



Digital Copyright Payments

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Why in News

Recently, **Google** has signed a deal with a group of **French publishers** to make **digital copyright payments** for online news content.

A similar tussle is ongoing between the Australian government and global tech platforms (google and facebook) over the sharing of royalties with news publishers.

Key Points

- **About the Google-French Deal:**
 - **France became the first country** to enshrine the **European Union** copyright rules into national law. This brought into effect '**neighbouring rights**' law.
Neighbouring Rights: According to the **World Intellectual Property Organization (WIPO)**, neighboring rights protect the legal interests of **certain persons and legal entities** that contribute to **making works available to the public** or that produce subject matter which, while not qualifying as works under the copyright systems of all countries, contains sufficient creativity or technical and organizational skill to justify recognition of a copyright-like property right.
 - The newly adopted EU directive **ensures that media are paid for original content**, typically news, offered online by tech giants such as Google and Facebook.
 - Under the new law, **Google was forced to negotiate to pay** the publishers and news agencies for reusing their material online.

- **European Union Copyright Rules:**

It **wants to create a comprehensive framework** where copyrighted material, copyright holders, publishers, providers and users can all benefit from clearer rules, **adapted to the digital era**. The focus is on **three main objectives**:

- **Wider opportunities** to use copyrighted material for education, research and preservation of cultural heritage.
- **More cross-border and online access** for citizens to copyright-protected content.
- **Fairer rules** for a better-functioning of copyright marketplace which stimulate creation of high-quality content.

- **Issues in Australia:**

- Google has **threatened to remove its search engine** from the country, and Facebook has said it could **block Australian users** from posting or sharing news links **if proposed norms on royalty payments are rolled out**.

Royalty payment: A royalty is a **legally-binding payment** made to an individual, for the ongoing use of his or her originally-created assets, including copyrighted works, franchises, and natural resources.

- The **argument made by the global tech companies** is that:
 - The Australian media industry is already benefiting from traffic being routed to them by each of the digital platforms.
 - The new rules proposed by the Australian authorities would expose them to unmanageable levels of financial and operational risk.
 - Hefty fines proposed by authorities are being seen as an added disincentive.
- The **fundamental difference** in the approach taken by the French and Australian authorities on the issue is that **France specifically linked payments to copyright, without putting a forcing device into the agreements like in Australia**.

- **Significance for India:**

- Digital technologies have transformed the way creative content is produced, distributed and accessed.
- The new EU Directive and ongoing Copyright royalty tussle in Australia brings to light the **need for updating the copyright rules across the world including India** to sync policies and laws to enable Digital copyright payments for its content creators too.
- According to a FICCI-EY report, in India's media and entertainment sector for 2020, there are **300 million users of online news sites**, portals and aggregators in the country.

With **282 million unique visitors**, India is the **world's second largest** online news consuming nation after China.

- **Draft Copyright (Amendment Rules), 2019** is a positive step in securing interests of Indian content creators and users.

- **Existing Copyright Laws in India:**

- The copyright regime in India is governed by the **Copyright Act, 1957** and the Copyright Rules, 2013.
- **The Copyright Rules, 2013** were last amended in 2016 through the **Copyright Amendment Rules, 2016**.

Draft Copyright (Amendment Rules), 2019

- **Agency involved:** It was released by the **Department for Promotion of Industry and Internal Trade (DPIIT)**.
- **Objective:** The amendments are being brought in to **bring the Copyright Act on par with other relevant legislations** and to ensure it is in sync with the technological advancements in the current digital era.
- **Proposals in Draft Rules:**
 - **Setting up an Appellate Board:**
 - Setting up an **Appellate Board** to replace the Copyright Board.
 - The Chairman and other members of the Board will be appointed as per the provisions of the **Trade Marks Act, 1999**.
 - **Fixing Tariff Schemes:**

It also proposes to amend the manner in which **copyright societies** fix their tariff schemes.
- **Copyright Society:** It is a legal body which protects or safeguards the interest of owners of the work by giving assurance to the creative authors of the commercial management of their works.

These societies issue licences and collect royalties in accordance with a tariff scheme.

- DPIIT has proposed in the amendments that when fixing its tariff the copyright society may consider, “**cross-sectional tariff comparisons, economic research, the nature and scope of the use of the work, the commercial value of the rights in use and the benefits to licensees**”.
- The amendments propose to make it mandatory for copyright societies to publish “the annual transparency” report for each financial year on its Website.

Way Forward

- **Balancing interests of all stakeholders:** This development provides India an opportunity to balance its priorities for creation and distribution of creative content online, under a **durable legal framework**.
- **Keeping in pace with changes:** India should recognise that copyright laws need to be dynamic to sync with the changes in the use of the internet, and to keep pace with evolving digitalisation and **globalisation** of the content market.

Source:TH