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MEMO

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Commissioner Michel Barnier welcomes the European Parliament vote on the Directive on collective rights management

I congratulate the European Parliament on having today adopted the new Directive on collective rights management and multi-territorial licensing of musical works for online use.

This Directive is a cornerstone of the digital single market. It will facilitate the entry of smaller innovative suppliers on the European market. It will also contribute to wider availability and better choice of offers of online music in Europe.

The Directive will modernise the functioning of collective management organisations (also referred to as 'collecting societies') which manage copyright and related rights on behalf of rightholders, such as authors or performers, across Europe.

It will strengthen and improve the governance and transparency of these organisations. It will, for example, give rightholders the possibility to be more involved in the decision-making processes of their collective management organisations, set out minimum requirements relating to the governance structure of collective management organisations and ensure timely and accurate payments of royalties to rightholders.

In addition, the new rules will foster and improve multi-territorial licensing by collective management organisations for online music services (such as music download services or streaming services). Going forward, it will be easier for those services to cover a multitude of territories and a large catalogue of music, which in turn will increase the offer available in the EU.

Today's vote reflects the efficient and constructive inter-institutional work that has been done on this file. I am convinced the Council will approve the adoption of the Directive in the coming weeks.

I am very satisfied with the results obtained. I would like to pay tribute to the work of the rapporteur, Marielle GALLO, and the shadow rapporteurs. Their commitment and spirit of compromise have resulted in a text which will benefit citizens and rightholders (authors, producers or performers, their representative organisations, as well as service providers offering innovative services online).

Background

In July 2012, as announced in its Communication [A Single Market for Intellectual Property Rights](#), the Commission adopted its proposal on collective management of copyright and related rights and multi-territorial licensing of rights in musical works for online uses ([IP/12/772](#)). This proposal was important for the completion of the Digital Single Market.

Collective management organisations act as intermediaries between rightholders in a variety of industries such as music, books and films, and the service providers intending to use their works. They license rights and collect and distribute royalties in circumstances where negotiating licences with individual creators would be impractical and entail high transaction costs.

Cases of mismanagement of rights revenue and long-delayed payments have shown that there is a need to improve the functioning of collective management organisations.

Furthermore, the collective management of rights also plays a key role in the licensing of online music service providers (music download services or streaming services). Online service providers often want to cover a multitude of territories and a large catalogue of music. Many collective management organisations have not been able to meet these challenges, and service providers have faced difficulties when trying to obtain the licences necessary to launch online music services across the EU, resulting in fewer online music services available to consumers.

See also [MEMO/14/79](#)

For more information on collective rights management:

http://ec.europa.eu/internal_market/copyright/management/index_en.htm