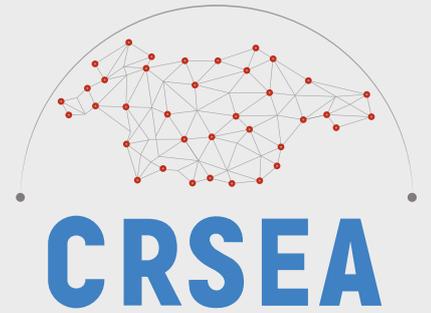


DECEMBER 2019 REVIEW



DEAR COLLEAGUES!



Over the past two years the Confederation of Rightholders' Societies of Europe and Asia (CRSEA) has achieved impressive results in establishing cooperation between our members and managed to strengthen the position of intellectual property as one of the main building blocks of the digital economy.

Digital economy became the key driver for deeper integration between the countries of the Eurasian Economic Union, including the sphere of copyright and related rights. This particular field is currently going through the process of digital transformation all around the world, which, in turn, directly and indirectly contributes to a number of important socio-economic factors.

This is not the first year when the CRSEA has successfully implemented a fundamentally new approach to the development of intellectual property and optimization of management for different categories of copyright and related rights in the Eurasian Economic Union, Commonwealth of Independent States, BRICS and other countries.

The Confederation aims to assist the CRSEA member states as they identify the economic contribution of their creative industries and their share in the gross domestic product. As part of this effort, the Confederation provides methodological support to its members in collecting data on the economic performance of such industries and measuring the impact of copyright on them.

The CRSEA enables its members to use unique infrastructural technology solutions, tailored specifically for maintaining the balance of interests between content creators and the business community. As such, these solutions provide the best access to authors' works while also taking into account the authors' financial interests. We have created a fundamentally new ecosystem – a digital environment for the circulation of intellectual property on the Eurasian territory in order to promote the growth of intellectual entrepreneurship in the CRSEA member states.

The efforts of all members of the CRSEA have a significant impact on our common future. Collaborations that we have initiated should bring systematic improvements for years to come – not only in the performance of the new model of intellectual property market, but also in the development of each individual country and their creative industries, which will be soundly built upon the principles of copyright protection.

I am confident that open dialogue and attention to each other's experiences contribute to the unlocking of the creative and economic potential of our states and help to form a civilized intellectual property market in the Eurasian space. The review contains the major milestones of our joint activities in the last quarter of 2019. This is only a small part of what we have already achieved, and what we have yet to do.

I hope you appreciate our common contribution to the development of the Eurasian intellectual property market, and it will serve as motivation for our cooperation in the future.

Andrey Krichevsky,
Secretary-General of the Confederation
of Rightholders' societies of Europe and Asia (CRSEA)

DEAR COLLEAGUES!



Today, the Confederation is actively expanding its international presence. Promoting cultural exchange gives hope that all our efforts and collaborations between different cultural industries will reach a new level.

One cannot make contributions to the film, music, and literature in isolation, therefore, the CRSEA is increasingly becoming the most important communication hub for creative communities in the Eurasian Economic Space. I'm sure that promoting cultural collaborations is the key peace, development and long-term constructive cooperation between states.

The main goal of our organization as an international institution is to promote the mutually beneficial presence of authors' societies, improve technology infrastructure and widen the spheres of activity in the interests of authors. What we all have in common is the general cultural code to enable us to grow and help each other. I wish everyone in the New Year confidence in the strength, the realization of the most ambitious goals and further productive collaborative work!

An important aspect of cultural cooperation between our countries is the implementation of interstate programs of book publishing. This year the CRSEA has proved to be a reliable partner, contributing to the establishment of the high-level dialogue. The Chinese side, in turn, is ready to assist in strengthening the circulation of creative products between the CRSEA member states as the cultural exchange is the most reliable and long-term way to build partnerships between the states. There are many large-scale projects ahead of us!

**Director-General
Ismail Mammadkarimov**

DEAR COLLEAGUES!



Effective legislation is a prerequisite for creating favorable conditions for promoting creativity and investments in creative industries, therefore Kyrgyzpatent pays special attention to updating legislation in the field of copyright and related rights. This is extremely important as national laws should provide a strong and unambiguous regulatory framework with clear rights and responsibilities.

The year 2019 for the Kyrgyz Republic showed positive changes in intellectual property laws, ultimately affecting the economic well-being of the state.

With the support of the CRSEA, Kyrgyzpatent implements and develops modern digital technologies to achieve an effective data exchange process, protection of copyrights and interests of represented authors and rights holders.

These processes give us some grounds for hope that in the future the Kyrgyz Republic is going to have a public organization to develop the system of collective management of rights for Kyrgyz and foreign authors or rightsholders.

Dear colleagues, I wish you to take steps to set and achieve bold goals, boosting your confidence!

**Respectfully yours,
Chairman of the State Service
of Intellectual Property and Innovations
of the government of Kyrgyz Republic
Dinara Moldosheva**

DEAR COLLEAGUES!



We are all witnessing the rapid growth of digital platforms.

On the one hand, they are becoming one of the main sources of income for rights holders, and on the other hand, we can confirm the uncertainty in the assessment of the real use of protected works. The CRSEA countries strengthen anti-piracy measures, and in this sense, the Confederation becomes an important platform for developing expert approaches with respect to legal protection and use of intellectual property rights.

An important aspect of cultural cooperation between our countries is the implementation of interstate programs of book publishing. This year the CRSEA has proved to be a reliable partner, contributing to the establishment of the high-level dialogue. The Chinese side, in turn, is ready to assist in strengthening the circulation of creative products between the CRSEA member states as the cultural exchange is the most reliable and long-term way to build partnerships between the states. There are many large-scale projects ahead of us!

**Mr. Zhang Hongbo, Director General
China Written Works Copyright Society (CWWCS)**

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CRSEA TODAY



Actively expands its international presence: we have reached an agreement on active cooperation with WIPO in the areas of technology and promotion of the creative economies in the digital era - important topics for both our organizations.



Supports educational projects: in 2020, we plan to launch innovative specialized training programs for professionals in the sphere of intellectual property management on the grounds of the newly open educational center.

CISAC

Interacts with global alliances of content creators, operating under the auspices of the International Confederation of Societies of Authors and Composers (CISAC), acting as a regional partner supporting the initiatives of the International Confederation.



Is the co-organizer of the International Strategic Forum on Intellectual Property IPQuorum: in 2020, the Confederation will once again present a large-scale section dedicated to creative industries, attracting top figures of the international cultural scene.



Enhances the work of committees: planning to organize specialized workshops dedicated to the current trends in all areas of collective management.



Conducts systematic work aimed at implementing modern advanced software solutions to ensure the world-class standards of the authors' societies performance.



Maintains productive cooperation with partners in Middle East and Latin America in order to share experiences and establish the mechanisms of support for rights holders in their countries



Acts as an expert advisory body in the legislative drafting process in the member states of the Confederation, and continues to provide legal assistance in the activities of its members.

CONFEDERATION OF Rightholders Societies – DECEMBER 2019: MAIN NEWS

The growth of the digital market, new creative alliances, the adoption of a landmark Directive on copyright in the EU, the search for compromises in broadcasters treaty at WIPO, the introduction of the «Hypergraph» system in Kyrgyzstan, anti-piracy initiatives-in 2019 rightholders faced both difficulties and positive changes. The main international news and news from the participating countries are in the first edition of the CRSEA review.

INTERNATIONAL AGENDA



WIPO

Protection of Broadcasting Organizations on the Agenda of 39th SCCR

The Standing Committee on copyright and related rights of WIPO met in Geneva on 21-25 October. One of the key topic of discussion was the Treaty on the protection of the rights of broadcasting organizations.

International rules to protect television broadcasts from piracy have not been updated since the 1961 Rome treaty, drafted at a time when cable was in its infancy and the Internet not even invented. Now that perfect digital copies of television programs can be made and transmitted with a few mouse clicks, signal theft has become a big commercial headache for broadcasting organizations around the world.



Signal piracy can take physical form, such as unauthorized recordings of broadcasts on video tapes, DVDs or USB sticks, or it can be virtual, such as the unauthorized redistribution of signals over the air or online. Hacking into encrypted pay-TV signals with equipment designed to circumvent the security measures in set-top boxes is another common form

of piracy, while live sports broadcasts have been a particular target for unauthorized retransmission on the Internet. Broadcasters, including those in developing countries, claim signal piracy of all kinds is costing them millions of dollars in lost pay-TV subscriptions and/or advertising revenues, affecting investment decisions and competitiveness.

After WIPO members agreed the so-called WIPO Internet treaties in 1996, on copyright and on performers and producers of phonograms (sound recordings), broadcasters too began to press for updated protection for the new broadcasting technologies.

However, although there is broad agreement in principle that broadcasters should have updated international protection from theft of their signals, WIPO members have so far failed to agree on how this should be done and what further rights, if any, broadcasters should be given. In 2007, WIPO's General Assembly agreed to pursue a "signal-based approach" to drafting a new treaty, to ensure that provisions on signal theft in themselves did not give broadcasters additional rights over programme content. But this still left many of the underlying differences of view in place.

As follows from the discussion during the October meeting of the Committee, there are six outstanding issues:

- 1) What should be protected? Broadcasters obviously want protection for all means of transmission of their signals (“technology neutral” protection, in the jargon) that would cover new technologies such as digital programme recording devices, on-demand video services and IPTV (“Internet protocol TV” or Internet TV), which can transmit programmes not only to televisions but to computers and mobile phones. However, some countries and civil society groups are wary of restrictions affecting Internet transmissions. In 2006, WIPO members agreed to put aside, for discussion on a different and later track, the issue of webcasting (broadcasting over the Internet or video content intended for Internet streaming). But there are concerns that protecting Internet transmissions by broadcasters could pre-empt these discussions by giving some protection to webcasters as well.
- 2) How should broadcast signals be protected? Broadcasters want the proposed treaty to contain provisions similar to those in the WIPO Internet treaties that would outlaw the breaking of anti-piracy “locks” on digital signals, such as encryption and “tagging”. Critics argue that, by restricting what can be viewed on what equipment, these rules could also block perfectly legal uses of TV broadcasts, such as recording programmes for personal or educational uses, as well as inhibit technological innovation.
- 3) What further rights should be given to broadcasters? Under the Rome Convention, broadcasters have exclusive rights for 20 years to authorize rebroadcasting, “fixation” (recording), reproduction and communication to the public of their broadcasts. Most broadcasters want the new treaty to extend and update those rights for the new technologies, especially to prevent unauthorized retransmission of their programmes over the Internet. Although some countries (including the 27-member European Union) have relevant domestic legislation, this does not provide any protection from foreign piracy. In much of the world it is perfectly legal to retransmit a broadcast over the Internet without permission.
- 4) What limitations and exceptions should there be? The Rome Convention allows the use of transmissions without permission in news broadcasts and for education and scientific research. WIPO members agree that the proposed treaty should permit some “limitations and exceptions” to the need to seek authorization for the use of broadcasts, similar to those relating to copyright protection in a number of countries (such as personal use, use for parody and library use). But they differ on whether the treaty should set a general test for individual countries to decide on limitations or exceptions, or whether it should specify certain uses binding on all signatories. As noted above, some argue that whatever exceptions and limitations are contained in the treaty, they may be nullified by technological “anti-circumvention” provisions.
- 5) How long should protection last? Some countries want protection to last for 50 years, the term already granted to performers and producers of sound recordings (and broadcasters in the European Union). Others have argued for no more than a 20-year term (as in the Rome Convention and the World Trade Organization’s Agreement on Trade-Related Aspects of Intellectual Property). However, concerns that any rebroadcast would trigger a new term of protection, leading to perpetual protection, appear to be unfounded, since rights on the first broadcast would expire at the end of the term, regardless of any rebroadcast.

<https://www.wipo.int/pressroom/en/briefs/broadcasting.html>

EEC proposed to equalize liability for distributing counterfeit goods in the EAEU countries



Sanctions for violations related to distribution of counterfeit products should be symmetrical in all countries of the Eurasian Economic Union (EAEU). This was stated by Karine Minasyan, Minister in charge of Internal Markets, Information Support, Information and Communication Technologies of the Eurasian Economic Commission (EEC) at the International Forum «Anti-Counterfeiting» on November 12 in Yerevan (Republic of Armenia).

As noted by Karine Minasyan, digital marking and traceability of goods is the most effective mechanism for combating counterfeiting. Marking of fur coats has shown good results, and today the EAEU countries have agreed to launch a project on marking shoes. It has already been introduced in Belarus and Armenia and is being introduced in Russia.

«A balanced approach is needed: the market should be protected from counterfeiting, on the one part, and no additional burden on business and impediments to movement of goods should be created, on the other part,» the EEC Minister stressed.

According to her story, the biggest problem for the business community is the state of uncertainty, when the businesses have no understanding of what requirements can be placed on them in another Union country.

If one country imposes strict control and supervision, and the other has not any, then the business community is on unequal terms and conditions. The moment has arrived when supervisory authorities should build the joint work. Sanctions for violations related to distribution of counterfeit products should be symmetrical in all countries of the Eurasian Economic Union (EAEU),» Karine Minasyan stated.

She added that digital traceability mechanisms would enable decreasing burden on the business community as such traceability would provide all forms of supervision. Along with that, the system of supervisory authorities requires optimization and harmonization.

The growth rate of digital trade is far ahead of the growth rate of usual trade, therefore a question arises on regulating this process.

We have developed a roadmap for implementing consumer protection mechanisms within the framework of digital trade. This is especially necessary for those who purchase goods on major international platforms. Nowadays the document is being considered by the EEC Board. We hope the parties will support us,» the EEC Minister concluded.

The Seventh International Forum «Anti-Counterfeiting 2019» is held on November 12-13 in Yerevan. This is an open venue for communication between representatives

of international organizations, state authorities, business and the public on protecting intellectual property rights as well as combating illegal circulation of industrial and agricultural products within the Eurasian Economic Union.

eurasiancommission.org/ru/nae/news/Pages/13-11-2019-3.aspx



CISAC

THE OFFICIAL LAUNCH OF THE ALLIANCE OF ASIA-PACIFIC AUDIOVISUAL WRITERS AND DIRECTORS (AAPA)

Audiovisual creators from around Asia-Pacific gathered in South Korea at the Busan International Film Festival for the official launch of the Alliance of Asia-Pacific



Audiovisual Writers and Directors (AAPA).

AAPA is an initiative of Writers & Directors Worldwide (W&DW), the audiovisual, dramatic and literary creators' council of the International Confederation of Societies of Authors and Composers (CISAC). It is aimed to be a platform for audiovisual creators to share, connect and communicate, advocate for stronger copyright protections and further their interests in Asia-Pacific.

As CISAC Director General Gadi Oron noted: «This is the latest exciting extension of the global campaign for fairness for audiovisual authors». He also pointed out that CISAC is going to work hard with audiovisual creators from Asia-Pacific and beyond to promote stronger rights and fair remuneration for them.

www.cisac.org

COPYRIGHT BUYOUTS TO UNITE THE WORLD'S MUSIC CREATORS AT CIAM GENERAL ASSEMBLY IN BUDAPEST

CIAM, global voice for music creators and affiliate council of CISAC, examines the impact on authors' rights. The rise of video-on-demand services offering films and TV series around the globe has led to the growing practice of 100% buyouts, where music creators sell their rights to a piece of music in exchange for a lump sum from audiovisual content-producing VOD platforms.



This phenomenon is spreading to Europe, in spite of national laws which protect authors against buyout practices.

Hosted by Hungary's authors rights society Artisjus, the CIAM GA is the leading global conference that examines the major issues affecting creators of music today. Founded in 1966 to protect the rights and assert the cultural aspirations of music creators, CIAM is the music creators' council of the CISAC.

How is the music industry adjusting? How does this impact the livelihoods of music creators? What opportunities and challenges are emerging due to these buyouts offered by VOD services? These questions are among an array of important issues drawing music leaders from Africa, Asia-Pacific, Europe, South and North America to Budapest on October 30th and 31st for the annual International Council of Music Creators (CIAM) General Assembly.

The challenges facing screen composers and Eastern European music creators will also be a focus.

www.cisac.org

DIGITAL SHOWS ITS GROWTH POTENTIAL

Worldwide royalty collections for creators of music, audiovisual, visual arts, drama and literature reached a record €9.65 billion in 2018, according to the 2019 Global Collections Report published on 07 November 2019 by CISAC..



Royalties from digital sources jumped 29% to €1.64 billion, thanks to rapid global expansion of music and subscription video on-demand (SVOD) services. In the last 5 years, creators' digital income has nearly tripled, now accounting for 17% of collections compared to 7.5% in 2014.

The increase in major markets' digital collections - notably the United States, France and Japan - are the

biggest drivers of global growth. This growth is helped by new and extended licensing deals between societies and digital platforms, from dedicated content services like Spotify to social media platforms such as Facebook and video on demand platforms such as Netflix and Amazon.

The Report shows other key indicators of the shift to digital: Asia-Pacific is a digital leader, with an online share of 26.3%, twice that of Europe at 13.3%; and Australasia, Sweden, South Korea, Mexico and China are in a growing group of “digital champions” where online revenues are now the top collections source.

However, the Report also highlights the need for legislative action to bring fair creators’ remuneration, calling on governments to follow the example of the landmark EU Copyright Directive, adopted in April 2019.

Jean-Michel Jarre, CISAC President, said: «Digital is our future and revenues to creators are rising fast, but there is a dark side to digital, and it is caused by a fundamental flaw in the legal environment that continues to devalue creators and their works. That is why the European Copyright Directive is so momentous for creators everywhere. The Directive has sent an amazing, positive signal around the world, building a fairer balance between creators and the tech platforms».

www.cisac.org

URGE IN LAWS TO PROTECT THE NEXT GENERATION OF ARTISTS IN THE DIGITAL ENVIRONMENT

Singer-songwriter and CISAC Vice President Angélique Kidjo calls for action and appeals for more protections creators’ digital rights at the Initiative Urheberrecht conference in Berlin. Speaking at «Initiative Urheberrecht», a conference on the implications of the new European Copyright Directive, adopted by EU governments in April 2019, she stressed out the necessity to ensure that artists get paid when their music is used on digital platforms.



Kidjo said more fairness was needed in the way artists are treated by the big global digital platforms. «It is our music on their platforms – they are not writing for us». She called for fair treatment and respect of creators, and an understanding that they must be paid fairly for their work.

«Initiative Urheberrecht» also brings together experts from government and the creative sector to discuss the future of copyright and authors rights.

www.cisac.org



EUROPEAN UNION

1. Directive on copyright in the digital Single market adopted in EU.

On 15 April 2019, the Council of Europe approved the digital single market copyright Directive. Within two years, EU countries will have to adopt the provisions of the Directive at the national level. The document includes eight main provisions. The summary of it on the [Lexdigital.ru](http://lexdigital.ru) and <http://ipcmagazine.ru/asp/key-provisions-of-directive-eu-n-2019-790-on-copyright-and-related-rights-in-the-single-digital-market>

1) Scientific organizations were allowed to analyze objects of copyright and related rights for research purposes

Research organizations that have legitimate access to works and other protected objects can now perform in-depth analysis of texts and data (which include sounds, images and other types of information) for scientific research. This exemption cannot be limited by the contract (license terms).

«Text and data mining is any automated analysis technology designed to study text or data digitally to collect information such as patterns, trends and relationships,» the Directive defines.

According to the document, rights holders have the right to take measures to protect the integrity and inviolability of networks and databases containing protected works. However, such measures should not go beyond these limits and hinder the actions of research organizations.

2) objects of copyright in digital form are allowed to be used as illustrations in educational activities

The Directive gives the right to the digital use of works and other protected objects as illustrations in educational activities to the extent justified by the non-commercial nature of such use, provided that such use a) takes place on the territory of an educational institution or through a secure electronic network, access to which is provided only to pupils, students and teaching staff of such institution; b) accompanied by an indication of the source, including the name of the author, if technically feasible.

3) Museums and libraries were allowed to make copies of protected objects from their collections

This exemption will allow cultural heritage organizations (publicly accessible libraries, museums, archives, film and audio funds) to make copies of any works and other protected objects of their permanent collections, using any appropriate technologies, in any formats and on any media, but only for the purpose of preserving such intellectual property and to the extent necessary for preservation.

4) CMOs can transfer to the organizations of cultural heritage the works which have left a commercial turnover (out-of-commerce works) even if do not manage the rights to them.

It may be difficult to obtain the prior consent of the copyright holder for the use of works due to the limitation of their creation, limited commercial value or because they were not intended for commercial use at all. To increase the availability of such works, the law empowers collective management organizations to issue licenses under certain conditions on behalf of even those rights holders who have not transferred such rights to them.

However, any rightholder may at any time withdraw object the protected object belonging to him from out-of-commerce circulation.

A protected object that is completely, in all its translations, variations and material forms, inaccessible to the public through the usual channels of commercial distribution is considered to be out-of-commercial circulation. Member States should formulate specific rules for the recognition of such works as out-of-commerce, taking into account consultations with rights holders, collective management organizations and cultural heritage organizations.

5) the State was obliged to help Internet sites in negotiations with rights holders

Platforms for viewing video on demand, VoD-services contribute to a more active dissemination of creative results. But in many cases the Internet industry meet difficulties to find a common language with the copyright holders.

According to the Directive, if negotiations to obtaining a license to host, for example, audiovisual works on online platforms are difficult for any reason, the EU member state should establish a special independent body that will facilitate negotiations and reach a compromise between its participants.

6) the mass-media will be able to earn on search engines, social media and news aggregators.

The new regulation do not affect or limit the rights of the owners of the works included in the publications. Such works can be used separately from publications.

The publisher having license from the author to use the work, included in the publication, is entitled to receive fair compensation for the use of works by third parties.

The period of validity of the right to publish in the media is 20 years from the year of its first publication.

The preamble of the Directive emphasizes that since hyperlinks are not a communication to the public, the new rights do not restrict the placement of hyperlinks in publications.

7) Online platforms will be obliged to identify protected content uploaded by users.

Content sharing platforms that store and provide public access to a large array of works and other protected objects downloaded by users, carry out the communication to the public. Now they are obliged to enter into license agreements with copyright holders, except for cases when their activities are exempted from liability on the basis of art. 14 Directive 2000/31/EC (for that purpose it is necessary to assess the active role of service providers in the use of content, whether they optimize the presentation of the downloaded content, promote it, etc.).

Service providers are obliged to observe the license agreements, as well as to terminate access to content specified by copyright holders. To do this, providers should implement effective content recognition technologies and other appropriate and proportionate measures (even if providers are exempt from liability).

Service providers inform the rightholders about the measures taken. They disclose to copyright holders information about the technologies used, their functionality, the success of content recognition and the volume of its use. Rightholders, in turn, must provide ISPs with the information necessary to identify their works.

Mechanisms should be established for users to file objections and receive compensation. Member States will facilitate dialogue between service providers and rights holders to develop best practices.

8) Authors and performers were allowed to demand an increase in remuneration if the income from the use of the work was greater than expected.

Users who have obtained the right to use the protected works are obliged to regularly provide authors and performers with accurate and sufficient information about the use of works and performances, in particular about the methods of use, the income received and the calculated remuneration. An exception can be made for those objects, the contribution to the creation of which from the authors and performers was unconsiderable.

Collective management organisations are guided by the more detailed principles of transparency set out in Directive 2014/26 / EU.

Authors and performers have a new right to claim additional remuneration under contracts for the use of their rights (license agreements and contracts for the assignment of rights), if the initially agreed remuneration is disproportionately low in comparison with the subsequent income and benefits derived from the use of their works and performances. The Directive does not specify the period for which this right is valid. Authors and performers can apply to court for protection of the right. In addition, the Directive recommends that member States establish alternative dispute resolution procedures for authors and users of rights, since authors are not always psychologically ready to go to court.

Full text of the Directive on <https://data.consilium.europa.eu/doc/document/PE-51-2019-INIT/en/pdf>

2. Directive on copyright and related rights to certain online transmissions of broadcasting organisations and retransmissions of television and radio programmes entered into force.

Another important law was approved on April 17th - the EU Directive 2019/789 of the European Parliament and the Council of Europe. The document sets rules of implementation for provisions concerning copyright and related rights as applied to certain live streams of broadcasters and retranslations of radio and TV programs. It supplements the Council Directive 93/83 of the EEC. The directive entered into force on June 7, 2019. Until June 7, 2021, Member States are obligated to implement these provisions into their national laws. Here are the main features of the new law as can be found on the website of WIPO https://www.wipo.int/news/en/wipolex/2019/article_0007.html

(i) facilitates the clearance of copyright and related rights of radio and certain TV content for cross-border digital broadcast and retransmissions;

(ii) complements the existing Directive 93/83/EEC (Satellite and Cable Directive), pertaining only to cross border satellite broadcasting and retransmission by cable of TV and radio programs;

(iii) establishes the «country of origin» principle, i.e. within the European Union, copyright and related rights in applicable radio and television programs must be cleared only for the broadcaster's country of principal establishment and not in any other Member State in which the broadcaster intends to make such programming available;

(iv) extends the system of mandatory collective management previously applicable

to cable retransmissions to all types of retransmission of relevant television and radio programs, to allow for a simplified method of rights clearance; and

(v) clarifies the legal framework of the so-called transmission by «direct injection», whereby broadcasters exclusively transmit programs to distributors that are responsible for public dissemination, such that rights holders are afforded appropriate opportunities for remuneration and the exercise of their rights.

The Directive has an impact on broadcasting organizations and the retransmission of content online.

Member States now have two years, i.e. until June 7, 2021, to implement this Directive into their own national legislation.

data.consilium.europa.eu/doc/document/PE-7-2019-REV-1/en/pdf

CRSEA COUNTRIES' NEWS



RUSSIA

Draft law on age rating passes the first reading in the State Duma

On December 5, 2019, the State Duma adopted the draft law in the first reading, the second reading is expected in January 2020. The draft law provides a simplified approach to age classification. The categories will remain as in current law: 0+, 6+, 12+, 16+, and 18+, but only 18+ (“prohibited for children”) rests mandatory. Other categories are proposed as recommendation.

The document amends three Federal laws «Fundamentals of the legislation of the Russian Federation on culture», «on protection of children from information harmful to their health and development» and «on state support of cinematography of the Russian Federation».

Online cinemas to provide reporting

The Ministry of Culture has prepared a draft law, which provides for the mandatory submission by online cinemas the viewing data in the Unified automated information system (UAIS). Through this mechanism, the state and producers want to obtain statistics on the audience and box office on the Internet similar to that available for a theatrical film screening. The amendments will also oblige search engines to specifically mark in the issuance of legal online cinemas included in the register of the Ministry of culture.

The draft provides for amendments to two Federal laws: the Federal law «on state support of cinematography of the Russian Federation» and the Federal law «on information, information technologies and information protection». Now it is under consideration in the Ministry of justice, after which it may be in the government, which will decide on the possibility of introducing it in the state Duma.

The provisions of the «anti-Piracy Memorandum» will form the basis of new legislation to fight piracy on the Internet

The text of the draft developed by the rightholders with the participation of Yandex and Mail.ru.

The bill is based on the principles of the so – called anti-Piracy Memorandum- an agreement between media companies and search engines obliging the latter to remove illegal content from the search results. The draft provides for the obligation of search engine operators at the request of the rightholder to remove from the search results websites that host infringing content (all objects of copyright and related rights, except photographic works) or redirect to such websites.

The draft law provides two procedures for excluding relevant sites from search results. The first is the general procedure of direct notification of the operator of the search engine, carried out by the rightholders either through an electronic form posted on the website of the operator, or by other means, including by mail in writing. In case of sending an electronic notification, the operator must exclude the site from the search results within 24 hours.

The operator of the search engine has the right to reject the claim of the rightholder if there are appropriate grounds (such a refusal can be appealed in the court). If the owner of the site provides evidence of legitimate use of the work, the search engine operator must restore the link to the site.

The second procedure involves an intermediary (mediator) between the search engine operator and the rightholder in the form of a legal entity – the operator of the database of links to sites (violating the rights of authors and other rightholders) provided by Roskomnadzor. Such a legal entity can only be a Russian organization (with a maximum foreign participation of up to 20%), which will receive Roskomnadzor accreditation. The number of such organizations is not limited, but they must comply with the rules developed by the Roskomnadzor. In fact, such organizations will be the owners of databases of links to prohibited sites. Search operators are required to open such databases (registries) and remove the links contained therein within 6 hours.



CHINA

Market size of China's online copyright industries reached RMB742.3 billion

The Online Copyright Industry Research Base of National Copyright Administration of China published the Report on the Development of China's Online Copyright Industries (2018)(the "Report") in Beijing on April 26, 2019. According to the Report, the market size of China's online copyright industries (the "Industries") reached RMB742.3 billion in 2018, 16.6% more than 2017. User payment amounted to RMB368.6 billion, 15.8% more than 2017. The Industries continued to boom, featuring expanding market size and user base in the various segments, accelerating digitalization of traditional cultural industry and emergence of new industrial structure and profit models.

In 2018, online news, online games (including e-sports) and online videos (including animations) became the three pillars of the Industries, representing a total share of 85%. Short videos, online animation and comics ("A&C") and other emerging industries thrived, with their profit model maturing, market share enlarging and industrial structure diversifying. Convergence of new media became a trend in 2018. Online media represented a market of RMB290.4 billion, up by approximately 30% YoY, and attracted a user base of 675 million, including 653 million for mobile news service. Thanks to the rise of mobile e-sports and social games, online games amassed a market size of RMB248 billion and user base of 484 million, including 459 million for mobile games. For e-sports in China, competition events increased and the training of professional players regularized. The popularization of OTT (smart TV and networked set-top-boxes) and other hardware drove the take-off of online videos, whose user base crossed the mark of 600 million in 2018. At-home

consumption of online videos mainstreamed, and video quality dramatically improved.

Digital reading and online A&C also gained headway in 2018. Online literature market scaled up to RMB9.05 billion, and gained 50 million new users. Paid reading and copyright adaptation propelled the growth of this market. The growth of users born in the 1980s and 1990s (the “80’s and 90’s”) gave impetus to the consumption of online A&C, and pushed this market to RMB14.16 billion, up by 53% YoY, and its user base above 200 million, with active exploration made for new profit models. The business model of “music+” rapidly prevailed for online music, a market of RMB22.6 billion, up by 29% YoY. In 2018, short videos attracted RMB648 million users, and delivered a 170% growth of monthly usage time, making this segment the fastest growing attraction of traffic. In contrast, live streaming’s user base slightly shrank to 397 million. However, the popularity of e-sports spurred the development of game streaming, and turned it into a market of RMB14 billion, up by 62% YoY. Both quality and profitability improved for live streaming.

The dynamics of the various segments exhibited new trends of the Industries in 2018. Industry players assumed more social responsibilities, and more actively engaged themselves in promoting traditional culture, mainstream values and the people’s cultural wellbeing. The protection of online copyright enjoyed a more robust regime, and increased awareness among both businesses and users. This provided creators with a better environment of creation. Technological progress advanced the cross-segment convergence in the Industries, enabling constantly innovated approaches to creation and emergence of more works and ideas. Following the leading enterprises, the Industries achieved higher export, and earned more international recognition for the Chinese culture.

<http://en.ncac.gov.cn/copyright/upload/files/2019/10/21151840416.pdf>



KAZAKHSTAN

Restaurateurs’ Club of Kazakhstan signs Memorandum with copyright societies



A meeting with the business community concerning provision of public services with the use of copyrighted content was held in November at the National Chamber of Entrepreneurs of Kazakhstan “Atameken.” The meeting resulted in several important decisions. First, the Restaurateurs’ Club of Kazakhstan and copyright societies signed a memorandum to create

a special commission under the Atameken to manage user questions and complaints concerning copyrighted materials.

Secondly, it was decided to separately consider the issue raised by the Kazakhstan Association of trading companies and producers of household appliances, computer equipment and complex technical systems regarding minimum royalty rates.

Ministry of Justice of Kazakhstan and WIPO held a seminar in Nur Sultan on the problems of copyright and related rights on the Internet

A two-day subregional seminar on the “Protection of copyright and related rights on the Internet: problems and prospects” took place in Nur Sultan on 16-17 October, 2019.

The event was organized by the Ministry of Justice of the Republic of Kazakhstan in partnership with the World Intellectual Property Organization (WIPO). Its aim was to discuss issues of copyright protection online and share experience of other countries in this field.

The seminar was attended by representatives of Kazakhstan's state bodies, the Astana International Financial Center, collective management organizations, educational institutions, as well as international experts in the field of intellectual property from WIPO, Great Britain, Germany, France, USA, Russia, Belarus, Azerbaijan, Uzbekistan, and Tajikistan.

In the course of the two-day seminar participants addressed such issues as Internet piracy, balanced approaches to the implementation of intellectual property rights, legal and civil methods of copyright protection in the digital environment, modern legal practice in the field of copyright protection, voluntary measures to ensure respect for copyrighted content, responsibility of Internet intermediaries and many others. During the round tables participants also discussed the state of copyright in Kazakhstan and issues of IP protection in the digital environment.



ARMENIA

Intellectual Property Agency of the Ministry of Economy of Armenia and Korean Invention Promotion Association signed Memorandum of Cooperation

The Intellectual Property Agency of the Ministry of Economy of Armenia and the Korean Invention Promotion Association signed a Memorandum of Cooperation on November 20. The memorandum is expected to foster learning culture and deepen bilateral cooperation in the field of intellectual property.

The first joint event became a training seminar for intellectual property specialists.

Out of the 192 country-members of the World Intellectual Property Organization, the Korean Intellectual Property Office is a leader in training programs.

Armenian Deputy Prime Minister opens Anti-Counterfeiting-2019 International Forum



On November 12, Deputy Prime Minister of the Republic of Armenia Mher Grigoryan attended the opening of the VII International Forum "Anti-Counterfeiting 2019" in Yerevan, organized by the Ministry of Economy of the Republic of Armenia with the assistance of the Eurasian Economic Commission, the Ministry of Industry and Trade of the Russian Federation and the International Anti-Counterfeiting Association. In the course of the two-day forum, participants

addressed challenges in combating illegal trafficking of industrial products, including issues of intellectual property rights protection.

In his speech, Grigoryan emphasized the importance of the forum for solving the illegal trafficking issues and noted the global nature of the IP-related challenges.

According to him, for Armenia these problems are also of the utmost importance, especially given the country's geographical and geopolitical position. He further urged the members of the EAEU to eliminate regulatory inconsistencies in all areas of cooperation.

Deputy Prime Minister, added that the forum is a good opportunity to discuss compliance of regional regulations and laws and to exchange expert opinions. He believes that such events give an excellent opportunity to identify effective mechanisms that can be further implemented in the EAEU.



KYRGYZSTAN

From now on hotels, fashion stores, beauty salons and gyms will have to pay royalties in Kyrgyzstan

In 2019, the State Service of Intellectual Property and Innovation under the Government of the Kyrgyz Republic (Kyrgyzpatent) initiated the adoption of amendments to the Government Resolution “On the minimum rates of royalties for the use of copyright and related rights.” The amendment adds hotels, fashion stores, beauty salons and gyms to the existing categories of payers of royalties.

Kyrgyzpatent has developed special formulas for calculating fixed monthly interest rates. The size of the payment depends on the level of service, location of the payer, number of reproducing equipment and total area of audio-branded space. “An increase in the number of new categories of royalty payers will help authors to receive decent remuneration for their work, which will have positive effect on our country's economy in general,” said Dinara Moldosheva, chairman of the State Service of Intellectual Property and Innovation under the Government of the Kyrgyz Republic.

Kyrgyzstan lays grounds for development of collective management organizations (CMOs)

Kyrgyzpatent has developed and adopted the Regulation “On the minimum requirements for organizations that manage property rights on a collective basis and control over their activities by the authorized state body in the field of intellectual property.” The document regulates the creation of collective management organizations for copyright of authors and rightholders and control of their activities by the state.

“We hope that in the future a public organization capable of effectively developing and promoting the collective management of copyright and related rights of national and foreign authors and copyright holders will be created in the Kyrgyz Republic,” said Dinara Moldosheva, Chairman of the State Service of Intellectual Property and Innovation under the Government of the Kyrgyz Republic.

Currently there are no CMOs operating in Kyrgyzstan, and their functions are solely performed by Kyrgyzpatent.

IT-Infrastructure HYPERGRAPH launches in Kyrgyzstan

By presidential decree, 2019 has been declared the Year of Regional Development and Digitalization of the Country in Kyrgyzstan. As part of the program, Kyrgyzpatent has aimed to promote automation of internal production processes, support development of

information systems and ensure centralized data storage and its online availability for end use. Digital technologies has also been applied to the intellectual property management processes.

As a full-fledged member of the Confederation of Rightholders' Societies of Europe and Asia (CRSEA) since 2017, Kyrgyzpatent decided to adopt in its internal operations a special software product HYPERGRAPH, developed by the confederation for automating the collection and payment of royalties.

“HYPERGRAPH” offers complex IT-infrastructure that guarantees high-quality and reliable connection to global networks, as well as transfer, storage and processing of data for royalty management. “There have been some big positive developments in the field of collective management of copyright and related rights of authors and rightholders this year, as Kyrgyzpatent has started the process personnel training and implementation of the Hypergraph infrastructure,” said Dinara Moldosheva, Chairman of the State Service of Intellectual Property and Innovation under the Government of the Kyrgyz Republic.



BELARUS

Belarus lowers compensation rates for copyright infringement on TV

In July 2019, Belarus adopted amendments to the 2011 Law on Copyright and Related Rights. This decision had been preceded by over two years of disputes between collective management organizations (CMOs) and telecommunication services operators (cable, IPTV and OTT service providers).

The amendment lowers the minimum compensation rate for violations of the exclusive right from 10 to 1 of the base amount (equivalent to about 120 to 12 US dollars) and exempts operators relaying television programs from the mandatory package (includes television programs of national production) from any liability in the form of compensation for violations of copyright and related rights committed during such a relay. These changes have already come into effect.

These changes have already negatively affected the interests of rightholders, who had to lower the tariffs for collecting royalties in the field of cable television and are now considering further adjustments towards lowering minimum rates of royalties for broadcasting companies.

Chairman of the Board of the Belarusian Society of Authors, Performers and Other Rightholders Sergei Kukhto urges Belarusian creative industries “to consolidate in order to resist negative trends and defend their interests.”

Other novelties that directly regulate activities of CMOs, for example, concerning the mandatory audit of such organizations, will enter into force in May 2020.

Important change will also affect the imputed fee for the sale of carriers (fee for reproduction of audiovisual content, including content stored in phonograms, for personal use – the so-called «private copying»). In particular, the adopted amendments entail introduction of 25% of mandatory deductions from collected remunerations in the form of a transfer to the President of the Republic of Belarus Fund for the Support of Culture and Art.

The list of equipment and material carriers that will be affected by the fee, as well as the amount of remuneration will be established by the Government of the Republic of

Belarus. Additionally, the authority of the CMO will be expanded to include collection of remuneration for private copying. It will also get new channels for accessing information necessary for such collection and subsequent distribution.

Currently, several bylaws are being prepared to ensure full implementation of the provisions of the document.



TURKEY

Turkey wants to speed up the procedure of blocking illegal content and limit piracy in P2P networks

Current practice existing in Turkey sets out the current takedown request system, was introduced in 2001 Under current legislation when online infringement is detected, copyright holders must:

contact the content provider to request the removal of the infringing content within three days; and ask the public prosecutor to issue an order against the relevant service provider to block the content provider's internet access if the removal request has not been satisfied within this three-day period.

If the infringement is remedied, access to the content provider will be reinstated. In cases of failure to remedy the infringement through the above measures, the rights holder can file a criminal action against the content provider.

The three-day period for content providers to take action can be considered a long time with regard to digital platforms, where the dissemination of information has become extremely fast. In addition, finding the contact details of content providers can be challenging in the context of a 'notice and takedown' system, as the liability of content providers applies only after notification. As content providers may not always be clearly indicated on infringing websites, right holders may face difficulty serving notice of copyright infringement.

The Draft Copyright Act, which aims to substantially change the Copyright Act, has been in preparation for some time. The draft, which was made open to public comment by the Ministry of Culture and Tourism, includes regulations on takedown requests, among other issues.

According to the draft, rights holders will not be required to follow the current procedure, but will instead be able to request that the public prosecutor block access to infringing content in urgent cases.

After a request has been filed within the frame of this proposal, the public prosecutor will be authorised to render a decision to block the infringing content until the infringement has been remedied. If the content provider takes no action and maintains its illegal activities despite these measures, access to the entire website containing the infringing content can be blocked. Decisions rendered by the public prosecutor will be subject to the Criminal Court's approval. In the absence of such approval within 24 hours, the public prosecutor's decision will be automatically overturned.

The Draft Copyright Act also includes provisions concerning peer-to-peer (P2P) platforms. With modern P2P networks, sharing is faster when more users download a file. Through such highly sophisticated platforms, data is not transferred from a central point to users as a whole, but rather split and transferred in smaller parts between all users involved. Therefore, the more users that share and benefit from infringing content, the quicker such data transfers take place.

The draft allows collective societies to mark works protected by copyright and keep track of whether online infringement of these works occurs. Once a user of a P2P platform is found to have infringed copyright using this method, either the ministry or institutions authorised thereby will send warnings to users. Unless the infringement is remedied upon receipt of two notifications, the internet speed of such users will be slowed down for up to six months.

The draft's preamble states that the new regulation regarding P2P networks aims to stop infringements without any judicial intervention and raise awareness of copyright among internet users in the long run, rather than prioritising penalisation.

The Draft Copyright Act aims to facilitate a more effective enforcement procedure for rights holders. This should allow them to directly contact the public prosecutor instead of having to undertake the existing notification procedures (ie, the notice and takedown principle) that must be followed with regard to content providers.

The measures foreseen for P2P platforms may also play a critical role in a rather challenging environment for copyright holders and provide deterrent protection against infringing parties if their internet protocol addresses can be properly identified.

Источник: www.internationallawoffice.com



MOLDOVA

ANPCI called to dismiss the management of AGEPI



The national Association for the protection of intellectual property (ANPCI) called on President Igor Dodon and Prime Minister Ion Kik to dismiss the management of the state Agency for intellectual property (AGEPI).

ANPCI Chairman Iurie Gheorghita told a news conference at INFOTAG on Tuesday that «AGEPI has gone from being a state institution to a structure whose management has for many years been acting in the interests of third parties, but not in the interests of rightsholders and the state, damaging Moldova's international image».

«AGEPI continues to make decisions that, in addition to their illegality, have created chaos in the society. The courts are flooded with complaints, as well as decisions that are challenged in the European court of human rights,» he said.

http://www.infotag.md/m9_populis/281300/



AZERBAIJAN

The presentation of the portal «Creative Azerbaijan» and a panel discussion on «Creative industry: new opportunities for sustainable development and employment» took place in Baku

On December 9, the Baku Congress center hosted a presentation of the portal «Creative Azerbaijan» and a panel discussion on «Creative industry: new opportunities for sustainable development and employment».

The purpose of creation of the portal «Creative Azerbaijan» is to conduct active promotion and educational work in the field of creative industry by the Ministry of culture. The portal will host various news, information about events, companies and authors working in the creative industry.

Besides, the purpose of the portal is to encourage the production of creative products of Azerbaijan under the brand «Creative Azerbaijan».

It should be noted that during the panel discussion on the theme «Creative industry: new opportunities for sustainable development and employment» various issues were discussed on the topics of culture, economy, education, employment, intellectual property, innovation, urban development.



During his speech, Minister of Culture Abulfas Garayev said that globally the creative industry has made an invaluable contribution to the development of society over past 10 years. He noted that

thanks to the policy pursued in recent years by Azerbaijani President Ilham Aliyev and first Vice President Mehriban Aliyeva, the improvement and reconstruction works are being carried out in every region of the Republic, in all cities and districts, and new jobs are opening up.

A. Garayev stressed that this year Baku is included in the list of «network of creative cities» of UNESCO. He said that Baku must prove to the world that it is worthy the title of a creative city in the design sphere. The Minister noted that government agencies, enterprises and citizens should actively participate in this process. The presentation of this portal is the first step in the implementation of this important order.

<http://mct.gov.az/ru/obshie-novosti/r11482>