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To: Members of the Parliament of Croatia, Croatian Parliament, Trg sv. Marka 6, Zagreb

February 02, 2021, Brussels

Dear Members of Parliament,

I write to you on behalf of the Board of Directors of IMPF, and on behalf of independent music publishers in Croatia who are members of the international independent music publishers organisation with a seat in Brussels, that works on behalf of the community globally.

It has come to our attention that the wording of the new Croatian Copyright Bill contains a troubling provision in Article 213. It is our understanding that this Article would make it mandatory that a large scope of the author's or composers rights be executed exclusively through a collective management organisation (CMO). Such an approach would deny authors and composers (the rightsholders) the right to execute their intellectual property rights (IPRs) as they see fit, i.e., directly or through their chosen representative.

In the EU, the legal framework regarding collective rights management organisations is set out in Directive 2014/26/EU aka the CRM Directive. This legislation improves the functioning of CMOs across the EU. While the CRM Directive does not provide any rules requiring that rightsholders conclude exclusive contracts with collective rights management societies, it does enable the rightsholder to assign to a chosen CMO part of their rights as opposed to all rights but as well only certain categories of rights or types of works for the territories of their choice (see Article 5(2) of CRM Directive). This implies that contracts may also be of a non-exclusive nature. The CRM Directive also provides for rightsholders to terminate or withdraw some rights from the CMO. The CRM Directive offers rightsholders the possibility to manage their rights individually including for non-commercial uses and to terminate and withdraw their rights, categories of rights or type of works or other subject matters from the CMO they have freely chosen (Article 5). It means that the CRM Directive provides rightsholders the freedom to decide for themselves which right they decide to entrust to a CMO and which right they decide to manage individually.

Our independent sector is a major contributor to the music economy and culture. The recent IMPF report (Independent Music Publishing Global Market View 2020) pegs the value of the music publishing market in 2019 at €5bn (up from €4.63bn in 2018), of which the independents took a 27% share. As independent music publishers, we work on behalf of our songwriters and composers and have a long tradition of promoting cultural diversity, and we are committed to upholding the rights of composers to create and to be rewarded fairly for their work. The music publisher is largely dependent on the CMO to carry out their fiduciary duty and collect and distribute in the most efficient manner and the relationship between the publisher and CMO is a particularly important underpinning of collective management. We

closely liaise with composers and authors societies and fully support an effective collective management system so that together we can uphold the various and many facets of our world music community. We also absolutely support the right of our songwriters, composers and authors to manage their IPRs as they so choose.

I would urge you therefore to consider the position of music composers and authors and address this anomaly in Article 213 of your Bill.

Thank you for your consideration, I am available to discuss further at any moment.

Yours sincerely,



Ger Hatton, of Counsel to the IMPF Board of Directors

Cc: IMPF Music Publishers Croatia, Dancing Bear Music, and Executive Board of IMPF, Simon Platz UK, Teri Nelson Carpenter USA, Annette Barrett UK, Niclass Björlund SE, Francesca Trainini IT, Pierre Mossiat BE,



IMPF - the **Independent Music Publishers International Forum** - serves as a global network and meeting place for independent music publishers and aims to, share experiences and best practices in music publishing; exchange information on the legal and regulatory framework in the music environment; coordinate actions and support projects relevant to composers, authors and their music publishers; represent the interests of the independent music publishing community internationally; stimulate a favourable environment for artistic, cultural, linguistic and commercial diversity.