Directive 2014/26/EU of the European Parliament and of the Council of 26 February 2014 on collective management of copyright and related rights and multi-territorial licensing of rights in musical works for online use in the internal market (Text with EEA relevance)

TITLE I

GENERAL PROVISIONS

Article 1

Subject-matter

This Directive lays down requirements necessary to ensure the proper functioning of the management of copyright and related rights by collective management organisations. It also lays down requirements for multi-territorial licensing by collective management organisations of authors' rights in musical works for online use.

Article 2

Scope

- 1 Titles I, II, IV and V with the exception of Article 34(2) and Article 38 apply to all collective management organisations established in the Union.
- 2 Title III and Article 34(2) and Article 38 apply to collective management organisations established in the Union managing authors' rights in musical works for online use on a multi-territorial basis.
- 3 The relevant provisions of this Directive apply to entities directly or indirectly owned or controlled, wholly or in part, by a collective management organisation, provided that such entities carry out an activity which, if carried out by the collective management organisation, would be subject to the provisions of this Directive.
- 4 Article 16(1), Articles 18 and 20, points (a), (b), (c), (e), (f) and (g) of Article 21(1) and Articles 36 and 42 apply to all independent management entities established in the Union.

Article 3

Definitions

For the purposes of this Directive, the following definitions shall apply:

- (a) 'collective management organisation' means any organisation which is authorised by law or by way of assignment, licence or any other contractual arrangement to manage copyright or rights related to copyright on behalf of more than one rightholder, for the collective benefit of those rightholders, as its sole or main purpose, and which fulfils one or both of the following criteria:
 - (i) it is owned or controlled by its members;

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- (ii) it is organised on a not-for-profit basis;
- (b) 'independent management entity' means any organisation which is authorised by law or by way of assignment, licence or any other contractual arrangement to manage copyright or rights related to copyright on behalf of more than one rightholder, for the collective benefit of those rightholders, as its sole or main purpose, and which is:
 - (i) neither owned nor controlled, directly or indirectly, wholly or in part, by rightholders; and
 - (ii) organised on a for-profit basis;
- (c) 'rightholder' means any person or entity, other than a collective management organisation, that holds a copyright or related right or, under an agreement for the exploitation of rights or by law, is entitled to a share of the rights revenue;
- (d) 'member' means a rightholder or an entity representing rightholders, including other collective management organisations and associations of rightholders, fulfilling the membership requirements of the collective management organisation and admitted by it:
- (e) 'statute' means the memorandum and articles of association, the statute, the rules or documents of constitution of a collective management organisation;
- (f) 'general assembly of members' means the body in the collective management organisation wherein members participate and exercise their voting rights, regardless of the legal form of the organisation;
- (g) 'director' means:
 - (i) where national law or the statute of the collective management organisation provides for a unitary board, any member of the administrative board;
 - (ii) where national law or the statute of the collective management organisation provides for a dual board, any member of the management board or the supervisory board;
- (h) 'rights revenue' means income collected by a collective management organisation on behalf of rightholders, whether deriving from an exclusive right, a right to remuneration or a right to compensation;
- (i) 'management fees' means the amounts charged, deducted or offset by a collective management organisation from rights revenue or from any income arising from the investment of rights revenue in order to cover the costs of its management of copyright or related rights;
- (j) 'representation agreement' means any agreement between collective management organisations whereby one collective management organisation mandates another collective management organisation to manage the rights it represents, including an agreement concluded under Articles 29 and 30;
- (k) 'user' means any person or entity that is carrying out acts subject to the authorisation of rightholders, remuneration of rightholders or payment of compensation to rightholders and is not acting in the capacity of a consumer;
- (l) 'repertoire' means the works in respect of which a collective management organisation manages rights;

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- (m) 'multi-territorial licence' means a licence which covers the territory of more than one Member State;
- (n) 'online rights in musical works' means any of the rights of an author in a musical work provided for under Articles 2 and 3 of Directive 2001/29/EC which are required for the provision of an online service.