

[NL] Minister of Justice Orders Financial Transparency on the Use of Money Collected by Private Copy Foundation

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On 31 January 2006, the Minister of Justice ordered the Stichting de Thuiskopie (Private Copy Foundation - STK), to improve its financial administration and transparency if it is to maintain its responsibilities. The Foundation owes its existence to a provision in the Dutch Copyright Act and fulfils the role of collecting the money that must be paid for private copying and distributing it to rightsholders organisations.

The latter oversee the final distribution to the individual rightsholders. Because of persistent disagreement between these organisations, relating to financial matters, as well as serious delay in the payments to the rightsholders, the Minister of Justice ordered the College van Toezicht Auteursrechten (Copyright Supervising Board) to investigate the situation. The Board concluded that the STK did not adequately address the matter of delayed payments. The STK also appeared to be incapable of giving financial clarification as to the activities of the distributing organisations, for which this Foundation is responsible. These organisations seem to have too much influence on the make-up of the Foundation's managerial structure. On the other hand, the Board did conclude that, since 2004, a constant stream of payment to the rightsholders has been initiated. Because of this improvement the Minister of Justice conceded that it is too soon to immediately withdraw the responsibilities attributed to the STK. In light of its observations, the Board presented some recommendations on how to further improve the situation.

According to the Board, the STK should draw up a solid financial administration and a transparent overview on the collection and distribution of received amounts. In addition, it should set conditions, with which the distributing organisations must comply. The distributing organisations should hold their competence for a fixed term so that during and at the end of each term the activities can be evaluated. In case of non-compliance with these conditions, the competence of the Foundation could be withdrawn. Furthermore, the STK must ensure that management can decide autonomously and take all necessary measures to prevent the emergence of conflict of interests. These recommendations have been approved by the Minister of Justice. As a result, the STK is given a period of three months to draw up a plan on how to comply with

these recommendations and a period of six months to come up with a complete financial overview covering the activities carried out in 2004.

The Minister of Justice expressed confidence that the STK will comply with the recommendations of the Copyright Supervising Board in the shortest delay possible.

Verantwoording thuiskopiegelden moet verbeteren

http://www.ejure.nl/downloads/dossier_id=45/id=361/show.html

Transparency relating to amounts collected on basis of private copying must improve, press release of 31 January 2006

Rapportage van het onderzoek door het College van Toezicht auteursrechten naar Stichting De Thuiskopie, December 2005

http://www.ejure.nl/downloads/dossier_id=209/id=360/show.html

Report of the Copyright Supervising Board relating to the Private Copy Foundation of 29 December 2005

