IFRRO BOARD REPORT 2008

This report covers the period July 2007 – June 2008 during which the Board was made up of Peter Shepherd, CLA (President); Magdalena Vinent, CEDRO (First Vice President, Second Vice President till 18.10.07); Franziska Eberhard, ProLitteris (Second Vice President, Director till 18.10.07); Directors: Jens Bammel, (IPA), Bruce Funkhouser (CCC), Jean Lissarrague (CFC), Hélène Messier (COPIBEC, Substitute Director 1.7-18.10.07) and Anne Louise Schelin (IFJ); Substitute Directors: Maureen Cavan (Access Copyright, from 18.10.08), Christer Johansson (BonusPresskopia), Mats Lindberg (BUS) and Michael Mabe (STM). Michael Fraser (CAL) served as First Vice President 1.7-18.10.07. The Board met four times during the period under review: in September 2007 in London; in October 2007 in Dublin in conjunction with the AGM 2007; in March 2008 in Berlin; and in June 2008 in Rome. Two e-votes were carried through, in January 2008.

The report marks the end of a four year Business Plan and the adoption of a new one in which the Board outlines its views on the development of IFRRO for the coming four years, and on which the AGM 2008 is invited to comment. Substantial progress has been made to assist RROs in enhancing existing and developing new business models, work which the Board foresees to continue. In 2008 the message standard ONIX for RROs was signed off and a set of Headings and Toolkits on Agreements between RROs (HTAR) approved to further assist the exchange of repertoire, mandates and fees between the members. This adds to the previously adopted Repertoire Exchange Mandate currently under implementation by RROs.

Appropriate tools to allow the further establishment and development of RROs in the regions have been worked out and the period 2004-08 saw the addition of 12 new RRO members to the IFRRO family. Moreover, co-operation activities with existing strategic partners such as WIPO\(^1\) was consolidated and new ones were established, on the intergovernmental level with ARIPO\(^2\) and OAPI\(^2\), with which agreements were signed, and with UNESCO and APEC/IPEG\(^2\). The first ever joint IFRRO - CISAC\(^3\) Board meeting took place in 2008. IFRRO extended its relation with the user community including an agreement with IFLA\(^4\) to co-operate on selected activities.

1. MEMBERSHIP

As at 30 June 2008, IFRRO counts 53 RRO members and 62 national and international authors’, visual artists’ and publishers’ associations, a total of 115 members, a net increase of 4 members since last FY.

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\(^1\) World Intellectual Property Organization
\(^2\) African Regional Intellectual Property Organization; Organisation Africaine de la Propriété Intellectuelle; Asia Pacific Economic Cooperation / Intellectual Property Experts Group
\(^3\) Confédération Internationale des Sociétés des Auteurs et Compositeurs
\(^4\) International Federation of Library Associations and Archives
Three new RRO members – B-COPY (Barbados), SAZOR GIZ (Slovenia) and AGECOP (Associação para a Gestão da Cópia Privada, Portugal) – and two new Associate Members – European Federation of Magazine Publishers (FAEP) and Stichting Pictoright (Netherlands) - were approved during the FY, thus adding 5 new organisations to the IFRRO membership. Gestautor cancelled its membership effective from 1 July 2007 and Stichting Burafo as from 1 July 2008 as it will be represented by Stichting Pictoright. Due to lack of compliance with its membership obligations, in accordance with the Statutes Article 6§2 the Board decided to terminate Kopjamalt’s membership to take effect from 1 July 2008. The Artists Collecting Society (ACS, UK) was denied membership on the ground that it did not qualify for IFRRO membership.

2. ORGANISATION

The IFRRO recommended Code of Conduct has been modified to include specific stipulations on the deduction by RROs from collected revenues to cover administrative costs. The Board also reviewed the Committee and Working Group structures and decided to stand down the Digital Strategy Committee whose functions have been taken over by the Board and keep all other committees and working groups. At the same time the Board approved a simplified procedure for approving committee and working group members. Appointments may now be made by the Presidency and the Chief Executive upon the recommendation of the Committee/Working Group Chair who in conjunction with the Board’s biannual review of the Committees and Working Groups shall submit assessment reports on their compositions and results against their remits.

A revised procedure for the elections of IFRRO Officers has been adopted taking effect in 2008: Nominations are accepted by a specific closing date so that the membership can be informed ahead of the General Meeting (GM) of the candidates for offices. These pre-election notifications will also include short bionotes of each of candidates.

The Board adopted a Business Plan for the period 2009-12, for consideration by the AGM 2008. Although business development (including the digital agenda and technical standards) remains an important focus area for IFRRO, the pro-copyright agenda and the purpose of RROs and IFRRO to assist and complement the authors’, visual artists’ and publishers’ own activities have a stronger emphasise in the new plan. In order to consolidate the past years’ proactive strategy regional development also continues as a key focus area, with an emphasis on local needs and circumstances.
3. POLICY ISSUES AND STRATEGIC COOPERATION

The Copyright Agenda
Currently on the agenda of WIPO’s Standing Committee on Copyright and Related Rights (SCCR) at the initiative of Brazil, Chile, Nicaragua and Uruguay is the question of whether WIPO and other organisations should push for the adoption of an international instrument on a mandatory minimum set of exceptions/limitations to the exclusive rights, especially in favour of education, libraries and disabled persons. In July, 2008, The European Commission (EC) published a Green paper on Copyright in the Knowledge Economy in which it discusses these issues with a focus on education, knowledge, science and research – areas of intellectual property utilization which represent core business sectors for RROs and the rightsholders that mandate them.

The IFRRO statement (Annex 1) presented at the WIPO SCCR meeting emphasises that the existing framework, built on the three step test in the Berne Convention, in combination with individual, direct and collective licensing (e.g. by RROs) offers sufficient flexibility and the most adequate instrument to enable access to copyright works and the development of viable business models. The experience from the i2010 digital libraries shows clearly that the most appropriate solutions are found when worked out by and in co-operation between stakeholders on a voluntary basis addressing specific needs. On the basis of the statement IFRRO seeks to build alliances with other rightholder organisations.

Traditional Knowledge
The Board has adopted a draft statement on Traditional Knowledge (TK) and Traditional Cultural Expressions (TCE), to be approved by the IFRRO General Meeting 2008. It follows up the invitation in the UN declaration of 13 September 2007 on the rights of indigenous people to engage in activities that will ensure that it be put into practice. The statement will serve as a basis for IFRRO’s position when TK and TCE are discussed in WIPO and other fora. It emphasises that an international instrument to protect TK/TCE must be functional and address the needs of indigenous people while at the same time observing the fundamental rights of education, science, research, cultural development and freedom of expression.

Least Developed Countries (LDC)
The Board has also adopted a proposal for discussions at the IFRRO General Meeting 2008 on the examination of a possible most favoured treatment of Least Developed Countries (LDCs). It suggests identifying candidates for pilot schemes that can examine whether and, if so, how RROs in countries eligible for special treatment by WTO\(^5\) for the implementation of TRIPs\(^6\) could be granted preferential access to foreign repertoire when entering into agreements with other RROs.

Visually Impaired People (VIP)
A WIPO commissioned study lists RRO licensing as one of several alternatives to assist rightholders in providing access for VIP to copyright works\(^7\). Following a request from a VIP-publisher meeting identifying five alternative access models, the Board established a team chaired by Hélène Messier (COPiBEC) and otherwise made up of Virginia Jones (Access Copyright), Des Brennan (CLA), Anne Louise Schelin (IFJ), Jens Bammel (IPA) and Alicia Wise (FEP) to explore further the model based on licensing through the RRO network. As a part of this effort, a model mandate will be developed and, if required, presented to the IFRRO membership. The importance of this work increased with the EC Green Paper of July 2008.

\(^5\) World Trade Organization
\(^6\) Trade Related aspects of Intellectual Property rights
Copyright Industry Focus Group (CIFG)

To assist authors, visual artists, publishers and RROs in their considerations on how to address further the digital arena the Board established in 2007 the Copyright Industry Focus Group. This is not an IFRRO committee or working group but a platform that facilitates the exchange of information with the view to exploring issues that could help in developing solutions for the digital environment. The CIFG held one meeting during the period under review, on 23 November 2007, as a first part of FEP’s General Meeting. The Board intends to continue the CIFG also in the coming year possibly in conjunction with an event that would in its own right attract a substantial number of authors, visual artists and publishers.

IFRRO-CISAC co-operation

A joint IFRRO – CISAC board meeting was organised on 18 March 2008. It explored possible co-operation between the organisations to strengthen the copyright agenda, to promote regional development and to enhance the current collaboration on the development of technical standards such as ISTC and ISNI. The two federations aim at continuing collaboration on defined issues and will invite representatives to their respective committees and working groups meetings.

Relationship with IFLA (International Federation of Library Associations)

The IFRRO President was invited to give a presentation at the IFLA Conference 2007 in Durban (SA). Also, IFLA and IFRRO representatives met on 24 August 2007 to explore the basis for co-operation and agreed for IFRRO and IFLA to co-operate with WIPO in organising awareness conferences on the development of a book and reading culture. A conference program has been developed and a first conference is tentatively scheduled for the first half of 2009. The meeting also agreed for the executives of the two organisations to develop a list of topics for further clarification with the view to enhancing mutual understanding.

4. MEMBERSHIP RELATIONS, COMMUNICATIONS AND INFORMATION

The relationship between IFRRO and its members and the rightholders is a Board focus area. Consultation with international trade associations and individual authors and publishers remains high on the priority list of the Presidency and the Executive who during the period under review attended meetings with the Boards, Presidencies and Executives of FEP, STM and EWC. 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 an Executive News directed towards the member organisations’ executives informing of the main decisions. The IFRRO communications policy is particularly emphasised at Board meetings and RROs as well as authors, visual artists and publishers and their trade associations in the country where those meetings take place have been invited to a semi-structured dialogue on IFRRO’s key activity areas. This year’s meeting with Italian rightholders built on a similar “voice of the members” session as with with US rightholders last year in Washington DC.

The Senior Managers Forum (SMF) 2008 successfully hosted by Kopiosto in Helsinki (Finland) and attended by 31 Senior RRO officers followed up previous SMFs discussing Product Development and Internal Communication as a part of the product development process. Separate authors’ and publishers’ gatherings have been facilitated through the incorporation of such meetings in the weekly program of the IFRRO General Meetings, for the authors in conjunction with the Digital Issues Forum (DIF).

A descriptive publication on reprographic levies and how they are administered has been approved by the Board and is scheduled to be published in the early autumn of 2008. During the period under review the Newsletter appeared six times; the Executive News three times; and the Digital Alert, which
is produced under the supervision of Bruce Funkhouser, the Chair of the Digital Issues Forum and sent to selected members of IFRRO member organisations in addition to the membership, appeared with 5 issues.

The Secretariat is currently working on a revised Communication Strategy plan for 2009-12 as a part of the implementation of the Board’s Business Plan for the same period. It will focus internal communication as well as the external networks. An ad hoc Communication Group consisting of representatives from the IFRRO membership will be established by the Secretariat to assist in the drafting of the strategy.

5. DIGITAL ISSUES

The year under review emphasised the development of an implementation strategy for the REM (Repertoire Exchange Mandate) and of a tool to assist RROs that wish to include digital uses in the agreements they enter into with each other. A REM implementation conference was organised in January 2008 for RROs involved in negotiating digital bilateral agreements. The main purpose was to map out challenges that need to be addressed. The conference established an ad hoc implementation team chaired by Brian O'Donnell (Access Copyright) with the remit to develop an implementation strategy. Other members of the team are Louise Ahrenfeldt (COPYDAN), Sandra Chastanet (CFC), Susana Checa (CEDRO), Ed Colleran (CCC), Kevin Fitzgerald (CLA) and Olav Stokkmo (Secretariat). The team is working on a toolkit which shall include examples of digital mandates, bilateral and mandate recruitment campaigns. Mandates and bilaterals are currently being posted to the IFRRO Members Only page to provide the membership with examples. Also posted to the IFRRO intranet after it had been circulated to the membership is a document which explains how the REM relates to the different RRO models of operation.

Recognising that RROs are likely to continue to operate differently from one another on digital uses, the Board decided that the work on a Sample bilateral agreements on the exchange of digital repertoire be replaced by the development of a more flexible approach. The result is a set of guidelines on agreements between RROs for the exchange of repertoire and collected fees applicable to the digital as well as the analogue uses. The guidelines consist of a list of Headings aimed at supporting the RROs in creating their own agreements; a Toolkit containing examples and some suggestions on the wording of articles in an agreement to assist and inspire RROs in drafting agreements; and an Explanatory Memorandum to explain how the REM ties in with the Headings and Toolkits for Agreements between RROs (HTAR8).

With the aim of exemplifying how RROs can assist and sustain the authors’, visual creators’ and publishers’ own activities and businesses in the digital arena the Board has agreed to assemble RRO business models. Subject to there being an interest in the publishing community IFRRO could also examine a service through which RROs (among others) could administer a “Non-Profit Intermediary” online licence service to assist rightholders to offer access to content. The ownership and control of such a project would not be foreseen to lie with the RROs, whose role could at most be developmental and administrative. The interest for such an initiative is currently being explored with rightholder representatives concerned.

European Commission i2010 Digital Libraries initiative
(See 7 Work in relation to intergovernmental bodies, Europe)

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8 The Headings and Toolkits for Agreements between RROs are a part of the Reference Material for the AGM 2008
6. TECHNICAL STANDARDS
With the aim of assisting RROS to improve their efficiencies, IFRRO has continued its work on technical standards in three areas: identifiers, messages and other standards.

Identifiers
The identifier standard includes a definition of the structure and syntax to enable the unique identification of the object to be identified, for instance a text or a rightholder. IFRRO is currently involved in four identifiers of which two are ISO\(^9\) approved and one is an ISO project.

ISTC (International Standard Text Code) is an ISO-approved standard which unambiguously identifies a textual work, e.g. scientific text, journalistic articles, poems, novels. A consortium made up of “the IFRRO Group”\(^10\), CISAC, RR Bowker and Nielsen Book Data was set up to develop and run the ISTC Agency. Articles of Incorporation which will limit ownership to the original four Consortium partners have been drafted, enabling the Agency to be incorporated as a company in the UK, and TRXN Inc. has been contracted by the Consortium to develop and run the database for the registration and assignment of ISTCs. The IFRRO Group decided that it shall be represented on the Agency Board with the IFRRO Chief Executive and appointed Ana Puebla (CEDRO), David Grundy (ALCS) and Tom Hamilton (CCC) as the main testers of the ISTC database which is now ready. Invitations to become Registration Agencies are planned for the second half of 2008.

ISNI (International Standard Name Identifier) is an ISO project for the creation of a standard containing factual information on e.g. rightholders (authors, publishers, companies) used publically. It is a “bridging identifier” in so far as it links to other party and name identifiers. A draft standard is being considered by a Technical Committee. IFRRO has so far been monitoring the ISNI work and sponsored the participation of David Grundy (ALCS) as the ISO expert. During the coming FY the Board will decide on the level of IFRRO involvement in ISNI as well as whether to recommend that IFRRO members become ISNI Agencies.

IFRRO PI (Party Identifier)
A Party Identifier is a unique and unambiguous identifier that refers specifically to a single particular entity (for instance author, visual artist, publishing house). Unlike ISNI it also includes information which is not used publically by the parties such as roles and rights (e.g. rights administered by RROs) and represents a rightholder authority which offers the necessary link between an identifier for the work (e.g. ISTC) and the appropriate rightholder. The Board tasked the IFRRO Digital Strategy Technical Subcommittee (DS-T) with the development of an IFRRO PI. Through questionnaires to selected RROs and use cases the DS-T will examine whether the level of details offered by a PI, or on the ISNI, if that identifier meets the need of the RROs.

DOI (Digital Object Identifier)
DOI is principally a system for resolving identifiers to URLs (web addresses) and a managed system for persistent identification of content on digital networks. It may thus not substitute the ISTC which is applicable both to the analogue and digital environments. Other identifiers such as ISTC, ISNI, ISBN and ISSN can be and are used within the DOI syntax which is implemented through Registration Agencies. IFRRO is an affiliate member of the DOI. The use of DOI among IFRRO’s members is limited (e.g. CAL of Australia is the only RRO Registration Agency) and the Board has decided to phase out or reduce significantly the financial contributions to DOI.

\(^9\) International Standardisation Organization
\(^10\) IFRRO, Access Copyright, CAL, CCC, CEDRO, CLA, COPYDAN, Pro-Litteris, Stichting Reprorecht, ALCS
**Message standards**
A message standard enables the automatic exchange of information between different parties, such as RROs, for agreed applications, for instance distribution of revenues.

**ONIX for RROs** is a set of standard messages for the electronic exchange of information which has been commissioned specifically from EDItEUR under the ISO approved ONIX standard. ONIX for Repertoire and ONIX for Distribution could significantly help RROs to simplify and streamline the transfer of repertoire and distribution data between each other and to rightholders. The Board established an ONIX Governing Body with Maureen Cavan (Access Copyright, see 6) as Chair to supervise ONIX for RROs, and EDItEUR and IFRRO agreed on a dispute resolution mechanism. Other members of the ONIX Governing Body during the FY were Franziska Eberhard (ProLitteris), Maria Fernanda Mendoza (CeMPRO), Ana Puebla (CEDRO) Heather Reid (CCC), Alicia Wise (PLS) and James Boyd (IFRRO Secretariat). (Ana Puebla has left CEDRO and David Grundy (ALCS) and Brian Green (EDItEUR) were adopted as a new member of the Governing Body in August 2008.) Its current main task is the development of a strategy to implement the ONIX for RROs. This includes a way of converting between messages in Excel and XML formats.

**Other standards**
ACAP (Automated Control Access Protocol) provides a technical framework that will allow rightholders and their representatives (expected to be used primarily by publishers and rights managers such as RROs) to express access and use policies of copyright content in a language understood by search engines. This enables search engine operators and users to systematically comply with usage policy and licensing conditions. The main aim is to create compliance rather than enforcement. IFRRO is an ACAP member, has offered two use cases for potential take up by its membership, one as a back office for rightholders and the other shows how to use ACAP in licensing activities. IFRRO has also enabled ACAP on its website.

PLUS (Picture Licensing Universal System)
During the period under review the Board agreed to join the PLUS Coalition, which offers a suite of standards that simplifies and facilitates the communication and management of image rights. IFRRO’s involvement is at present limited to the monitoring of the initiative.

7. **WORK IN RELATION TO INTERGOVERNMENTAL BODIES**
**WIPO (World Intellectual property Organization)**
The co-operation agreement with WIPO, which remains a key partner for IFRRO, establishes a joint forum that met twice during the year under review: in Dublin in conjunction with the IFRRO AGM 2007; and in Geneva on 20 March, 2008 when the Board and Regional Committee Chairs also met with Deputy Director General Michael Keplinger and the Directors of the WIPO Regional Bureaus to discuss longer term commitment to achieve identified goals in specific target countries. In addition to the twice-yearly IFRRO-WIPO meetings, relevant WIPO meetings throughout the year are mainly attended by IFRRO’s Honorary President, Tarja Koskinen-Olsson and the Chief Executive who also attended the WIPO General Assembly (GA) in September 2007.

WIPO operates normally by consensus and the negative vote on the budget at the 2007 GA influenced our co-operation activities, albeit to a limited extent. Following the announcement by the Director General of his intent to step down in 2008, the WIPO GA in September 2008 is expected to appoint Mr. Francis Gurry, an Australian who currently serves as a WIPO Deputy DG, as the new DG of WIPO.
The Standing Committee on Copyright and Related Rights (SCCR) meeting 10–12 March had exceptions and limitations to the exclusive rights; broadcasters’ rights; and audiovisual performers’ rights on the agenda. The meeting decided to request from WIPO a study on exceptions and limitations in relation to education including distance learning and trans-border aspects. This study will complement three previous studies on exceptions and limitations in relation to (i) the digital environment (2003); (ii) automated rights management (2006); and (iii) visually impaired people (2006), as well as a study expected to be released in 2008 in relation to libraries. The SCCR in November 2008 will also discuss a proposal from the European Commission to add *inter alia* orphan works, collective management and enforcement to the agenda.

In the wake of the standing down of the Provisional Committee on the Development Agenda (PCDA), WIPO established a new Committee on Development and Intellectual Property (CDIP) which met for the first time on 3-7 March, 2008. The CDIP is tasked with the assessment of the 45 proposals made by the PCDA.

The twelfth meeting of the Intergovernmental Committee on Generic Resources, Traditional Knowledge (TK) and Folklore (ICG) decided that the WIPO Secretariat should prepare a working document on existing obligations, provisions and possibilities on an international level for Traditional Cultural Expressions also describing, considering and identifying remedy options to existing gaps. The document is scheduled for August 2008.

During the FY under review IFRRO provided speakers for and/or collaborated in the organising of 7 WIPO conferences, seminars and workshops: 2 in Africa, including collaboration in the launch of SEACONET (South East Africa Cooperation NETwork); 1 in Asia; 2 in Europe; and 2 in Latin America.

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

IFRRO has filed an application for Non Governmental Organisation (NGO) status with UNESCO which is expected to be examined in 2008. UNESCO and IFRRO co-organised, along with other rightholder organisations including IPA a second Anti Piracy Training the Trainers (APTT) seminar for lawyers, judges, customs and police officers, this time in Dar-Es-Salaam (Tanzania) 17-20 September 2007 for 8 Eastern African countries - Burundi, Kenya, Madagascar, Mauritius, Rwanda, Seychelles, Tanzania and Uganda. IFRRO sponsored representatives from the KOPIKEN and MASA, and from UGANDA and Tanzania. IFRRO/IPA speakers were Antje Sörensen (IPA), Dalton Morato (ABDR), Serman Chavula (COSOMA) and *John-Willy Rudolph* (Chair of IFRRO’s Development Committee for Africa and the Middle East). A third ATTP is scheduled for West African French speaking countries, to be held in Dakar in September 2008.

**Africa**

**ARIPO (African Region Intellectual Property Organization)** 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. A follow up of the IP education program developed jointly by ARIPO, IFRRO and WIPO and which was successfully piloted in May 2007 is scheduled for September 2008, to take place in Namibia. It was originally planned for May 2008 at the ARIPO training centre in Harare, but was postponed due to the turbulence following the elections in Zimbabwe.

*John-Willy Rudolph*, Chair of IFRRO’s Development Committee for Africa and the Middle East represented IFRRO at the ARIPO Council of Ministers in Maseru (Lesotho) on 21-23 November, 2007. IFRRO, as the sole NGO representing copyright was allowed to address the meeting which mainly
focused on industrial property issues. We hope that future meetings will choose to allocate more emphasis on copyright. Under the co-operation agreement, IFRRO will offer to assist in achieving this.

OAPI (Organisation Africaine de la Propriété Intellectuelle) 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 translation into French of the teaching material developed for the ARIPO – IFRRO -WIPO education program forms the basis for discussions on an IP training program for OAPI Member States.

SADC (Southern African Development Community) and IFRRO signed a co-operation agreement in 2000. The importance of this agreement is largely reduced by the signing of the agreement with ARIPO and has not been active during the FY under review.

Asia-Pacific
APEC/IPEG (Asia Pacific Economic Co-operation/Intellectual Property Experts Group)
The IFRRO Chief Executive gave a presentation of potential co-operation activities between APEC/IPEG and IFRRO at its meeting in Lima on 20-22 February, 2008. It was in principle agreed to explore further an IFRRO-financed questionnaire on digital libraries issues that APEC/IPEG would assist in administering and which could form the basis for discussions of these issues at future meetings; and to co-operate with an ARIPO Member Economy in the organising of an IP related seminar.

Europe
IFRRO has continued its active co-operation in the European Commission 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 (HLEG) and Tarja Koskinen-Olsson and Olav Stokkmo were members of the copyright subgroup, which also included Myriam Diocaretz (EWC) and Anne Bergman-Tahon (FEP). Also, following a quote that IFRRO made on an EC Information Society and Media Directorate General tender, IFRRO’s General Counsel Franziska Schulze was contracted as an expert to assist in the development of criteria for diligent search for rightholders to orphan works, a work that was coordinated by Tarja Koskinen-Olsson.

Sector specific criteria for diligent search to orphan works developed by four teams for the textual, musical, visual and audiovisual works, with Anne Bergman-Tahon (FEP) leading the text group, were delivered by and a Memorandum of Understanding on the use of them was signed by 27 organisations including IFRRO on 4 June, 2008. On the same date, the HLEG adopted the Final Report from the copyright subgroup. This includes (i) Model licensing agreements for the digitisation and making available of works out of commerce to authorised users in secure networks and over open networks; and (ii) criteria for rights clearance centres and databases for orphan works and works which are out of commerce, developed by teams headed by IFRRO’s Chief Executive Olav Stokkmo.

At its meeting 20 September, 2007 the Board approved that IFRRO joined a consortium of 16 contracting partners including CLA and FEP, and 10 external supporters including CEDRO, CFC, COPYDAN, Kopinor, Kopiosto, ALCS, PLS and SNE, which submitted an application under the EC E-content+ program: ARROW11 which aims inter alia to implement solutions developed by the HLEG and copyright subgroup for the i2010 digital libraries and also counts 7 European National libraries and the European Digital Libraries (EDL) among its partners has been shortlisted by the EC. Negotiations on the finalising of the project contract are being undertaken to be finalised for a project start up in the autumn of 2008.

For other EC initiatives see Chapter 8 European Group (EG).

11 Accessible Registries of Rights information on Orphan Works for the digital libraries
Latin America and the Caribbean
CERLALC (Centro Regional para el fomento del Libro en America Latina y en el Caribe)
IFRRO co-operates actively with CERLALC which meets as an observer in the IFRRO Regional Committee for Latin America and the Caribbean. During the period under review IFRRO and CERLALC have co-organised a workshop on reprography in Guarujá (Brazil) and IFRRO has sponsored an anti-piracy seminar and RRO participation at Book Fairs in Latin American countries co-ordinated by CERLALC. The contract with CERLALC on regional development work has been renewed for one year. The Board will assess whether it would be appropriate that a more general co-operation agreement be signed with CERLALC.

8. REGIONAL DEVELOPMENT ACTIVITIES
Development activities have progressed successfully in all regions as documented in separate regional development committee reports to the AGM.

Tools in the regional development work
The main tools to assist in the regional development work are the (i) Manual on how to establish an RRO; (ii) Manual on how to Mentor a newly established RRO; (iii) Business plans for the regional development work; and (iv) Regional Development Representatives to assist in the hands-on work.

Regional Development Representatives 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, Malaysia, the Philippines; Europe: Raymonde Kilpatrick, focusing Bulgaria, Malta and Slovenia; Latin America: CERLALC/Mónica Torres Cadena, main focus on Costa Rica, Ecuador and Panama. In the coming year focus on Malaysia and Panama will be reduced, allowing increased emphasis on the four other countries in the regions concerned. In Europe, a functional Slovenian RRO, the work in Bulgaria requiring direct assistance from the Secretariat, and the termination of Kopjamalt’s membership with IFRRO has led to the contract with the European Representative not being renewed.

IFRRO Development Fund
The IFRRO Development Fund is an important tool and reported separately Chapter 10 Finances.

Asia Pacific Committee
The region counts 10 Collective Management Organisations (CMOs) in membership of IFRRO administering reproduction rights, 8 with RRO status. China, India, Indonesia, the Philippines, South Pacific and Taiwan remain priority countries. Progress has been made in Indonesia where the working party to develop a RRO has established an activity plan to launch the RRO the coming FY. In the Philippines, FILCOLS has received support from the authorities as the national RRO. However, involving all categories of publishers and authors in the Philippines remains a challenge. An IFRRO delegation made up of the Presidency and Chief Executive visited China in November 2007 at the invitation of the National Copyright Administration of China. Regular contact has been established between China and RROs such as CAL and CCC and between China and IFRRO. In India, facilitated by the IFRRO President and Chief Executive a dialogue has been opened on a possible co-operation between IRRO and the Copyright Clearance Agency India Ltd. Contact has been maintained with APEC/IPEG (see 7 Asia Pacific). The Asia Pacific Committee (APC) met once during the period under review. Chair is Caroline Morgan (CAL).
Development Committee for Africa and the Middle East

Africa counts 7 RROs in membership of IFRRO. The Namibian RRO, NAMRRO, has been approved, is developing rapidly under the mentorship of DALRO and is expected to start licensing and apply for IFRRO membership the coming FY. Initiatives to set up RROs are under way in several countries, including Ethiopia, Tanzania, Uganda, Zanzibar and Zambia. The ARIPPO-IFRRO-WIPO training program for IP Officers and RROs in the ARIPPO Members States and the training arrangement in cooperation with WIPO for selected French-speaking African countries have continued. The latter may be replaced by a more comprehensive training program that will be considered with WIPO and OAPI (see 7, Africa). The Development Committee for Africa and Middle East (AMC) chaired by John-Willy Rudolph (Kopinor) with Jean Lissarrague (CFC) 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 Development Committee (EDC)

The EDC met 2 times during the FY under review, organised workshops directed towards rightholders in Lithuania and Latvia and co-organised with WIPO a national seminar in Bulgaria and subregional seminar in Romania. Europe counts 38 CMOs administering reproduction rights in membership of IFRRO, 26 with RRO status. Two new RRO members – AGECOP (Portugal) and SAZOR (Slovenia) - were approved during the year under review. Both are collecting reprographic fees. The situation in Portugal is, however, marked by the legislation which has established a levy for analogue reprographic equipment only. Among the EU Member States, only Bulgaria, Cyprus, Estonia and Latvia do not have “RROs” in membership of IFRRO and these countries remain on the priority list of the EDC which is chaired by Samantha Holman (ICLA).

European Group (EG)

The European Group met twice during the FY. André Beemsterboer (SR) is Chair and forms the Executive Committee with Magdalena Vincent (CEDRO) and Yngve Slettholm (Kopinor). With the view to enhance transparency the European Commission established as of June 2008 a register for lobbyists. IFRRO has registered. The EG co-operated with Fjölis in organising a successful copyright conference on 28 April, with Bernt Hugenholtz as a key note speaker. Also, the EG has reviewed its work form to organise its spring meetings as a combination of a copyright conference, workshops on targeted issues and plenary sessions.

Copyright levies in the European Union Member States

Directorate General (DG) Internal Market has reopened discussions on copyright levies, this time in cooperation with DG Culture. In the wake of a consultation on which IFRRO submitted its response by 28 February and a conference on 27 May, the EC has facilitated the establishment of stakeholder working groups in which IFRRO is represented on (i) the grey market; and (ii) refunding of the levy (e.g. when a photocopier is exported). The work of these groups will start on 17 and 23 September respectively and is scheduled to last for 3 months. By the end of this period it will be clarified whether and, if so, on what basis working groups could be established to discuss (iii) tariff settings; and (iv) piracy.

EC Green Paper on Copyright in the knowledge economy

On 16 July, 2008 the DG Internal Market published a Green paper on Copyright in the knowledge economy with a deadline for comments by 30 November, 2008. The paper focuses on knowledge, education, science and research, and discusses exceptions to the exclusive rights with particular relevant to education, libraries and disabled persons. IFRRO will co-operate and co-ordinate with
ENPA, EVA, EWC, FAEP, FEP, IFJ and STM, in addition to the European RROs, when examining the Green Paper and preparing comments on it.

**Latin America and the Caribbean**

There are 9 RROs in membership of IFRRO in the region. One new member – the Barbadian RRO, B-COPY, - was approved during the year under review. Together with CEDRO, the RROs in 6 Spanish and Portuguese speaking countries form GEDRI (Grupo de Entidades de Derechos Reprográficos de Iberoamérica) to promote RRO activities in Latin America. It has its own web page ([www.gedri.com](http://www.gedri.com)). During the period under review the committee worked out a business plan for the development activities in the region using the IFRRO template\(^\text{12}\). It also holds a watch brief over and has offered assistance to SADEL regarding proposals from the Chilean Government for *inter alia* new limitations to the exclusive rights in the Copyright Act assumed to undermine the work of an RRO. Main target countries in Latin America remain Costa Rica and Ecuador in addition to providing assistance to current RRO members to function properly.

In the Caribbean a subregional RRO is being formed under the auspices of Access Copyright for the 6 islands making up OECS\(^\text{13}\). A 3\(^{rd}\) regional consultation is planned in Jamaica in conjunction with the IFRRO AGM in October 2008 to assess how the Caribbean regional project could be carried forward. 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.

9. **TECHNICAL WORKING GROUPS AND FORA**

**Digital Issues**

The Board Report 2007\(^\text{14}\) offered an overview of the digital structures and IFRRO’s work on the digital on the political, technical and business model levels which on the whole is still valid with two modifications: The establishment of an ONIX Governing Body (See Chapter 6) and the standing down of the DSC.

**Digital Strategy Committee (DSC)**

The Digital Strategy Committee met once during the year under review, mainly to discuss an implementation strategy for the REM. It was stood down and its functions were taken over by the Board in March 2008.

**Digital Strategy Committee – Technical Subgroup (DS-T)**

The DS-T is tasked with proposing solutions to technical issues arising from the work on strategic issues by the Board to which it reports. It has successfully supervised the piloting of the ONIX for RROs which were signed off at meeting in Madrid on 1 February 2008. Following the establishment of an ONIX Governing Body, the Board modified the DS-T remit to focus on the development of an IFRRO Party Identifier to be compatible with the ISO approved ISNI (see chapter 6). To this end, a questionnaire was sent to some IFRRO members and a Use Case is under development to gather knowledge of the needs of the IFRRO community. DS-T, which met once in addition to monthly telephone conferences, is chaired by Alicia Wise (PLS).

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\(^\text{12}\) See Board Report 2007, chapter 7, page 7
\(^\text{13}\) Organization of Eastern Caribbean States, i.e. Antigua & Barbuda, Dominica, Grenada, St. Kitts & Nevis, St. Vincent & Grenadines, and St. Lucia)
\(^\text{14}\) Board Report 2007 Chapter 9, page 10 / 11
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. The DIF in Dublin (17 October 2008) was integrated with an international seminar exposing IFRRO/RRO solutions to the administration of rights in the digital arena. The meeting in Rome on 5 June 2008 also included practical demonstrations of the technical solutions in which IFRRO is involved: ONIX for RROs, both for repertoire and for distribution; ISTC and its database. DIF Chair is Bruce Funkhouser (CCC).

Legal Issues Committee
The Legal Issues Committee (LIC) has a consultative role to the Secretariat, the Board and the IFRRO members. During the year under review it met twice and examined inter alia issues in relation to electronic course packs and advised on the Headings and Toolkits for Agreements between RROs (see chapter 5). Committee Chair is Caroline Morgan (CAL).

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. The WG sees this to include the use of still images on the Internet. Distribution of revenues for the copying of visual material and participation of visual authors in RROs remain key areas of the WG which also monitors issues relevant to orphan works, assumed to be a particular challenge in respect to visual material and has started looking into academic slides licensing. It met three times under the chairmanship of 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. The one WG meeting during the year under review emphasised the digital arena and the online licensing of musical work in print. A key objective for the WG is to get more RROs to include musical works in their repertoire or inspire the establishment of separate Music RROs. The coming year will also include a review of the work form which needs to take account of the distance that the members have to travel to attend meetings. 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, which met once during the FY, is the exchange of information. A report on Collective Management by RROs in the field of Newspapers and similar Publications is available to the membership on the Members Only page of the IFRRO web site. Current focus of the WG is on how RROs conclude licensing agreements with users and how these agreements are structured to include material relevant to the WG, which is chaired by Franziska Eberhard (ProLitteris).

Equipment Levy Forum
The Equipment Levy Forum (ELF) established as 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 met twice. The ELF met twice during the FY, and during the period ELF and member organisations were active in consulting the Secretariat on the development of a publication to explain reprographic levies and how they are administered. Following an EC consultation on copyright levies a stakeholder conference on 27 May 2008 recommended that the European Commission facilitate stakeholder working groups to discuss selected issues relevant to copyright levies (see
Chapter 7). The ELF, which is chaired by Frédéric Young (Reprobel), will advice IFRRO and its membership on the Forum discussions.

10. 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 € 55,428 against a budgeted surplus of € 4,300. This is explained by the renegotiations of the conditions with the bank resulting in a substantially higher return on invested capital. This will be carried further in to the coming financial years.

Your Board proposes that € 10,428 of the surplus be added to the operational reserve which will then amount to a total of € 342,700, as of 30 June 2008, equalling some 6 months of the budget yearly spending indicating a sound economic situation. € 45,000 is proposed transferred to the Communication Policy Reserve Fund to be spent on communications and information activities and the IFRRO work on technical standards.

Communication Project
The 2003 AGM allocated € 200,000 towards a Communication Project, set aside on a separate fund and accounted for separately. As at 30 June 2008, there is a total of € 21,730 left on this fund which will be reduced during the coming FY due to further development of the web pages, IFRRO participation at the Frankfurt Book Fair and other communication activities. If the AGM 2008 approves the Board’s proposal to add € 45,000 to the fund, it will increase to € 66,730 and be partly spent on technical standard work.

Development Fund
IFRRO’s Development Fund is accounted for separately. Fourteen IFRRO members contributed a total of € 204,744 directly to the Fund during the FY. As previous years, members also contributed financially through their own development funds and by not charging IFRRO when participating in development activities.

The Board approved allocations totalling € 400,877 towards 33 development projects, € 394,877 in the form of grants: two directed towards Africa and the Middle East, 8 towards the Asia Pacific region, 3 towards Europe, 10 towards Latin America and the Caribbean and 10 towards co-operation with WIPO and UNESCO, General purposes and technical standards. A total of € 205,197 was paid out towards previously approved grants during the FY including. A loan of € 6,000 was approved and paid out to COLCIA.

As at 30 June 2008, the Development Fund amounts to € 1,076,207, of which € 599,952 has already been allocated through Board decisions towards new and/or existing projects. This leaves a total of € 476,255 available for new projects.

11. 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 Congress (EWC). Olav Stokkmo is Chief Executive and Secretary General with Anita Huss as General Counsel. James Boyd is responsible for IFRRO’s work on technical standards and communications and product development, whereas Wiebke Dalhoff 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:

![Organisational Chart]

(1) Joy Foster till 31 March, 2008; (2) Franziska Schulze till 30 June 2008

12. FUTURE PERSPECTIVES
IFRRO has grown to become a natural information source and cooperation partner in relation to reprography and collective management of rights in text and image based works. As is the case for the member organisations and the rightholders they represent, it needs to address an increasing demand from user communities and legislators to assist in the facilitating of access to copyright works. Being able to show how various rightholder initiatives through individual and collective administration complement each other to offer a comprehensive solution to consumers is invaluable.

RROs are inevitably on the frontline of certain types of licensing – ready to assist authors, visual artists, publishers whenever they cannot or do not want to act directly in the market place themselves. They most often are owned or run by rightholders and depend generally on rightholders’ mandates and support to act. RROs have no basis to, cannot and would not want to act in conflict with the interests of their principals, as this would undermine their own interests and businesses. RROs do, nonetheless, want to be proactive and develop proposals for business activities and services that involve and complement the rightholders’ own business models and plans, and which allow rightholders the choice as to the level of participation with the RROs they wish to have. The Board’s Business Plan 2009-12 and the Communications Plan under development reflect this approach.

Brussels, 30 June 2008

Peter Shepherd, President