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STATUTORY INSTRUMENTS

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**2016 No. 221**

**The Collective Management of Copyright  
(EU Directive) Regulations 2016**

**PART 2**

**Collective Management Organisations**

**Licensing**

**15.**—(1) A collective management organisation and a user and an independent management entity and a user must—

- (a) conduct negotiations for the licensing of rights in good faith; and
- (b) provide each other with all necessary information.

(2) A collective management organisation must ensure that licensing terms are based on objective and non-discriminatory criteria (but see paragraph (3)).

(3) Paragraph (2) does not require a collective management organisation to use as a precedent for other online services licensing terms agreed with a user where the user is providing a new type of online service which has been available to the public in a member State for less than 3 years.

(4) A collective management organisation must ensure that—

- (a) right holders receive appropriate remuneration for the use of their rights;
- (b) tariffs it determines for exclusive rights and rights to remuneration are reasonable in relation to matters such as—
  - (i) the economic value of the use of the rights in trade taking into account the nature and scope of the use of the work and other subject matter; and
  - (ii) the economic value of the service provided by the collective management organisation;

and

(c) it informs the user concerned of the criteria used for the setting of those tariffs.

(5) A collective management organisation must—

- (a) reply without undue delay to requests from users indicating, amongst other things, the information needed in order for the collective management organisation to offer a licence;
- (b) upon receipt of all relevant information without undue delay either—
  - (i) offer a licence; or
  - (ii) provide the user with a reasoned statement explaining why it does not intend to license a particular service;
- (c) allow users to communicate with it by electronic means, including, where appropriate, for the purpose of reporting on the use of the licence; and
- (d) after giving a user a licence, treat that user in good faith (but see paragraph (6)).

(6) Paragraph 5(d) does not apply where the collective management organisation is a business with fewer than ten employees and has a turnover or balance sheet total of less than 2 million euros per annum.