and music publishers. This situation is even more irritating when the collective management organisation is a privately owned company operating in their own interest and not in the interest of their members whose rights they ultimately administer.

We expressly welcome that AEPI is being brought back into the domain of collective management organisations and that they have to comply with the provisions of the Collective Rights Management Directive under the proposed legislative changes.

Collective management organisations only exist to administer the rights of their members, composers and music publishers. It is perverse that one category of members is arbitrarily excluded from determining what happens to their own rights.

We suggest that the Greek Government uses the powers granted to them in the Collective Rights Management Directive (Article 36) to enforce good governance by ensuring a fair representation of right holders including music publishers and an adequate structure for the governance of AEPI in compliance with Article 8 Collective Rights Management Directive.

Good governance also includes an independent supervisory Board (Article 9 Collective Rights Management Directive).

Transparency: Article 18 Collective Rights Management Directive provides clear requirements on the information collective management organisations have to provide to their members; prompt provision of accurate data is not only good practice but it also is important for enabling music publishers to distribute monies due to their composers. Systems are available at national, European and international level which enable automated processing of accurate data. We are at the disposal of the Greek government and the Greek collective management organisation to provide any support required. Additionally, only if AEPI provides transparent information, can their members assess the accuracy of the collection and distribution of revenues by AEPI which leads to the next aspect - accountability. The need for transparent data should also incentivise collective management organisations to operate correct data e.g. by regularly updating their databases. As an aside we welcome the limitation of the administration costs for collective management organisations; it is not acceptable that single collective management organisations can impose unjustifiably high deductions at the expense of their members. In this context we note that most European collective management organisations are not for profit organisations and the administration costs only relate to the actual costs of administering the rights of their members.

Accountability: Collective management organisations need to be accountable for their activities; the transparency of their activities should lead to control by their members (who should have a right to ask for an external independent audit) by way of representation on the body who is exercising the supervisory function.

Our members report that for many years AEPI has failed to comply with society best practises including in relation to the items referred to above. Our members are now very encouraged by the prospect of AEPI becoming a not-for-profit association controlled by right holders which will resolve many of their serious concerns around lack of transparency for collections and distributions of revenue, good governance and accountability.

We are at the disposal of the Greek Government to share our practical experiences should this be considered useful.

Contact Details:

Florian Koempel

Copyright Consultant

Florian.koempel@mpagroup.com

020 7637 4051

Two Pancras Square

London N1C 4AG