

George Meskhi*

ORCID: 0000-0002-2547-0258

Applying the Principle of Fair Remuneration During the Collective Management of Authors' Rights: Different Perspectives

RESUME

Fair remuneration principle is one of the foundations of the authors' rights and collective management of these rights is the process where the principle of fair remuneration has to be applied. This principle is not only a theoretical doctrine but rather a practical solution to the problems which emerge in the realities of different legal systems and geopolitical dimensions. Collective management organizations, established in Western Europe, have gone through an interesting path of development in the post-Soviet Eastern European countries, where they had to consider both: long-lasting Soviet heritage and the urgent need to implement a Western legal system. These contradictions have revealed numerous problems, which were less observable in Western countries. One of them is the calculation, collection, and distribution of the royalty fees on the fair basis of proportionality. Examination of several different examples shows how modern technologies can be used, in order to make this fair distribution real and apply the theoretical principle in practical reality.

Keywords: Fair Remuneration, Collective Management, Copyright, Authors' Rights, Association Agreement

* Ph.D., Associate Professor of Sulkhan-Saba Orbeliani University, 3 K. Kutateladze Str., 0186, Tbilisi, Georgia, email: g.meskhi@sabauni.edu.ge

I. Introduction

The principle of fair remuneration is a milestone in not only copyright law and authors' rights doctrine, but also in the wider areas like labor law and private law, in general. Rooted in basic moral principles, linked to fundamental legal concepts like proportionality and good faith, fair remuneration principle gives direction to the theory and practice of implementing authors' rights. These rights have to be realized either individually, or collectively – the latter is the common practice in Western countries for more than the last two centuries. However, while managing these rights collectively, the principle of fair remuneration has to be considered first. Ignoring this principle will lead to the infringement of balance between the interests of the rightsholders and users, which is the main essence of copyright law.¹ The practice shows, though, that collective management of the authors' rights often contradicts with the fair remuneration principle. Defining proportional remuneration is often problematic not because of the impossibility of fair calculation, but due to unwillingness to overcome the challenge of modern technologies. On the other hand, both authors' rights and copyright² law have been developed as a result of technological developments, which obliges them to be responsive to such developments.

Copyright and authors' rights were both created in Western Europe, and most of the international agreements and conventions in this field have been signed in Western European cities as well. However, recent developments have shown that the laws of Eastern European countries are certainly noteworthy. These countries, especially the former Soviet states, had to experience a sudden shift from the radical socialist authors' rights doctrine to the radically different Western system. They have been trying to implement this system in their laws during the last three decades, although the influence of the Soviet copyright legislation is still visible. This contradictory process detects certain important aspects of the Western authors' rights system itself, which were not obvious from the 'insider' perspective and needed to have a look by an 'outsider'.³ Sometimes, when the institutes are developed traditionally over centuries, the insiders take them as a natural reality and do not examine them critically, while the outsiders, willing to use these foreign institutes, carefully look at all of their benefits and disadvantages. This particularly refers to the institute of collective rights man-

¹ Hugenholtz B., *Copyright Harmonization in the digital age: Looking Ahead*, Harmonization of European IP Law: From European Rules to Belgian Law and Practice, Contributions in Honor of Frank Gotzen, edited by M.-Ch. Janssens and G. Van Overwalle, Brussels, 2012, 60.

² Although they refer to the same object, these two concepts are still different. Therefore, we separate them from each other in this research.

³ The development of this outsider perspective is relatively new. See Meskhi G., *From Soviet to European Copyright*, ReFuBium, 2019, 8.

agement organizations, in general, and use (or failure to use) the fair remuneration principle by them, in particular. The developments in Eastern European collective management organizations reveal numerous problems, which were hidden from the 'insider' perspective.

The research tries to answer the question, how should the principle of fair remuneration be applied by the collective management organizations in their practices. Namely, it refers to literary and artistic works, especially musical ones. As for the chronological and geographical dimensions, the research tries to foresee not only the perspectives based on the Western traditions (the role of which is certainly significant) but also the importance of modern technological developments and experiences of the countries, that had to establish and develop such organizations in recent decades, after the end of the Soviet Union. Therefore, we use a comparative method of opposing common law and civil law doctrines, Western and Eastern European experiences, and traditional and modern tools each other. We have to use a dialectical method as well, opposing the thesis and antithesis to each other in order to reach a new level of synthesis. There is an attempt to prove that modern technologies make it possible to comply with the collective rights management process with the requirements of the fair remuneration principle. In this regard we have to follow deductive reasoning, starting from the general observations on the principle of fair remuneration and the institute of collective management organization to the practical cases of managing certain rights collectively, in certain countries, considering this proportionality requirement.

Our research starts with the definition of the *fair remuneration principle*. We examine this principle and its use in the legislations and practices of the European Union, as well as certain member and non-member states⁴ of it. Afterward we will discuss the *collective rights management organizations* – established in Western countries in recent centuries, being developed in Eastern European countries in recent years, facing the challenge to comply with the post-Soviet reality with the Western standard. These two variables have to be examined *together* in order to find out, how exactly the principle of fair remuneration can be used by collective management organizations in their activities, in single practical cases. Finally, we offer some *recommendations* in terms of applying the fair remuneration principle and making them real, especially in the laws of the Eastern European post-Soviet countries, where the practical application of the authors' rights still remains problematic.

⁴ Here we refer to Georgia and Ukraine, which are not yet the member states of the EU, but have signed Association Agreements with the EU in 2014 and applied for membership, which obliges them to implement EU standards in their laws also in terms of copyright and authors' rights.

II. The Principle of Fair Remuneration and Its Practical Realization

Fair remuneration principle has been the core principle of copyright since the very beginning of its development. Although it is sometimes referred to as the principle of appropriate and proportionate remuneration,⁵ or just rewards,⁶ the main essence of it remains the same. Remuneration is considered as a tool to encourage and reward the authors (creators).⁷ Fair remuneration principle has its roots in the Gospel, according to which “the laborer is worthy of his hire” (Luke 10:7).⁸ The idea that an effort made by an author has to be remunerated, and has to be remunerated fairly, is the reason why copyright exists at all (so-called “raison d’être”). It is also related to one of the basic legal concepts – the principle of proportionality (fairness). Having such solid moral and theoretical grounds, the fair remuneration principle continues to be the milestone of both – copyright and authors’ rights legal systems. Here we refer to the division between the common law system of *copyright* (arisen in the UK) and the continental European system of *authors’ rights* (droit d’auteur, originated in France).⁹ Fair remuneration principle is often used by the courts in both of these systems.

The importance of the fair remuneration principle has been underlined once again by the newest version of the EU copyright legislation, which tries to harmonize fair remuneration in the member states¹⁰ and, according to which, the authors and performers “are entitled to receive appropriate and proportionate remuneration”¹¹. This principle has been applied, defined, and detailed in the national legislation of the EU member states long before the adoption of this directive itself. Some aspects of these national regulations are different and peculiar. German law regulates the notion of equitable remuneration (Angemessene Vergütung) in detail - however, here the fairness of remuneration is understood in the following manner: first of all, the law states that the remuneration has to be in accordance with the agreement, and only

⁵ In the EU Directive 2019/790 it is referred as the principle of appropriate and proportionate remuneration (Article 18).

⁶ “Just rewards theory” is considered as one of the ‘justifications’ of imposing copyright, in general. See Stokes S., *Art and Copyright*, Hart Publishing, 2003, 13.

⁷ Senfleben M., *More Money for Creators and More Support for Copyright in Society-Fair Remuneration Rights in Germany and the Netherlands*, *The Columbia Journal of Law & The Arts*, Vol. 41, No3, 2018, 414.

⁸ Luke the Evangelist, *Gospel of Luke*, in: *The Gospels, Authorized King James Version*, Edited with an Introduction and Notes by W. R. Owens, Oxford University Press, 2011.

⁹ Although they refer to the similar objects, these two systems have significant differences since the beginning of their development. See Meskhi G., *From Soviet to European Copyright*, *ReFuBium*, 2019, 12-17.

¹⁰ Towse R., *Copyright Reversion in The Creative Industries: Economics and Fair Remuneration*, *The Columbia Journal of Law & The Arts*, Vol. 41, No3, 2018, 467.

¹¹ EU Directive 2019/790 Article 18 (1),.

after that the law requires that the remuneration has to correspond to what is customary and fair in business relations (however, if the agreement fails to meet these general rules, the authors have right to demand its modification)^{12,13} French intellectual property code refers more shortly and directly to the distribution of the collected amounts, which has to foresee the equitable nature (*caractère équitable*) of the conditions.¹⁴ The regulations by the national laws of the EU member states generally have the same character: they give credit to the fair remuneration principle by defining it in a more general and less detailed way.

In spite of all these reliable moral justifications, solid theoretical backgrounds, and loyal legislative regulations (both nationwide and EU-wide), the fair remuneration principle has one irresistible practical problem: *how exactly* should it be implemented into practice? To make it clearer: how exactly should equitable remuneration be *calculated*? Without giving a real answer to this question, the fair remuneration principle will remain an ambiguous concept not only for economists,¹⁵ but also for anyone who would like to refer to this principle in practical terms. An ambiguity of the fair remuneration principle shows up to its whole extent when it is linked to the collective management organizations. Here the problem is the following: how exactly should the rightsholders (authors, performers, heirs, etc.) affiliated with these organizations receive fair remuneration? The sophisticated structure of such organizations and the even more ambiguous rule of calculating remuneration for each and every rightsholder makes it even more difficult to answer this question. In order to define the rule of calculating such fair remuneration – which is the way to implement this rather theoretical principle into practice – we will have to discuss the essence, structure, and applicable rules of the collective management organizations in more detail.

III. Development of the Collective Management

The possibility to manage rights on his/her own is the main benefit granted to the authors, performers, and other rightsholders by copyright, or authors' rights. In this regard, there are two basic ways to choose: *individual* or *collective* management.

¹² Senftleben M., More Money for Creators and More Support for Copyright in Society-Fair Remuneration Rights in Germany and the Netherlands, in: *The Columbia Journal of Law & The Arts*, Vol. 41, No3, 2018, 422.

¹³ Gesetz über Urheberrecht und verwandte Schutzrechte, § 32 (2).

¹⁴ Code de la propriété intellectuelle, Article L122-12.

¹⁵ Fair remuneration principle has been criticized for being an ambiguous concept for economists. See Towse R., Copyright Reversion in The Creative Industries: Economics and Fair Remuneration, *The Columbia Journal of Law & The Arts*, Vol. 41, No3, 2018, 467.

Although individual management grants more independence and self-determination possibilities to the author, it encounters significant practical difficulties after the publication of the work: the more popular and widespread the copyrighted work becomes, the harder it gets to control the use of this work.¹⁶ French authors were the first who realized that there was a need of collective management and founded the first collective management society in 1977 - la Société des Auteurs et Compositeurs dramatiques (the society of Dramatic Authors and Composers).¹⁷ At this point the authors had to 'sacrifice', at least, parts of their independence in order to be protected and be effective in terms of managing their own rights. The wave of founding collective management organizations spread over the whole European continent in the 19th century and they were present in almost all European countries by the beginning of the 20th century.¹⁸ Collective management societies of music copyright developed intensively in the United States since the beginning of the 20th century, as long as the worldwide famous organizations like the American Society of Composers, Authors, and Publishers (ASCAP) and Broadcast Music Inc. (BMI) were established.¹⁹ Different ways of regulating collective management have been noticeable.²⁰ Following the development of the printing press, arts, music, and film industries, the social and economic importance of such organizations have become significant. Thus, the voluntary unification of the authors in certain directions (literature, playwright, music, cinematography, etc.) in Eastern countries has led to the creation of the big industries, which still remain important in the 21st century.

The eastern European countries annexed by the Soviet Union in the 20th century had to follow the different way of development. Soviet Union had its own, rather peculiar, understanding of authors' right: the author had to serve the public, in general, not the egoistic, mercantile, narrow personal interests of the particular author, or his/her relatives. Accordingly, the Soviet system tried to create an antithesis to the 'capitalist' phenomena of copyright – it had to guarantee a planned development of

¹⁶ At the certain stage it becomes impossible for the author to control, what happens to his/her work. See Uchtenhagen U., *Copyright Collective Management in Music*, WIPO, 2011, 11.

¹⁷ Like authors rights (*droit d'auteur*), collective management organizations also owe their birth to France as early as in the 18th century. See Krakovitch O., *La Société des Auteurs et Compositeurs dramatiques, pour ou contre la censure? En un combat douteux...*, *Nineteenth-Century French Studies*, Vol. 18, No3/4, 1990, 363.

¹⁸ Wang J., *Should China Adopt an Extended Licensing System to Facilitate Collective Copyright Administration: Preliminary Thoughts*, *European Intellectual Property Review*, Vol. 32, No6, 2010, 283-284.

¹⁹ Day B. R., *Collective Management of Music Copyright in the Digital Age*, *Texas Intellectual Property Law Journal*, Vol. 18, No2, 2010, 201.

²⁰ Namely, separated and integrated ways are differentiated from each other. See Dietz A., *Legal Regulation of Collective Management of Copyright (Collecting Societies Law) in Western and Eastern Europe*, *Journal of the Copyright Society of the U.S.A.*, Vol. 49, No4, 2002, 897-898.

culture, instead of “boosting the ego of the author”.²¹ Accordingly, the state – Soviet Union – was considered as the owner-in-chief of the authors’ economic rights. The management of the authors’ rights followed this main principle. The All-Union Agency on Authors Rights (VAAP)²² controlled the rights of all kinds of authors, all over the Soviet Union. The management of the authors’ rights was as much collective as it could be. It was also based on the strict egalitarian rule: the authors were receiving the precisely defined rates of copyright royalty.²³ However, it was controlled by the state, which excluded any sign of independence, or business initiative. In most of the Soviet republics this kind of legislation was the first authors’ rights regulation ever, which lasted during several decades, until the end of the Soviet Union.²⁴

The end of the Soviet Union in 1991 gave birth to the own copyright legislations in the newly independent countries, mostly in the 1990-ies.²⁵ The new copyright laws tried to shift all of a sudden from one to another extreme – from the Soviet to the western system, which inevitably created significant problems.²⁶ These new copyright laws also created the possibilities to establish collective rights management organizations.²⁷ Unlike the western example, in most of these post-Soviet countries the legislation regulated the organizations at first and the organizations themselves were established afterwards. Another difference with their western counterparts is that in these countries the collective management organizations were either created by the government directly,²⁸ or controlled by the government indirectly. This governmental basis and centrifugal mechanism of control makes these organizations more similar to the Soviet system and VAAP, rather than western societies created as a result of

²¹ Levitsky S. L., Introduction to Soviet Copyright Law, Status Juris: End 1962, Law in Eastern Europe, University of Leyden, 1964, 15.

²² Всесоюзное агентство по авторским правам, ВААП. See Гаврилов, Э. П., О знаке охраны и владельце авторского права, Известия высших учебных заведений, No6, 1990, 53.

²³ These rates were laid down by the legislation of the USSR and the Union Republics, See Levitsky S. L., Introduction to Soviet Copyright Law, Status Juris: End 1962, Law in Eastern Europe, University of Leyden, 1964, 291.

²⁴ The Soviet Union existed from 1922 until 1991.

²⁵ In most of the post-Soviet countries the issues related to copyright (as well as the intellectual property rights, in general) were regulated by the civil codes. Later on, they were replaced by the single laws namely on copyright and related rights.

²⁶ The last three decades of operating these copyright laws also show that such an abrupt shift from one to another extreme is hardly possible. See Meskhi G., From Soviet to European Copyright, ReFuBium, 2019, 127-131.

²⁷ See, for example, articles 63-66 of the Georgian law on Copyright and Related Rights, articles 45-49 of the Ukrainian law on Copyright and Related Rights, articles 34-36 of the Moldovan law on Copyright and Related Rights.

²⁸ For example, Ukrainian Agency of Copyright and Related Rights was created by the decree of the Ministry of Education and Science of Ukraine in June 2000, see <<http://uacrr.org/pro-nas/istoriya/?lang=en>> [04.07.2022].

private initiative. Another similarity with VAAP is that these organizations manage all of the authors' rights and even performers' rights in every field of art, literature, and science, while the western organizations were managing certain rights of certain authors in certain fields since the very beginning²⁹. This lack of independence and centrifugal system of governmental control also characterizes the practice of collecting remuneration and makes its fairness questionable – it is hard to imagine that one organization can be competent enough to manage the author's rights and related rights in every field of art, literature, and science.

IV. (Un)Fair Distribution of Royalties by the Collective Management Organizations

If the principle of fair remuneration has to be used anywhere, first of all, it has to be applied during the calculation and distribution of this remuneration by the collective management organizations among the rightsholders. Otherwise, the fair distribution principle will remain the general preaching of righteousness without having any real practical result. The activities of collective management organizations, including the distribution of fees, are regulated differently. The well-known opposition between the civil law and common law systems is expressed in this regard as well: the continental European countries prefer statutory regulations of the activities by the collective management organizations, while the Anglo-Saxon countries traditionally refuse such a statutory system. There are different ways of regulating collective management even inside continental Europe: in Germany, Hungary, Czech Republic, Slovakia, and Portugal the administration of the authors' rights is regulated with separate act; other countries regulate the administration together with other issues, integrated into one normative act about authors' rights. In spite of this structural difference, the administration of the author's rights and related rights by the collective management organizations are regulated in both types of legal acts.

UK Copyright, Patents and Designs Act defines collecting society as an organization exercising the right to equitable remuneration and defines the details of equitable remuneration itself³⁰ without going too deep into details of setting tariffs and distribution. These details are defined scrupulously by the German Act on the Management of Copyright and Related Rights by Collecting Societies,³¹ while setting tariffs, distributing fees, accounting, reporting transparency and such activities have to be

²⁹ The first collective management organization – French society of dramatic authors and composers created in 1777 – is a typical example of this.

³⁰ See UK Copyright, Designs and Patents Act of 1988, Articles 93B (7) and 93C.

³¹ See, for example, Gesetz über die Wahrnehmung von Urheberrechten und verwandten Schutzrechten durch Verwertungsgesellschaften, § 39 and §46.

regulated carefully in order to apply fair distribution principle in practice. This example is followed by numerous Central and Eastern European Countries. For example, Ukrainian law On Efficient Management of Property Rights of Right holders in the Sphere of Copyright and/or Related Rights regulate the collection, distribution, and payment of remuneration in detail.³² Other European countries prefer to have all of the authors' rights rules, including the collective management of rights, regulated into one single act. Such legal acts do not leave enough room for detailed regulations and contain only basic descriptions of collective management organizations and their activities. Georgian Law on Authors' Rights and Related rights, for example, regulates only the issues of establishing collective management organizations, their activities, rights, and duties.³³ The details such as distribution and payment of remuneration are left to be decided by the local authors' rights association.³⁴

In order to guarantee fairness during the collection and distribution of royalties, several criteria have to be met. First of all, the rules of collection, distribution, and payment have to be *defined clearly and objectively*. The practice shows that prescribing some general statements in a couple of articles is obviously not enough to reach clarity in this regard and detailed norms are useful. Such norms can be defined in the separate act, according to the German-Portuguese example,³⁵ or inserted in the common act, like in most of the continental European countries – the legal technique is not decisive in this regard (although it is obvious that separate act provides larger room for detailed explanations). These norms have to be created on the objective ground: when they are defined unilaterally by the collective management organization – which is an interested party in the relations connected to the authors' rights – this certainly does not guarantee objectiveness. Another important aspect is that these clear and objective rules have to *work in practice*. Application of intellectual property regulations in practice still remains highly problematic even after almost three decades of their adoption in post-Soviet countries, where they still remain as the 'laws on paper'³⁶ due to a variety of reasons.³⁷ In order to enact law into reality, it

³² See Закон України Про ефективне управління майновими правами правовласників у сфері авторського права і (або) суміжних прав, Розділу IV.

³³ See Georgian Law on Copyright and Related Rights, Articles 63-66.

³⁴ See Regulation of distribution and payment of the royalties collected by Georgian Copyright Association for using the phonogram of musical works, Section II, available at: <<https://www.gca.ge/>> [04.07.2022].

³⁵ See Dietz A., Legal Regulation of Collective Management of Copyright (Collecting Societies Law) in Western and Eastern Europe, Journal of the Copyright Society of the U.S.A., Vol. 49, No4, 2002, 897-898.

³⁶ For example, in Georgian legislation (see Georgian law on Copyright and Related Rights, Articles 59 and 60) strictly prohibits the spread of pirated copies, but such copies are still spread massively since the adoption of this law until now.

³⁷ See Meskhi G., From Soviet to European Copyright, ReFuBium, 2019, 195.

has to be *implementable*. Namely, such law has to contain a realistic possibility of its implementation into practice. Finally, in order to do so, the law (namely the calculation and distribution rule) has to be *fair*. Modern technologies give an opportunity to calculate the index of using certain copyrighted works much more precisely than they are, in order to make the remuneration proportional and apply the principle of fair remuneration.

V. Application of the Fair Remuneration Principle Concerning Certain Works

According to the well-known formula defined by the Berne Convention - authors' rights refers to literary and artistic works, which also include scientific works.³⁸ Concerning literary works, fair remuneration usually applies when the exact amount of the remuneration is under question. The paramount legal principles of contractual freedom, on one hand, and proportionality, or good faith (*bona fide*),³⁹ on the other, appear at this point. What exactly does "proportionality", or "good faith" means in practice, or how far should contractual freedom go – these are the eternal problems of civil law and their resolutions always depend on a variety of circumstances. However, the number of used works, or the frequency of using them, can hardly ever be the question, while they are calculable. The same can refer to the material works of visual arts and similar kinds of works: their amount and usage frequency can be calculated quite easily.

Musical works significantly differ from all of the other copyrighted works in this regard, while they are expressed not in the materials, but in the voices, the recognition, and the calculation of which was hardly possible so far. The users usually know - which book, or painting they would like to use and take the appropriate licenses where the conditions are defined clearly. However, when it comes to music, the collective management organizations do not calculate, which compositions were played during a certain period and how many times. They give general licenses to the users and require rather 'symbolic' remunerations, which obviously leads to uncertainty and unfairness: one beneficiary can use a certain number of compositions with a certain frequency, while the other uses much more (or less) of them with much high (or low) frequency, but they pay the same remuneration. These fees and tariffs are defined by the collective management organizations unilaterally⁴⁰ and

³⁸ See Berne Convention for the Protection of Literary and Artistic Works, Articles 1 and 2.

³⁹ In terms of fair remuneration, proportionality principle requires that the fee has to be proportionate to the effort made by the author, while good faith doctrine insists on treating the contractual partner honestly.

⁴⁰ For example, Georgian Authors Foundation defined 5% of the monthly income as a remuneration fee. See the decision No AS-68-65-2010 of the Supreme Court of Georgia of June 9, 2010.

obviously lack objective ground. Such a unilateral attitude, where the rate is defined by one of the contractual parties, inevitably causes endless disputes about its fairness and proportionality.

The fairness of the unilaterally defined fees will always be in question. In order to avoid this and implement the fair remuneration principle for real, the exact amount of used works and the exact frequency of their use has to be calculated into certain digits. This could sound like a Utopia several years ago, but modern technologies allow us to create a program that will recognize the musical composition and the exact number – how many times was it played (publicly performed).⁴¹ Although legislators used to react to the challenges of technology quite clumsily slowly, copyright itself is a result of technological development⁴² and it has to follow the new levels of technology more promptly. Calculation of the amount and frequency of using copyrighted works will create an objective basis for defining proportional rates and demanding fair remuneration, the absence of which is obvious in the collective management practice.

VI. Conclusions

The principle of fair remuneration has been discussed in different perspectives and contexts, due to its conceptual and practical importance for private law, in general, and authors' rights law, in particular. This principle is referred to quite often in the legislations of different countries, stating that the royalties have to be paid to the authors, performers, and other rightsholders based on the proportionality principle. However, most of these legislations avoid explaining, how exactly this fair remuneration principle has to be used in practice and leave it as a task of the other special legal acts, or even the regulations of certain collective rights management organizations.

Collective management of authors' rights creates the space where exactly the fair remuneration principle has to be realized practically. The organizations administering collective management are developed on different grounds in Anglo-Saxon and Continental European spaces, as well as Western and Eastern European countries. This geographical and systemic comparison has shown that the management organizations themselves are regulated and structured differently, according to their geographical, or chronological origin. For example, the signatories of the Association Agreements⁴³ had to develop the collective management institutes considering both

⁴¹ For example, "Shazam" software can recognize any music, movies, advertising, and television shows, based on a short sample played and using the microphone on the device. See <<https://www.shazam.com/>> [04.07.2022].

⁴² Invention of the printing press by Johannes Gutenberg led to the creation of copyright in England and authors' rights in continental Europe.

⁴³ Namely: Georgia, Ukraine and Moldova.

– Western standards and Soviet experience, which contradict each other seriously and these contradictions manifest numerous problems which were not visible from the ‘insider’ perspective of the Western space.

The main problem is the *practical application* of the fair remuneration principle, without which this principle will remain the theoretical preaching of righteousness. The practice has shown that mere declarations of loyalty towards the principle of fair remuneration are not enough and certain rules have to be defined about how exactly the royalties have to be calculated, collected, and distributed fairly. These rules can be inserted in the general copyright laws,⁴⁴ or defined in the special acts,⁴⁵ but in both cases, the regulations have to be concrete and they have to create an objective basis for making the fair remuneration real. Technological developments, which are always challenging for copyright laws, can play a positive role in this regard. For example, modern technologies provide quite realistic possibilities to regulate the collective management of the rights concerning musical works (i.e., when they are publicly performed) much more fairly than they are now. This regulation will promote reaching the balance between the interests of the rightsholders and users, as well as fulfill the aim of the fair remuneration principle.

References

- Day B. R., Collective Management of Music Copyright in the Digital Age, *Texas Intellectual Property Law Journal*, Vol. 18, No2, 2010.
- Dietz A., Legal Regulation of Collective Management of Copyright (Collecting Societies Law) in Western and Eastern Europe, *Journal of the Copyright Society of the U.S.A.*, Vol. 49, No4, 2002.
- Hugenholtz B., Copyright Harmonization in the digital age: Looking Ahead, *Harmonization of European IP Law: From European Rules to Belgian Law and Practice*, Contributions in Honor of Frank Gotzen, edited by M.-Ch. Janssens and G. Van Overwalle, Brussels, 2012.
- Krakovitch O., La Société des Auteurs et Compositeurs dramatiques, pour ou contre la censure? En un combat douteux..., *Nineteenth-Century French Studies*, Vol. 18, No3/4, 1990.
- Levitsky S. L., Introduction to Soviet Copyright Law, Status Juris: End 1962, Law in Eastern Europe, University of Leyden, 1964.
- Luke the Evangelist, Gospel of Luke, in: *The Gospels, Authorized King James Version*, Edited with an Introduction and Notes by W. R. Owens, Oxford University Press, 2011.
- Mesghi G., From Soviet to European Copyright, *ReFuBium*, 2019.
- Senftleben M., More Money for Creators and More Support for Copyright in Society-Fair Remuneration Rights in Germany and the Netherlands, in: *The Columbia Journal of Law & The Arts*, Vol. 41, No3, 2018.
- Stokes S., *Art and Copyright*, Hart Publishing, 2003.

⁴⁴ Like in most of the Continental European countries.

⁴⁵ Which is the case in Germany, Portugal, Slovakia, Czech Republic and Ukraine.

- Towse R., Copyright Reversion in The Creative Industries: Economics and Fair Remuneration, *The Columbia Journal of Law & The Arts*, Vol. 41, No3, 2018.
- Uchtenhagen U., *Copyright Collective Management in Music*, WIPO, 2011.
- Wang J., Should China Adopt an Extended Licensing System to Facilitate Collective Copyright Administration: Preliminary Thoughts, *European Intellectual Property Review*, Vol. 32, No6, 2010.
- Гаврилов, Э. П., О знаке охраны и владельце авторского права, *Известия высших учебных заведений*, No6, 1990.

Legal Sources

- Berne Convention for the Protection of Literary and Artistic Works, 9 September 1886, United Nations Treaty Series (UNTS) 221, revised at Paris, 24 July 1971, 1161 UNTS 31.
- The decision No AS-68-65-2010 of the Supreme Court of Georgia of June 9, 2010.
- Decree of the Ministry of Education and Science of Ukraine in June 2000, see <<http://uacrr.org/pro-nas/istoriya/?lang=en>> [04.07.2022].
- Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC.
- EU Directive 2019/790.
- Georgian law on Copyright and Related Rights.
- Gesetz über die Wahrnehmung von Urheberrechten und verwandten Schutzrechten durch Verwertungsgesellschaften, Ausfertigungsdatum: 24.05.2016, (BGBl. I S. 1190).
- Law of Georgia on Copyright and Neighboring Rights, adopted on 22 June 1999 by the Parliament of Georgia.
- Le code de la propriété intellectuelle, créé par la loi no 92-597 du 1er juillet 1992 relative au code de la propriété intellectuelle, publié au Journal officiel du 3 juillet 1992.
- Moldovan law on Copyright and Related Rights.
- Regulation of distribution and payment of the royalties collected by Georgian Copyright Association for using the phonogram of musical works. <<https://www.gca.ge/>> [04.07.2022].
- UK Copyright, Designs and Patents Act of 1988.
- Urheberrechtsgesetz (Gesetz über Urheberrecht und verwandte Schutzrechte) vom 09.09.1965, (BGBl. I S. 1273).
- Закон України Про ефективне управління майновими правами правовласників у сфері авторського права і (або) суміжних прав.

Internet Sources

- <<https://www.shazam.com/>> [04.07.2022].