

REPORT OF ACTIVITIES

MAY 2016

-

MAY 2017



FEDERATION OF EUROPEAN PUBLISHERS

50 YEARS IN BRUSSELS



FEDERATION OF EUROPEAN PUBLISHERS
FÉDÉRATION DES ÉDITEURS EUROPÉENS

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TABLE OF CONTENTS

2 3	15 20	34 36
FOREWORD BY HENRIQUE MOTA, FEP PRESIDENT	DG GROWTH (INTERNAL MARKET, INDUSTRY, ENTREPRENEURSHIP AND SMES)	DG RESEARCH AND INNOVATION
4 6	EFFECTIVE ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS	37 40
FEP FEP MEETS FEP IN BRUSSELS AND IN EUROPE FEP 50 YEARS ANNIVERSARY FEP ADVOCACY FEP NETWORKS FEP STATISTICS	EUROPEAN OBSERVATORY ON INFRINGEMENTS OF INTELLECTUAL PROPERTY RIGHTS INTEROPERABILITY	DG TAXATION AND CUSTOMS UNION REDUCED RATES OF VAT NEW RULES ON THE PLACE OF SUPPLY OF ELECTRONIC SERVICES FOR VAT PURPOSES
7 14	21 22	41 44
DG CULTURE AND EDUCATION EUROPEAN UNION PRIZE FOR LITERATURE EUROPEAN CULTURAL PLAT- FORMS / CREATIVE EUROPE PROGRAMME MULTILINGUALISM INITIATIVES IN THE FIELD OF EDUCATION ALDUS ASAP (ANTICIPATORY SKILLS FOR ADAPTING THE PUBLISH- ING SECTOR)	DG ENVIRONMENT OBLIGATIONS OF OPERATORS WHO PLACE TIMBER AND TIMBER PRODUCTS ON THE MARKET/EU TIMBER REGULATION	DG TRADE TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP (TTIP) - TRADE IN SERVICES AGREEMENT (TISA) OTHER FREE TRADE AGREEMENTS AND TRADE IPR DIALOGUES
	23 30	45 49
	DG COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY REVIEW OF COPYRIGHT RULES EUROPEAN DIGITAL LIBRARY - EUROPEANA GEO-BLOCKING ARROW - ARROW + NEM (NEW EUROPEAN MEDIA) EUROPEANA FOOD & DRINK	FACTS AND FIGURES
	31 33	51
	DG JUSTICE AND CONSUMERS REVIEW OF THE CONSUMER ACQUIS DATA PROTECTION	ACRONYMS
		53 FEP BOARDS OF DIRECTORS FEP SECRETARIAT

**“A healthy
European book
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HENRIQUE MOTA

FOREWORD BY HENRIQUE MOTA, FEP PRESIDENT



How can I describe my first year as President of FEP?

I was elected President in June and since then, so much has happened. I will not comment on the many events that have marked Europe and the world in these last 12 months but rather focus on the EU legislative developments that are (or might be) affecting our sector in the years to come.

The good news first. Value Added Tax. Finally, I will not count the visits, reports, letters, contacts with the Commission and the Member States. It was worth it. In December 2016, the Commission presented a proposal to allow Member States to decide to apply reduced rates of VAT on ebooks and audiobooks, if so they wish. Now it is being examined by the Parliament and the Council and hopefully, soon it will be adopted and we will be able to make the case, country by country, of the importance to have the same rates of VAT for all books. This is the result of a united and concerted effort and we should all be proud of it.

The challenging ones now, there are quite a few: copyright in the digital single market, implementation of the Marrakesh Treaty, European Accessibility Act, portability, geo-blocking, distance contracts.

The way they will be finally adopted and then implemented will shape the way we will be able to distribute the books we publish. It is therefore crucial that these legislations strike the right balance. We count on all members, all publishers to be involved in these conversations. However, we depend also on the sound judgement of our politicians. We need fair policies to support cultural diversity in Europe. We need fair policies to continue encouraging talents while investigating new distribution means.

A healthy European book policy is built on having the right rules being applied to the sector, whilst sustaining its ecosystem.

The few months ahead of us will be intense, with so many legislations being debated and soon, adopted. I trust that all involved will have at heart the promotion of solutions benefiting all, society and those investing in creation.

Looking forward to the year to come and to positive developments.

Henrique Mota

FEP MEETS

Between May 2016 and April 2017, FEP had four meetings with its member associations. Meetings are divided in three sessions: our general meeting, a professional meeting and a technical one.

In June 2016 we held a General Assembly in Stockholm and then in Turku, at the invitation of our Swedish and Finnish colleagues; in addition to our regular meetings, we experienced a boat trip from Stockholm to Turku and a meal in the prestigious Turku Castle. The General Assembly elected Henrique Mota, founder and CEO of the Portuguese publishing house Principia Editora, as new President of the Federation, and Rudy Vanschoonbeek, founder and CEO of Vrijdag Uitgevers in Antwerp, Belgium, and President of the Flemish Publishers Association (Vlaamse Uitgevers Vereniging), as Vice-President. The new Treasurer is Benedikt Foeger, Publisher at Austrian publishing house Czernin Verlag and President of the Austrian Publishers Association (Hauptverband des Österreichischen Buchhandels). The President also announced his intention to extend FEP board. Apart from the President, the Vice-President, the Treasurer and FEP Director, members of the new Board are: Piero Attanasio, Head of Research and Development and of International Affairs, Italian Publishers Association (Associazione Italiana Editori); Former FEP President Pierre Dutilleul, General Director of the Syndicat national de l'Édition (SNE) and Jessica Sängler, Director of International Relations and Legal Advisor of the German Publishers and Booksellers Association (Börsenverein des Deutschen Buchhandels e.V). The outgoing President Pierre Dutilleul was thanked for all his achievements for FEP.



In September 2016, FEP met in Brussels, where we had the opportunity to meet with officials of the European Commission and of the Council in order to discuss issues of relevance to our members.

In November 2016, after the successful "Dialogues" event, FEP had its General Assembly in Strasbourg and discussed the newly published copyright in the digital single market Directive.

In March 2016 FEP met in Brussels, at the occasion of its 50 years Anniversary. For the professional session, FEP President welcomed the former Presidents of FEP who presented the achievements of their respective presidencies. We had also the chance to host the European Commissioner for Culture, several Members of the European Parliament and many colleagues from the institutions at a gala dinner.

We are now looking forward to the next meeting in June 2017 in Oxford.

In addition, our Rendez-Vous on 20 October 2016 during the Frankfurt Book Fair was very successful. Colleagues from Europe and from the rest of the world had the chance to listen and exchange with Maria Martin-Prat, Head of the Copyright Unit at the Directorate General for Communications Networks, Content & Technology (DG Connect, European Commission), and Pierre-Yves Andrau, Policy Officer, International aspects of intellectual property rights, Directorate General for Trade (DG Trade, European Commission).



FEP IN BRUSSELS AND IN EUROPE

FEP was really active this past year, as always, with many files that are likely to affect our sector being examined and discussed. Therefore, we organised a great number of meetings with Commissioners, their cabinets, Directors General, Directors of the relevant DGs and of course their services. We also met with many Members of the European Parliament and their assistants.

During these meetings, FEP is very often accompanied by publishers, and we would really want to thank them for giving their time away and for providing us with their expertise.

In addition to the regular meetings, we had the chance to meet representatives of the European institutions during the Publishers' Lunch with Rudy Vanschoonbeek on 24 May, the Innovation Day on 12 October, the author-publisher Dialogues' dinner on 23 November and the gala dinner for FEP's 50 years anniversary on 7 March.

As Member States also play a key role in the co-decision procedure of the institutions, it is crucial that FEP meets as many Permanent Representations as possible to brief them on our objectives and concerns. This is done in coordination with FEP members, who are relaying the messages in their respective capitals. FEP also organised a breakfast with the Permanent Representations during its summer meeting, in early September 2016. The event was very well attended and it was an excellent opportunity for FEP members to meet their representatives in Europe.

On 2 February 2017, FEP also co-organised with the European Writers' Council (EWC) and the International Federation of Reproduction Rights Organisations (IFRRO) a seminar on the Copyright Reform at the European Parliament, hosted by MEP Therese Comodini Cachia, rapporteur for the proposal for a directive on copyright, and MEP Jean-Marie Cavada, shadow rapporteur and Vice-Chair of the Legal Affairs committee.

FEP 50 YEARS ANNIVERSARY

Founded in 1967, the Federation of European Publishers proudly celebrates in 2017 its 50th anniversary. To mark this occasion, FEP members along with publishers from all over Europe met on 7 March 2017, during a very well attended gala dinner organised in Brussels. Mr. Tibor Navracscics, Commissioner for Education, Culture, Youth and Sport, addressed the event as well as Members of Parliament attending.

FEP ADVOCACY

PUBLISHERS' LUNCH

The "publishers' lunch" is an FEP event that aims at bringing together publishers and European representatives. On 24 May 2016, FEP organised a Publishers' Lunch with Rudy Vanschoonbeek, founder and CEO of Uitgeverij Vrijdag and President of the Flemish Publishers Association, who interviewed Diane Broeckhoven, author of the bestseller "De buitenkant van Meneer Jules", translated into 20 languages. In the presence of Members of the European Parliament, officials from Permanent Representations and other colleagues, our two guests talked about their experience with writing and publishing books and the importance of the relationship between authors and publishers.

INNOVATION DAY

On 12 October 2016, the Federation of European Publishers and STM jointly organised the first Innovation Day dedicated to the publishing sector. Publishers and start-ups from across Europe showed how ICT is transforming their business through practical demonstrations of their innovative services and products in the fields of literature, educational publishing and scientific publishing.

SIXTH AUTHOR-PUBLISHER'S DIALOGUES

The Dialogues, now in their sixth edition, drew MEPs and colleagues from the Publishers Associations to listen to the duo formed by the Dutch author Geert Mak and his publisher Mizzi van der Pluijm (Atlas Contact). The second tandem author-publisher was composed by the publisher Sabine Wespieser (Sabine Wespieser Editeur) and her author Léonor de Récondo.



The Dialogues are a unique occasion to hear, together, the voices of authors and of publishers. It is a moment to better understand how the two work together and how complementary they are. They are a window on a very special relationship, always changing, which is indispensable in the creative process.

Thanks to the renewed support of the SNE and of the French collective management organisation SOFIA, FEP is delighted to announce that the seventh edition will take place in Brussels on 29 November 2017. FEP would like to warmly thank MEP Mary Honeyball for supporting the event so it can take place in the Parliament.

FEP ON SOCIAL MEDIA

FEP has tweeted over 1,550 times since the creation of its Twitter account in April 2014, sharing professional and legal information. We also tweeted about FEP events, our brochure with figures on book publishing, freedom of expression campaigns, European projects in which we partner, book fairs and our member associations' activities. During the last year, FEP has significantly increased the number of its followers on Twitter.

FEP has also a Facebook page and of course, is very active on its own website, sharing information about the trade and its comments on legislative and regulatory developments with its members and with a wider audience.

FEP NETWORKS

In European Affairs, it is absolutely crucial to team up with associations whose interests are common to yours. FEP's natural allies are of course our colleagues of the European Writers' Council and of the European and International Booksellers Federation. Together, we are not just organising the European Union Prize of Literature, we frequently meet and discuss issues of common interest and we strive at working together as often as possible.

With EWC and EIBF, we periodically meet with the European Bureau for Libraries, Information, and Documentation Associations in order to explore solutions to encourage a sustainable book ecosystem for both print and digital books. This is a work in progress.

Fellow publishers represented by the International Association of Scientific Technical and Medical Publishers, and the press publishers from the European Newspapers Publishers Association, New Media Europe, the European Publishers Council, the European Magazine Media Association and the International Music Publishers Confederation, are essential partners in so many of the discussions we have with the European institutions. We liaise with them regularly so that our positions are coordinated and whenever possible, we defend common positions. The same thing must be said for the International Federation of Reproduction Rights Organisation, based in Brussels and very active on the European scene.

We also work with networks sharing similar objectives and networks of creative industries (such as the Creative Media Business Alliance and Creativity Works!). FEP is also a member of the European Internet Forum, a group of Members of the Parliament and interested stakeholders. Such a membership allows us to better understand the issues affecting different sectors.

Working and meeting with all these parties and groups provides us with more expertise and gives our sector better representation. It gives us the opportunity to be confronted with a whole spectrum of cultural actors, reaching outside of publishing and of the book world.

FEP STATISTICS

FEP continued its regular collection of data on the European book sector, through its statistics questionnaire.

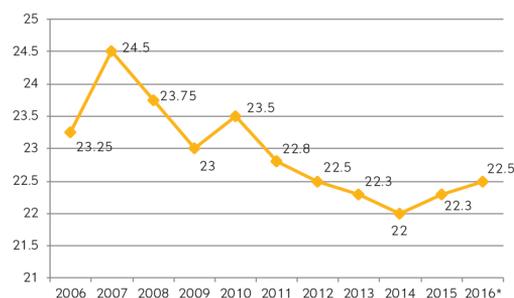
FEP continued its effort of revision, integration and harmonisation of statistics on the book sector.

FEP produced and published a new yearly set of figures on book publishing.

FEP cooperated with IPA by providing them with data and advice for their Global Publishing Statistics publication.

EUROPEAN BOOK PUBLISHING STATISTICS, CORE DATA 2004-2016

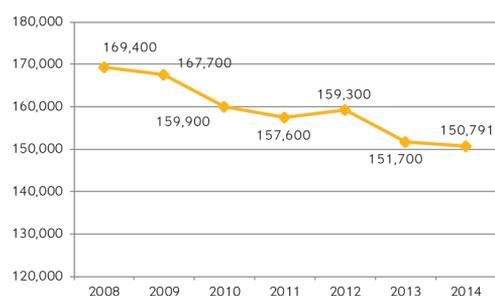
Net publishers' turnover from book sales in the EU + EEA, 2006-2016 (€ billion) - Source: FEP survey (*forecast)



New titles published in the EU + EEA, 2006-2015 ('000) - Source: FEP survey, National Statistics Offices (elaboration by FEP)



Number of persons employed in book publishing in the EU, 2008-2014 - Source: EUROSTAT - Note: EU 27 until 2010



Upon request, FEP provided the European Institutions, researchers, and other interested parties with figures about the book market.

FEP produced a set of figures on the digital book market in a number of selected countries, based on the analysis of the reports from its members.

On 7 March 2017, FEP published a comprehensive statistics brochure, to celebrate its 50th anniversary.

On 14 March 2017, FEP attended a presentation of the Global ebook Report 2017 and the launch of the BookMap initiative at the London Book Fair.

BACKGROUND

FEP has been gathering the best available information on a number of identified core data in order to produce a series of tables for the 2004-2015 period. Through processes of emendation and integration, our FEP statistics, despite the remaining difficulties, are now quite complete, clear, accurate, and reflect well our needs.

There is a consensus on the need to keep on improving the collection of statistics on the book industry in order to support publishers' lobbying activities in Brussels. Such a need is based on the importance of providing FEP's counterparts in the European Institutions with a reliable picture of the value of the book publishing industry, for instance, in terms of income generation, employment, and the contribution to cultural diversity. It is also important for us to be able to build a series of fairly consistent data over a given period, which would allow us to assess, at least broadly, the impact of different variables (policy, economic conditions, etc.). The digital migration has further highlighted the importance of reliable

figures in understanding how several factors impact on market dynamics.

According to the latest information collected, European publishers (EU Member States plus Norway, Iceland and Serbia) generated a turnover of some €22.3 billion in 2015 (up from €22 in 2014), thus showing some signs of growth for the first time since 2011. They published some 575,000 new titles (up from 545,000) and directly employed around 125,000 people full time (about the same as the year before - this is however an area on which it is difficult to gather reliable data. It is worth mentioning that Eurostat calculates employment in book publishing as some 150,000 people, while a study published by EY in December 2014 estimated that the book value chain employed some 650,000 people directly). Around 22 million titles were commercially available, the large increase in recent years mainly being explained by the fast growth of digital catalogues. The digital share of sales was estimated at some 7% of the total, 4 to 5% represented by ebooks and the rest by databases and other services.

DG EDUCATION AND CULTURE



The Directorate General for Education and Culture (DG EAC) is the executive branch of the European Union responsible for policy-making in education, culture, youth, languages, and sport. DG EAC also supports these issues through a variety of projects and programmes.

The cultural and creative industries play an essential role in Europe's competitiveness, as shown by the European Commission commissioned study on the economy of culture. Even if culture is a subsidiary competence of the European Union, its regulatory environment is set in Brussels in

relation to copyright, competition, the single market and VAT.

DG EAC is led by Commissioner Tibor Navracsics, who was appointed in November 2014.

The Director General is Martine Reicherts, who was appointed in June 2015.

FEP met with the Commissioner in the framework of the European Union Prize for Literature (EUPL). The Commissioner made a keynote speech at FEP's 50th anniversary gala dinner. FEP also met with Director General Reicherts in June 2016.

DG EDUCATION AND CULTURE

EUROPEAN UNION PRIZE FOR LITERATURE

FEP'S INTERVENTIONS

The European and International Booksellers Federation (EIBF), the European Writers' Council (EWC) and the Federation of European Publishers (FEP) are in charge of coordinating the European Union Prize for Literature in 2017. The three associations are jointly responsible for the setting up of the national juries and the practical organisation of the awards ceremony, FEP being the project leader.

The selected countries for 2016 were Belgium, Bosnia-Herzegovina, Cyprus, Denmark, Estonia, Finland, former Yugoslav Republic of Macedonia, Germany, Luxembourg, Romania, Slovenia and Spain.

The winning authors were announced at the European Commission by Commissioner Tibor Navracsics, on 5 April 2016. FEP and the rest of the Consortium cooperated to organise other promotional events related to the Prize, later, during the Frankfurt Book Fair, the Foire du Livre in Brussels, the Salon Livre Paris and the Leipzig Book Fair.

On 31 May 2016, many public figures from the fields of culture, literature and politics, as well as a broad European audience, attended the EUPL awards ceremony. During this high-profile event, Commissioner Tibor Navracsics, Mrs Anneli Jäätteenmäki, MEP and Vice-President of the European Parliament, and Mrs Marjan Hammersma, Director General of Culture and Media at the Dutch Ministry of Education, Culture and Science, for the Dutch Presidency of the Council of the EU, handed out an award to each of the emerging talents.

Additionally, national events were organised in bookshops in each participating countries.

The selected countries for 2017 are Albania, Bulgaria, Czech Republic, Greece, Iceland, Latvia, Malta, Montenegro, Netherlands, Serbia, Turkey, and United Kingdom.

The 2017 winners were announced by the European Commission on 21 April 2017, via their Midday Express press release. The 12 authors selected for 2017 received their award on 23 May 2017.

BACKGROUND

The aim of the award is to put the spotlight on the diverse creative wealth of Europe's contemporary literature, to promote the circulation of literature within Europe, and to foster a greater interest in foreign literary works. Each year, in a three-year cycle, the juries representing a selection of the 36 countries who participates in the EU's Creative Europe Programme select one emerging fiction writer from their own country.

The first ceremony of the Prize was held on 28 September 2009; the second took place on 18 November 2010, and the third on 28 November 2011. The new three-year cycles started in 2012, and that same year, the ceremony was held on 22 November 2012. In 2013, winners were awarded on 26 November, in 2014 on 18 November, in 2015 on 23 June, in 2016 on 31 May.

www.euprizeliterature.eu

DG EDUCATION AND CULTURE

EUROPEAN CULTURAL PLATFORMS/ CREATIVE EUROPE PROGRAMME

FEP'S INTERVENTIONS

FEP communicates the importance of encouraging the creation of innovative content and respecting intellectual property rights. FEP advocates for platforms to adequately voice the concerns of cultural industries, both concerning regulatory measures taken at European and national levels and for developing structural policies to support cultural industries.

Within the framework of the platform on Creative and Cultural Industries and in its position as board member, FEP meets on regular occasions with DG Education and Culture, and most particularly with the Unit Cultural Policy and Intercultural Dialogue.

FEP also takes part in the Access to Culture Platform, which was re-launched as the Arts, Rights and Justice Platform at the end of 2014.

BACKGROUND

FEP has been taking part in the two cultural platforms and actively contributed to the Working Group on artists' rights within the Access to Culture Platform. FEP is also a member of the board of the Cultural and Creative Industries Platform. The exercise allows us to coordinate with other cultural organisations.

Though these platforms are not operating anymore under the European Agenda for Culture, they both continue their work and meet and talk on a regular basis.

FEP worked with the platform on Cultural and Creative Industries in order to issue a common position on the "Creative Europe" funding programme for culture.

The total budget of €1.46 billion, on which the Member States and the European Parliament finally agreed upon at the end of 2013, represents a 9% increase compared to the previous pro-

gramme. The budget is divided as follows: 30% for culture, 55% for media, and 15% for trans-sectoral activities, including the new financial guarantee facility (€121 million) which has been implemented from 2016 onwards.

Projects and activities that may be supported under the Creative Europe Programme:

- Cross border cooperation projects between cultural and creative organisations within the EU and beyond.
- Networks helping the cultural and creative sectors to operate trans-nationally and to strengthen their competitiveness and build their competence and capacity.
- Literary translation and promotion of translated books across EU markets.
- Platforms of cultural operators promoting emerging artists and stimulating European programming of cultural and artistic works.

The programme started on 1st January 2014.

DG EDUCATION AND CULTURE

MULTILINGUALISM

FEP'S INTERVENTIONS

As member of the European Civil Society Platform for Multilingualism, FEP upholds the message that books are the fundamental vehicle of European culture, knowledge and languages.

FEP highlights regularly (including at public hearings and Commission meetings) the importance of translations for the circulation of books at the intra-community and international levels, in particular those from small linguistic areas, as well as the promotion of books abroad and of the linguistic training for book professionals.

FEP participated in all meetings since the re-launch, in 2012, 2013 and 2014.

The new European Commission's programme for Culture, Creative Europe, includes a strand dedicated to grants for translation. FEP met with representatives of the DG and of the Executive Agency on various occasions to discuss the guidelines for the grants and promoted them through various channels. FEP also took part in various workshops to better understand the application process.

FEP provides its advice to members and publishers who have questions on the application process.

BACKGROUND

Languages are one of the key features of cultural identity. The European Union's motto "Unity in Diversity" is a reflection of the multilingualism which lies at the heart of the EU. The EU has always considered its many languages as an asset, rather than as a burden. While committed to political and economic integration among its Member States, the EU actively promotes the freedom of its citizens to speak and write in their own language. The three strands of the EU's multilingualism policy are: encouraging language learning and promoting linguistic diversity in society; promoting a healthy multilingual economy; and promoting social integration through improved knowledge and acceptance of languages.

The Commission launched a Platform on Multilingualism in

order to create a forum for exchange of best practices for civil society stakeholders and to make recommendations on multilingualism. The Platform presented to the European Commission its recommendations on translation and terminology in June 2011. The Multilingualism Platform was re-launched in June 2012 and continues to promote multilingualism and policy developments that align with the new challenges and priorities that the European Commission has outlined for the coming years.

Creative Europe supports initiatives for the translation and promotion of literary works across EU markets, with the aim of increasing access to and readership of high quality European literature. One call for proposal was published in 2016. Overall, the initiative should allow the translation of 4,500 books over 2014-2020.

INITIATIVES IN THE FIELD OF EDUCATION

FEP'S INTERVENTIONS

FEP met with officials of DG EAC and DG CNECT several times, in order to discuss the Commission's initiatives in the field of education.

In meetings with several MEPs and their assistants, FEP addressed the issue of open educational resources (OER).

FEP participated in the meetings of the IPA Educational Publishers Forum in Vienna (December 2016) and London (March 2017) and in its Open Meeting at the Frankfurt Book Fair (October 2016).

FEP continued its collaboration with the European members of the IPA Educational Publishers Forum to address matters of specific relevance for educational publishing, to gather data and to leverage their expertise.

FEP invited educational publishers to several meetings with the European Institutions.

In the framework of its advocacy on the copyright reform proposal, FEP lobbied extensively about the proposed exception for illustration for teaching.

On 1 June 2016, FEP led a delegation to meet the Director General of DG EAC, Martine Reicherts.

On 21 June and 4 October 2016, FEP had coordination meetings with the group of European educational publishers of the IPA EPF.

On 25 May, 18 July and 6 September 2016, FEP met with the Cabinet of Commissioner Navracsics to discuss copyright and other issues affecting educational publishers.

FEP invited several educational publishers to its Innovation Day on 12 October 2016.

On 26 and 27 January 2017, FEP visited the education technology fair BETT Show in London and met with many edtech providers.

BACKGROUND

There have been several cases of governmental interference in the educational publishing market, in particular when involving support for Open Educational Resources (OER), often linked to digitisation projects in schools, which concern publishers insofar as they envisage the substitution of good quality, professionally published educational resources.

The European Commission (DG EAC) also became involved in this issue. It first issued a Consultation called 'Opening up Education' in August 2012, focusing on stimulating the use of ICT and OER in schools, two matters which raised several areas of potential concern for publishers. Amongst others, these included: requiring Open Access for publicly funded educational resources, and making school books available for free in digital not long after publication.

In November 2012, the Commission issued a Communication called 'Rethinking Education: investing in skills for better socio-economic outcomes', which illustrated its new strategy. It focussed on bringing the learning experience closer to the reality of the working environment, with the particular objective of combating youth unemployment by delivering the right skills for employment and increasing the efficiency and inclusiveness of education. One of its stated aims was to scale up the use of ICT and OER in education.

This was followed, in April 2013, by a roadmap, which placed great emphasis on improving the quality of education and access thereof by exploiting the potential of digital technologies and content, including OER. However, it explicitly stated that IPR issues were outside of the scope of the initiative. Then, on 25 September 2013, the Commission published a Communication on Opening up Education. This Communication did not propose any changes in copyright or any direct interference with copyrighted material produced by publishers. The Commission nonetheless found that the rights and obligations of users of educational materials under copyright should be more transparent across borders and vowed to develop technical solutions which provide transparent information on copyright and open licences to users of digital educational resources.

The document especially emphasised the potential of ICT and OER in improving education. In this framework, the Commission launched a portal linking to OER repositories. In addition, they invited Member States to stimulate open access to educational materials produced with public funds. What concerned European Publishers most was that the Commission encouraged the use of OERs by schools and the production, including through public procurement, of high-quality educational materials whose copyrights would belong to public authorities.

The Commission also intended to promote standards for interoperability and portability of digital educational content, applications and services. The document highlighted that the complementarities of traditionally published resources and OERs, as well as freedom of choice for teachers and educators, should remain key guiding principles.

In October 2013, the European Parliament adopted an own initiative report on the strategy, which supported the notion of open resources. Another own initiative report on New technologies and OER, which contained some helpful inputs from the publishing sector as well as some negative points calling for harmonisation of exceptions and limitations, was adopted in March 2014.

In February 2013, the Council of the EU adopted a set of Conclusions on investing in education and training in response to Rethinking Education. The Council invited Member States, amongst other actors, to optimise ICT-supported learning and access to high quality OER. A debate on OER and digital learning was held during the Education and Culture Council of November 2013: ministers acknowledged that digital distance learning tools offer considerable opportunities (such as increasing cost-efficiency and fostering innovation in education), but also raise important issues (lack of infrastructure, access to open resources not always free, quality of materials, recognition of competences, implications for teacher education, legal issues concerning copyright). Ministers also stressed that digital learning should not be the only approach to education and considered that, due to a lack of data on the impact of MOOCs, it was still too premature to discuss a possible European strategy in this field.

In February 2014, the Council adopted a further set of Conclusions. While agreeing on the importance of exploring new forms of digital learning, modernising education and enhancing digital skills, Member States stressed the importance of cooperating with relevant stakeholders and vowed to support education and training institutions in exploiting the potential of new technologies and digital content as a complement to traditional educational approaches. They encouraged partnerships between creators of educational content at a national and European level, in order to increase the supply of quality OER and other digital educational materials in different languages, whilst paying due regard to copyright and licensing issues, stressing the importance of teacher training, and recalling that digital tools are a means and not an end. The Education and Culture Council of May 2014 adopted several Conclusions on education-related topics (teacher training, multilingualism, quality assurance); OER were mentioned in all of them but there was no particular emphasis. In November 2015, the Council adopted a European Commission/Council report on New priorities for European cooperation in education and training, which identified “Open and innovative education and training, including by fully embracing the digital era” as a priority area, recommending to promote the use of ICT to increase the quality and relevance of education and to boost the availability and quality of open and digital

educational resources and pedagogies in cooperation with European open source communities.

DG EAC tasked the Joint Research Centre (JRC, the Commission’s in-house research arm) to carry out studies on OER in Europe (the OEREU project). Meanwhile, the European Standardisation Committee (CEN) worked on the eTernity initiative (European Textbooks Reusability Networking and Interoperability), which intended to bring European stakeholders together to develop “a common vision, frameworks and specifications for e-textbooks for educational purposes”. FEP participated in the launch of the project and ensured the involvement of several educational publishers in the collection of requisites. The project ended in January 2014 with few visible results. In 2015, DG EAC commissioned a study on the implementation of the copyright exceptions related to educational uses, which was published in September 2016, and pointed at a low take-up of digital education platforms, pointing at legal uncertainty and lack of harmonisation as one of the possible reasons. The DG underwent a restructuring with the new Commission, which led to the creation of a unit for Innovation in education: Digital Technologies, Open Educational Resources, and Copyright. The unit has since become part of a broader one for Innovation and EIT.

The issue overlaps with the discussion on educational exceptions in the framework of the copyright reform debate; DG EAC gave its opinion to DG CNECT on the subject and Commissioner Navracsics called (on Twitter) for schools to be able to use digital materials more easily and for the exception to be made mandatory. The proposed copyright Directive (issued on 14/9/2016) does not connect the new educational exception to OER and MOOCs.

More recently the focus of the EC seems to have shifted to some extent. On 7 December 2016, the Commission published a Communication on ‘Improving and Modernising Education’, recommending modernising and increasing the efficiency of educational systems and announcing several initiatives to be presented in 2017, “in full respect of the principle of subsidiarity and in close cooperation with key stakeholders”. While the potential of digital technologies in transforming education is still given a prominent role, the Communication does not mention OER at all, focusing instead on teacher training, quality and inclusion. Similarly, Council Conclusions on “High quality education for all”, adopted on 17 February 2017, call for making education inclusive, also using digital, and promoting an open and connected culture, but don’t talk about OER. A roadmap by the Commission was then issued on 28 February 2017, called “An agenda for the modernisation of higher education”; it prepares the way for a Communication to renew the EU’s strategy of supporting higher education, with a view to make higher education system contribute more to economic development and social cohesion. The focus is on skills development, inclusion, innovation and support to efficient and effective education.

DG EDUCATION AND CULTURE

ALDUS

FEP'S INTERVENTIONS

On 1 July 2016, FEP participated in the kick-off meeting of the Aldus project in Milan.

On 12 October 2016, FEP organised an Innovation Day, bringing several innovators in publishing to meet policy makers in Brussels, within the framework of the Aldus project.

Between 18 and 22 October 2016, FEP participated in several events organised in the framework of Aldus at the Frankfurt Book Fair.

On 6 and 7 December 2016, FEP participated in a project meeting in Rome and attended several project events at the Rome Book Fair 'Più Libri Più Liberi'.

On 23 February 2017, FEP attended several project events at the Vilnius Book Fair.

On 20 April 2017, FEP attended several project events at the Milan Book Fair and participated in a panel discussion in that framework.

FEP wrote several articles for the Aldus Knowledge Hub.

FEP regularly updated its members on the progress of the project.

BACKGROUND

Aldus (named after Aldo Manuzio) is a network of European book fairs. The project will establish a first kernel and start working to broaden it at pan-European level. The presence in Europe of the 2 leading B2B book-fairs in the world (both Aldus partners), and the rich variety of national book fairs, open to the public (5 are project partners), are the starting point: the former are already the place for professionals to meet at global level, the latter have a big potential to complement this by offering visibility to national book communities at European level. The network between the two will foster targeted mobility between professionals, through visiting trips and joint events.

The dialogue between publishers is the prerequisite for translations, i.e. for mobility of literary works, which is the

primary objective of the project, supported by dedicated networking and training activities. Book fairs are also an occasion for capacity building, in particular in the areas of internationalisation, digital shift, and audience development. Aldus aims at experimenting with new, more interactive and engaging event formats in these areas. Supporting publishers to experiment new ways of using the fairs to engage with their audience is another project objective.

Aldus is a project co-funded by the European Union under the Creative Europe programme; it will run from June 2016 to September 2019. FEP is a project partner, in charge of dissemination, organising information sessions for publishers and promoting the European Union Prize for Literature within the Aldus framework.

DG EDUCATION AND CULTURE

ASAP

FEP'S INTERVENTIONS

On 1 and 2 March 2017, FEP participated in the kick-off meeting of the ASAP project in Città di Castello (Italy).

FEP prepared and contributed to several project deliverables within its competence.

FEP informed its members regularly on the project developments.

BACKGROUND

The Digital Agenda for Europe estimates that the publishing industries employ around 750,000 people in more than 64,000 companies in EU. Technology has had an unusual impact and brought a massive economic change on publishing: it's changing the traditional business model and it's giving a key role to new distribution channels such as aggregation platforms. The technological evolutions affect the consumption patterns of publishing products and production processes, impacting all the areas of the book publishing value chain (Production - Design - Editorial - Distribution and sales - Marketing and publicity). The passage from physical to digital distribution, the zero marginal cost of producing an additional book, the many competitors entering this industry thanks to the digital technologies, the problems linked to electronic security, are only some of the characteristics of this revolution.

The ASAP project (Anticipatory Skills for Adapting the Publishing Sector) takes into account the impact of the changes in the competences and skills, aiming to propose an

evolutionary map of the skills needs and design and deliver flexible training programmes (one for each area of the publishing supply chain) that, according to EQF/ECVET standards and also establishing the quality principles of the EQAVET framework, will provide employees, but also unemployed, self-employed, low skilled employees and young VET students the opportunity to update their professional skills and knowledge covering the gap related to the lack of specific skills determined by the "digital revolution". The project expects to promote a wide cooperation among the different stakeholders using a participatory portal and a MOOC (Massive Open Online Platform) platform for making the contents at the disposal of a massive target group (it can become the first MOOC of the Publishing Sector), also after the formal end of the project.

ASAP will run from November 2016 to October 2019. FEP is a project partner and work package leader, responsible mainly for dissemination and for the coordination of the mapping of skills and competence needs in the publishing sector.

DG GROWTH



DG GROWTH was created from the merger of the previous DG Internal Market and Financial Services and DG Enterprise and Industry. It is responsible for the Single Market for goods and services, standards, public procurement, including e-commerce, postal services, regulated professions, company and corporate governance, as well as industrial policies. It ensures that EU policies in general contribute to improving the competitiveness of businesses in the EU. It promotes entrepreneurship and innovation and supports the European growth and jobs strategy, focusing especially on the needs of small and medium-sized enterprises.

In the context of the shifts within the new Commission, DG GROWTH holds the competency of the

enforcement of IPR, including copyright. It is dedicated to the fight against counterfeiting and piracy, and is charged with looking at the correct implementation of the Enforcement Directive and its review as well as other broader aspects concerning the fight against counterfeiting and piracy. FEP maintains regular contacts with this Unit. The Enforcement Unit was also initially in charge of the European Observatory on Infringements of IPR, now under the responsibility of the EUIPO – EU Intellectual Property Office.

The Commissioner is Elżbieta Bieńkowska, appointed in November 2014.

The Director General is Lowri Evans, appointed in September 2015.

DG GROWTH

EFFECTIVE ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS

FEP'S INTERVENTIONS

FEP continued to explain, whenever relevant, the European publishers' position, upholding the principle that copyright must be respected and protected in the digital environment as well.

FEP continued to monitor its correct implementation, in all of EU countries in order to provide publishers with the necessary instruments to enforce their legitimate rights. FEP still organises its informal Anti-piracy Working Group with its members in order to enhance information exchanges on piracy.

On 10 June 2016, FEP participated in a Stakeholder Meeting on Payment Service Providers and IPR Protection.

On 21 June 2016, FEP attended an IPR Enforcement Conference organised by the European Commission.

FEP invited a representative of the IPR Enforcement Unit of DG GROW to its Summer Meeting on 15 September 2016 to present the latest Commission initiatives in the field of enforcement.

On 16 December 2016, 9 February 2017 and 6 April 2017, FEP participated in Stakeholder Meetings on Online Advertising and IPR.

FEP joined the Working Group on Key Performance Indicators of the Stakeholder Dialogue on Online Advertising and IPR.

FEP contributed to the drafting of the principles for a possible MoU on online advertising and IPR.

BACKGROUND

The Directive on the enforcement of intellectual property rights (IPRED) requires all Member States to apply effective, dissuasive and proportionate remedies and penalties against those engaged in counterfeiting and piracy, and to create a level playing field for rights holders in the EU. Implementation was due in all Member States by 29 April 2006.

Still, some difficulties in the implementation remained in some Member States, in particular given that some provisions are seen as conflicting with data protection laws, and additionally due to diverging interpretations. For this reason, in December 2010, the Commission issued an implementation report on the Enforcement Directive, which showed that certain provisions of the Directive, including the relationship with other Directives, were understood in different ways by the different Member States and had given rise to different interpretations and applications in practice. It also addressed the extra, challenging dimension of enforcing intellectual property rights that the internet and digital technologies present. These provisions could warrant further clarifications to make the Directive fully effective. The Commission therefore started a process which could set out possible legislative amendments to the IPRED, starting with the launch of a public consultation, in January 2011.

In April 2012, the Commission issued a Communication on the Single Market Act, a list of proposed measures to boost growth and strengthen confidence, which included effective enforcement of IPR as one of the recommended actions. The Commission then started to review the IPRED. An extensive consultation was carried out on its application, culminating with a conference/hearing entitled 'Enforcement of IPR: the review of Directive 2004/48/EC' organised with stakeholders in April 2012, followed by a report. The Commission continued its review and issued a targeted survey on "civil enforcement of IPR", which closed in March 2013, to evaluate the efficiency of national IP civil enforcement systems, including those implementing IPRED.

In July 2014, the Commission adopted the Communication called 'Towards a renewed consensus on the enforcement of Intellectual Property Rights: An EU Action Plan', seeking to re-orientate its policy towards better compliance with intellectual property rights by all economic actors. The plan identifies three main pillars: improving prevention, increasing cross-border cooperation between Member States and the prioritisation of enforcement policy on the basis of objective data.

Ten actions are proposed, divided in three blocks: a role for all actors along the IP value chain (communication and awareness

DG GROWTH

campaigns; rights holders' responsibility and integrity of supply chains; 'follow the money': involving payment, advertising and shipping industries; assisting SMEs to enforce their rights: low value claims and national financed schemes; consumer payments as tools to tackle infringements); public authorities working together (cooperation between national authorities: IP Enforcement Expert Group; training programmes; guide on best practices for public procurement and IP); and better monitoring and targeting of IP enforcement policy (biennial report on the economic impact of EU's IP policy). The overarching principle of the 'follow the money approach' is to seek to deprive commercial scale infringers of the revenue flows that draw them into such activities (while focusing less on individuals infringing IPR).

The Commission is also holding workshops on key economic issues regarding the enforcement of IPR in the EU. Those workshops are organised with the participation of economists, researchers and experts specialised in the economics of IP. Moreover, the Commission has set up a group of experts on the enforcement of IPR.

The European Parliament reacted to this Communication, and in June 2015, the own-initiative report entitled "Towards a renewed consensus on the enforcement of IPR: an EU Action Plan" was adopted. The Parliament welcomed the Commission's Action Plan, which, according to the report, should ensure the effective, evidence-based enforcement of IPR. The enforcement plays a key role in stimulating innovation, creativity, competitiveness, growth and cultural diversity, as well as fair remuneration for creators. According to MEPs, all actors in the supply chain have a role to play in the fight against IPR infringement and should be involved in this process: the creative industries should, in turn, keep on developing attractive legal offers.

The Commission has now started the review of the IPRED, looking in particular at the role of intermediaries, access to evidence and the quantification of damages; as announced in the Communication on a Digital Single Market Strategy for Europe (May 2015). In 2017, the Commission will possibly make proposals to modernise the enforcement of IPR, focusing on commercial-scale infringements as well as cross-border applicability. The Commission launched a consultation on the issue in December 2015, which closed in April 2016, then presented an inception impact assessment on the review of the IPRED, setting out how the Commission may aim to solve issues identified in relation to the functioning of IPRED in the digital environment. The document outlines several policy objectives, stating that the emphasis shall be put on cross-border aspects: clarifying the application of the right of information; clarifying the rules for calculation and allocation of damages and legal costs; strengthening the involvement of intermediary service providers in the prevention of infringements; and promoting the setting up of specialized national courts in matters of infringement and validity of IPR. The Commission sets out several different options for action: improvement of implementation and enforcement of the existing legislation (possibly a simplification of legislation), or several alternative approaches, such as clarification of key provisions of the current legal framework, amending the framework to ensure that it functions well in both the digital and physical world; promoting and facilitating self-regulatory initiatives, refining the scope, assessing if the measures, procedures and remedies available could be effectively used by SMEs.

In the field of self-regulation, the Commission launched stakeholder dialogues, in the framework of the 'follow the money' approach, with online advertisers and payment service providers with a view to broker the signature of MoUs aimed to support voluntary cooperation practices at national level.

DG GROWTH

EUROPEAN OBSERVATORY ON INFRINGEMENTS OF INTELLECTUAL PROPERTY RIGHTS

FEP'S INTERVENTIONS

FEP has been constantly involved in the Observatory's activities since its inception.

FEP actively participated in meetings of the Working Group Statistics and Economics, the Working Group IP in the Digital World and the Working Group on Public Awareness in November and December 2016 as well as May 2017.

FEP actively participated in the Observatory Plenary Meeting on 28-29 September 2016.

FEP was interviewed by the consultant carrying out the evaluation of the Observatory on behalf of the Commission.

FEP provided information to the Observatory and contributed to several of its reports and initiatives.

FEP participated in several coordination meetings with other stakeholders of the Observatory.

BACKGROUND

In July 2008, the Commission adopted a Communication on a new industrial property rights strategy for Europe. The Communication outlined a number of actions aiming to maintain a high quality industrial property rights system for the EU in the 21st century, calling for robust enforcement against counterfeiting and piracy. The Communication included copy-right in order to present a coherent picture on the fight against piracy.

In September 2008, the Competitiveness Council adopted a Resolution on a comprehensive EU anti-counterfeiting and anti-piracy plan. This Resolution endorsed the need to step up the fight against counterfeiting and piracy and called for the creation of a European Counterfeiting and Piracy Observatory. The Observatory, whose overall goal was to produce a continuous and objective series of assessments and up-to-date research that would lead to exchange best practices and knowledge among policymakers, industry experts and enforcement bodies, was launched in April 2009. Initially managed by the Enforcement Unit of DG MARKT, in 2011 it was placed under the responsibility of the OHIM (Office for the Harmonisation of the Internal Market), due to the latter's expertise and availability of resources.

The regulation was adopted by the European Parliament and the Council, and entered into

force in June 2012. The Observatory, which was renamed the Observatory on Infringements of IPR, was tasked with, amongst others, enhancing the understanding of the value of intellectual property, improving the understanding of the impact of IPR infringements, assisting in raising citizens' awareness of the impact of IPR infringements and developing training programmes for people involved in the enforcement of IPR, including in non EU countries.

During the year 2013, the first full year of operation of the Observatory under the OHIM's supervision, a number of activities were carried out. For example, two major studies were published, the IP Contribution Study (quantifying the contribution of IPR-intensive industries to the EU economy) and the IP Perception Study (providing a qualitative and quantitative analysis of the perception of IP by citizens of all 28 EU Member States. Five working groups – Legal, Enforcement, Public Awareness, Statistics and Economics – held several meetings and continued their work. A number of new projects also entered into operation.

Under the 2014 Work Programme, projects carried out and ongoing included: a study on the state of IP education in the EU; making OHIM's case-law databases available and searchable; preparation for pan-EU IP awareness campaigns; monitoring the development of online legal

DG GROWTH

offers; launch of the EU central database of orphan works; studies on the size and impact of counterfeiting and piracy; the firm-level analysis of the IP Contribution study. The Observatory also launched a newsletter.

The 2015 Work Programme saw the publication of several studies, including one on voluntary cooperation practices in the field of fighting copyright infringements, one on the state of IP education in the EU and the firm-level phase of the IP contribution study, the 2015 situation report on counterfeiting in the EU, a report on online advertisement on infringing websites as well as the deployment of the awareness raising Action Plan for Youth; the Observatory selected several national awareness campaigns for support. The Observatory is coordinating with DG Connect to promote the use of the Orphan Works Database. In July 2015, the Observatory officially launched the Ideas Powered website (www.ideaspowered.eu), an EU-wide interactive website dedicated to young people and IP, with contributions from young designers, composers, entrepreneurs and artists from all across the EU to show how IP supports innovation and creativity.

The Work Programme 2016 included the publication of several studies and reports, including the study on digital advertising on suspected infringing websites, a study of international trade in counterfeit goods in collaboration with the OECD, a study on business models most commonly used to infringe IP online, an update of the IP economic contribution study and a study on voluntary collaboration practices

to counter IPR infringements; the completion of the Youth Scoreboard survey and the further development of a community and online social media dialogue in the framework of the awareness raising Action Plan for Youth; the launch of 'Agorateka', a European aggregator of legal offers of digital content; the publication of a set of consumer-oriented FAQs on copyright. In March 2016, the OHIM was renamed European Union Intellectual Property Office (EUIPO).

According to the Observatory's Work Programme 2017, current activities include: further targeting of youth through the Ideas Powered initiative, a new call for proposals to support the deployment of awareness actions in Member States, developing a specialised IP Education Network to create appropriate resources and tools to facilitate IP education and awareness, repeating the IP perception study, studying legislative measures related to online IPR infringement, supporting the protection of IP rights outside the EU (with DG TRADE), analysing business models in copyright-based creative industries, expanding the European aggregator of legal offers for digital content, studying the correlation between piracy and malware, further promoting the Orphan Works Database, preparing work related to the role of the Observatory in setting up a registry of out-of-commerce works, cooperating with other organisations to try and assess the size and impact of IPR infringements (including copyright online), studying open licensing, carrying out research on the valuation of IP assets. The Commission has launched a review of the Regulation entrusting the Observatory to the OHIM.

DG GROWTH

INTEROPERABILITY

FEP'S INTERVENTIONS

FEP joined forces with EIBF to campaign for interoperability in the ebook market, in order to prevent readers from being locked in by providers.

FEP raised the issue several times with officials from DG GROW and DG CNECT in order to gather support for a policy initiative to foster interoperability. Moreover, they presented this subject to several MEPs.

FEP put several experts, including EDRLab representatives, in contact with DG CNECT with a view to discuss standardisation and interoperability.

FEP replied to a consultation by the Commission on the Revision of the European Interoperability Framework in June 2016, advocating the adoption of standards and interoperable solutions by public administrations in the publications and documentation sector.

On 9 and 10 March 2017, FEP attended the EPUB Summit 2017 in Brussels, and contributed to a panel on political actions for the ebook in Europe.

BACKGROUND

The current ebook market ecosystem is characterised by a lack of interoperability – the possibility for readers to purchase and access ebooks from different platforms and on different devices. This is a problem for consumers, who in addition are often not aware of certain impediments when they make their choices of ebook suppliers. It is also a contradiction to EU policies as set out in the Digital Agenda for Europe. An ecosystem is “closed” if it forces customers to remain inside of it, by coupling devices and stores, adopting incompatible proprietary formats, making it difficult, if not impossible, to export ebooks, and using proprietary DRM systems and/or imposing any sorts of legal restrictions. Some of the largest operators in the ebook market have implemented closed ecosystems for commercial reasons, a situation that independent booksellers and publishers in Europe would like to change.

Concerning ebook formats, ePub3 is an open, standard and interoperable format developed by the International Digital Publishing Forum that also includes many

accessibility features and is quickly becoming the format of choice of the majority of publishers. However, interoperable formats are a necessary but not a sufficient condition to allow readers to read anywhere, anytime and on any device. The European Institutions have already taken action in a similar case when they brokered a MoU and then adopted a Directive on the interoperability of mobile phone chargers.

The European Commission considers the cross-border interoperability of online services and the digitisation of European public administrations to be important contributors to growth and increased efficiency. Therefore, it put forward a proposal for a new EU programme on interoperability solutions for European public administrations, businesses and citizens (ISA2, to follow after ISA, which will end on 31/12/2015); the programme was adopted by the European Parliament and the Council in November 2015 and will run until 2020. FEP is also addressing the issue from a public procurement point of view, especially in view of the digitisation of schools.

DG ENVIRONMENT



The main role of this DG is to initiate and define new environmental legislation as well as to ensure that previously agreed measures are actually put into practice by the Member States.

The objective of the Directorate-General is to protect, preserve and improve the environment for present and future generations. To achieve this goal, it proposes policies that ensure a high level of environmental protection in the European Union and that preserve the quality of life of EU citizens.

The DG makes sure that Member States correctly apply EU

environmental law. In doing so, it investigates complaints made by citizens and non-governmental organisations, and is able to take legal action if it is deemed that EU law has been infringed. In certain cases, DG Environment represents the European Union in environmental matters at international meetings such as the United Nations Convention on Biodiversity.

The Commissioner responsible is Karmenu Vella, who was appointed in November 2014.

The Director General is Daniel Calleja Crespo, who was appointed in September 2015.

DG ENVIRONMENT

OBLIGATIONS OF OPERATORS THAT PLACE TIMBER AND TIMBER PRODUCTS ON THE MARKET/EU TIMBER REGULATION

FEP'S INTERVENTIONS

FEP is part of the Print Media Group, which represents the print media value chain, including paper manufacturing, converting, printing, publishing and direct marketing, to make sure that its views on environmental issues are properly represented. FEP regularly attends the PMG meetings (the last ones in date took place in May and September 2016 and February and April 2017).

In view of the revision of the EU Timber Regulation, FEP consulted its members, who decided not to oppose the inclusion of printed matters in the scope of the Regulation, given the high levels of environmental compliance already adopted by publishers, while stressing the importance of not placing an excessive burden on companies.

On 14 November 2016, FEP participated in a meeting of the Expert Group on Forest-Based Industries and Sectorally Related issues.

On 16 March 2017, FEP met with DG Growth to discuss the prospects of the EU Timber Regulation.

On 20 April 2017, FEP participated in a business roundtable organised by the WWF on the EU Timber Regulation.

BACKGROUND

Regulation (EU) No 995/2010 of the European Parliament and of the Council (20 October 2010), laying down the obligations of operators who place timber and timber products on the market – also known as the (Illegal) Timber Regulation – counters the trade in illegally harvested timber and timber products through three key obligations: it prohibits the placing on

the EU market for the first time of illegally harvested timber and products derived from such timber; it requires EU traders who place timber products on the EU market for the first time to exercise 'due diligence'; it requires traders further down the supply chain to keep records of their suppliers and customers.

Printed products were originally excluded from the regulation

(printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans), following the reaction of the representatives of print media publishers. The Commission started reviewing the Regulation in 2015, and the process will most likely be followed by a revision, which will once again look into the sectors covered by the regulation, with the objective of expanding the list (and most likely include printed paper products). This would impose certain obligations on publishers who import printed books from outside of the EU, in particular the need to exercise due diligence procedures; publishers would also be liable, should the books they import come from illegally harvested timber. The procedure for carrying out the due diligence could create an extra burden to publishers, which is to be assessed and also weighed against the reputational issues related to compliance with environmental standards.

For many years, European publishers have been paying close attention to issues of sustainability and environmental responsibility, notably regarding the choice of paper that is used for the printing of their various publications. However, responsibility for due diligence along the value chain may prove too burdensome for some, as they are not directly involved in the

sourcing process and therefore don't have direct access to the necessary information.

In February 2016, the Commission issued an implementation report on the EUTR, which confirmed the validity of the legislation while acknowledging a slow uptake due to difficulties faced by both national authorities and businesses. The report does not provide clear indications as to a possible extension of the scope.

On 28 June 2016, the Council adopted Conclusions on Forest Law Enforcement, Governance and Trade, including several points related to the EUTR, among which the acknowledgment of its usefulness and of the need for more time and resources for its full implementation and assessment, and the suggestion to the Commission to look into the possibility of adjusting its scope, provided a thorough impact assessment is carried out.

On 23 January 2017, the Commission published an Inception Impact Assessment (a roadmap) for amending the product scope of the EUTR, announcing the launch of an impact assessment, which will include a public consultation.



DG COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY

The Communications Networks, Content and Technology (CNECT) Directorate-General (previously DG Information Society and Media) supports the development and use of Information and Communication Technologies (ICTs) for the benefit of all citizens. This includes fostering the growth of content industries drawing on Europe's cultural diversity.

With the reorganisation of the Commission 2014-2019, DG CNECT is now responsible for copyright and online services.

The Copyright Unit deals with the important task of enforcing the acquis on copyright and related rights, its further advancement, modernisation and adaptation to

new developments in technology or the markets concerned. It plays a particularly important role in the evolving market scenario and as such, the FEP has regular meetings and contacts with this Unit.

The Commissioner responsible is Vice-President Andrus Ansip (in charge of the Digital Single Market), who in January 2017 replaced Günther Oettinger, who left his office as Commissioner for the Digital Economy and Society to take up another portfolio.

The Director General is Roberto Viola, who was appointed in 2015.

FEP met with Vice-President Ansip in February 2017.

DG COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY

REVIEW OF COPYRIGHT RULES

FEP'S INTERVENTIONS

FEP met with Commissioner Ansip (21 February 2017), and with the Cabinets of the following Commissioners: Navracics (25 May and 18 July 2016), Jourová (27 September 2016), Malström (7 September 2016), Ansip (20 May and 7 September 2016), Oettinger (7 September 2016).

FEP met with the Commission DG EAC (1 June), DG GROW (12 October) and DG CNECT (12 October 2016) to explain the situation of the book sector and illustrate the potential impact of the modernisation of copyright on book publishers.

FEP met regularly with the Copyright Unit of the DG CNECT (8 June, and 11 December 2016, 27 February and 29 March 2017) to discuss technical issues and give feedback on the publishers' views on specific aspects of their business that would be affected by the ongoing copyright reform.

Maria Martin-Prat, Head of the Copyright Unit at the Directorate General for Communications Networks, Content & Technology (DG Connect, European Commission), visited the Frankfurt Book Fair in October 2016 and spoke at FEP annual rendez-vous.

FEP attended meetings at the European Parliament, during which the priorities of the Slovak and Maltese presidencies of the Council were presented.

FEP met with Permanent Representatives and Ministries of the countries holding the Presidency of the Council.

FEP met with Intellectual Property attachés from a number of national Permanent Representations of the EU.

FEP took part in meetings and debates organised by Intergroups or other groupings of Members of the European Parliament, dealing with matters related to copyright and to the Digital Single Market.

BACKGROUND

The Commission considers the establishment of a Digital Single Market and the modernisation of copyright as two very important aspects of its mandate. The two instruments guiding the Commission's efforts in this area are the Communication of May 2015 on a Digital Single Market strategy for Europe' and the Communication of December 2015, called 'Towards a modern, more European copyright framework'.

On a political level, Andrus Ansip, Vice-President of the Commission, being in charge of the Digital Single Market, is also responsible for copyright issues. The competent service of the Commission is the Copyright Unit in the Directorate General for Communications Networks, Content & Technology (DG CNECT). In the EP, the Committees involved in Digital Single Market and copyright issues are IMCO (Internal Market and Consumer Protection), ITRE (Industry, Research and Energy), JURI (Legal Affairs) and CULT (Culture). In the Council, copyright issues are discussed by the Working Group on Intellectual Property before political decisions can be made on a higher level.

On 6 May 2015 the Commission published its Communication on a Digital Single Market Strategy for Europe, in which it explained why a Digital Single Market is needed, how cross-border e-commerce can be facilitated, how

unjustified geo-blocking can be tackled, and which way we should move towards to create a more modern and more European copyright framework. It also outlined the policies it has put in place to deal with online platforms and illegal content on the Internet, and explained in detail how the potential of the digital economy could be maximised. An Annex to the Communication (Roadmap for completing the Digital Single Market) comprising a list of actions to be taken in the years 2015 and 2016, with the objective of implementing the goals of the Commission in the above fields.

Then, on 9 December 2015, the Commission published a Communication setting out the roadmap towards a more modern and more European copyright framework. This Communication announced the drafting of a number of legislative initiatives. Finally, on 14 September 2016, the Commission published a package of legislative proposals, including a proposal for a directive on copyright in the Digital Single Market and two legislative proposals (a regulation and a directive) aiming at implementing into EU law the Marrakesh treaty for people with print disabilities.

The proposal for a directive on copyright in the digital single market includes several important provisions aiming at modernising current copyright framework. It would introduce a legal mechanism to facilitate collective licensing

DG COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY

FEP met many JURI, ITRE, IMCO and CULT MEPs who were involved in reports related to proposal for a directive on copyright in the digital single market and proposals for a directive and a regulation implementing Marrakesh Treaty.

FEP met with staff members from the Secretariats of the Parliament.

FEP produced amendments and voting recommendations for MEPs concerning the proposal for a directive on copyright in the digital single market and proposals for a directive and a regulation implementing the Marrakesh Treaty.

FEP produced position papers and infographics presenting its positions.

FEP has organised with IFRRO and EWC a breakfast debate in the European Parliament to present challenges faced by text books publishers in Malta (2 February 2017).

FEP organised also with IFRRO and EWC a seminar in the European Parliament on the topic of exceptions for illustration for teaching and on out of commerce works included in the proposal for a directive on copyright in the digital single market (2 February 2017).

FEP attended the regular meetings of the Copyright Working Group of Business Europe.

FEP regularly attends and speaks at conferences, seminars, hearings and workshops on copyright, which are organised and hosted by EU institutions, universities or research centres ('Digital World: an opportunity for creation'; 'ERA copyright conference'; 'International Copyright Law 2016, EPP group hearing on the exceptions).

FEP attended meetings and contributed to the work of coalitions with other creative industries and authors such as Creativity Works!, Creative Media Business Alliance (CMBA) and Netopia.

agreements for all types of out-of-commerce works which are held in a permanent collection of cultural heritage institutions. National collective management organisations would be able to license works of unrepresented right holders with a number of safeguards (ie. appropriate publicity measures and the right of all right holders to opt-out from the mechanism at any time), set out rules on three new exceptions - illustration for teaching, - use of text and data mining for research and preservation of cultural heritage. Also, it would give to the Member States the right to grant book publishers a right to claim for a share of the compensation for the uses of the work made under an exception or limitation to the transferred or licensed right and implement mechanisms to enable authors to request additional remuneration from their contractual partners when revenues generated by the work are too low (contract adjustment

mechanism) and settle disputes related to the application of obligations imposed to publishers and producers (dispute resolution mechanism) and set out transparency obligations according to which authors would receive from their contractual partners information on the exploitation of their work.

The proposals aiming at implementing the World Intellectual Property Organisation Marrakesh Treaty (2013) would create a mandatory copyright exception for the benefit of print-disabled persons and allow the cross-border exchange of special format copies of books and other print materials, such as braille. The EU and the Member States signed the Treaty in April 2014, and therefore, have taken a political commitment to ratify it.

DG COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY

EUROPEAN DIGITAL LIBRARY - EUROPEANA

FEP'S INTERVENTIONS

FEP discussed with Europeana and the members of its Network, while upholding the views of publishers and at times, differing with Europeana and other Network members on some questions. FEP is a member of the copyright taskforce at Europeana.

FEP attended a seminar in November 2016 in Luxembourg organised under the auspices of Europeana to emphasise the role of metadata in identifying the right status of a book.

In the course of 2016 and 2017, FEP attended several meetings with Europeana and other trade associations to discuss licensing solutions for out of commerce works.

On 9 and 10 November 2016, FEP attended the Europeana General Assembly in Riga.

FEP also works with the Conference of European National Librarians (CENL) to promote balanced solutions for the legal deposit and subsequent uses of contemporary works. FEP has, with the CENL, adopted a joint statement for the deposit and harvesting of books and journals. The group looks into the issue of text and data mining.

GEO-BLOCKING

FEP'S INTERVENTIONS

FEP joined forces with EIBF on the geo-blocking file, given the particular concern expressed by booksellers and the importance of coordinating the respective messages.

In May 2016 FEP together with EIBF addressed several relevant Commissioners to support the application of an impact assessment and a review clause to the possible inclusion of ebooks in the scope of the proposed Regulation.

FEP elaborated a series of comments on the Impact Assessment accompanying the proposed Regulation.

In July 2016, FEP together with EIBF provided comments to the Impact Assessment of the geo-blocking proposal (in accordance with the

BACKGROUND

Europeana sets out to make all of Europe's cultural resources and scientific records – books, journals, films, maps, photographs, music, etc. – accessible to everyone, and to preserve it for future generations. FEP has been encouraging publishers to participate. Through ARROW, FEP developed an instrument to facilitate the use of orphan works and out of commerce ones, once agreements were finalised with rights holders. ARROW was developed to simplify and underpin such processes.

The initiative focuses on two areas: cultural heritage (creating electronic versions of the materials in Europe's libraries, archives and

museums, making them available online, for work, study or leisure, and preserving them for future generations) and scientific information, (making research findings more widely available online and keeping them available over time). FEP has been an early supporter, since 2008, of Europeana and has been extremely actively involved in finding ways for publishers to be able to bring their publications to Europeana. In the early years, FEP was a member of the High Level Group on digital libraries and afterwards, it participated to a number of consultations, and was, for several years, part of the Europeana's Board. FEP is striving to find solutions to issues raised by librarians.

BACKGROUND

On 25 May 2016, the European Commission adopted a proposal for a Regulation on addressing geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market.

The Regulation seeks to prevent discrimination based on the nationality, place of residence or place of establishment of customers. According to the Commission's proposal, traders shall not block or limit customers'

access to their online interface; and shall not redirect customers to a version of their online interface that is different from the one which the customer originally sought to access, unless the customer gives explicit consent. Traders shall not apply different general conditions of access to their goods or services, when the trader sells goods and those goods are not delivered cross-border; and when the trader provides electronically supplied services, except those providing access to and use of copyright protected works.

DG COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY

guidelines on Better Regulation by the Commission), focusing on the lack of a proper assessment with regard to the ebook sector.

On 11 and 18 October 2016, FEP participated in two discussions on geo-blocking organised by BusinessEurope.

On 14 November 2016, FEP attended a meeting of the Internal Market and Consumer Protection Committee Working Group on the Digital Single Market dedicated to geo-blocking.

In December 2016, FEP and EIBF issued a joint press release welcoming the Council's approach on geo-blocking.

On 10 January 2017, FEP attended a debate organised by EIBF in the European Parliament on interoperability and geo-blocking.

On 19 January, FEP met with several Commission officials, including the Head of the unit responsible for the geo-blocking proposal, and subsequently facilitated contacts between them and several publishers.

On 24 January, FEP participated in a discussion on geo-blocking organised by BusinessEurope at the SME Intergroup of the European Parliament.

Between January and April 2017, FEP attended several discussions in the Parliament's Committees on geo-blocking.

FEP supported EIBF in its outreach to MEPs upholding the common message on geo-blocking and acted also independently with further targeted messages.

FEP provided comments to the position papers of BusinessEurope and Creativity Works! on the geo-blocking file.

On 25 April 2017, FEP and EIBF issued a joint press release regretting the full inclusion of ebooks in the scope of the Regulation by the Internal Market and Consumer Protection Committee of the European Parliament.

The prohibition regarding electronically supplied services shall not apply to traders exempted from VAT registration according to the threshold system. The prohibitions also shall not apply when other provisions in EU or Member States' law prevent the trader from selling the goods or providing the services to certain customers or to customers in certain territories, and with respect to sales of books, when traders are required to apply different prices to customers in certain territories under the laws of Member States in accordance with EU law.

According to the Commission's proposal, copyrighted digital content services (including ebooks) should be subject to a two year review clause accompanied by an assessment of whether to include them in the scope. In December 2016 the Council adopted a compromise text, substantially confirming the Commission's intention and extending

the review clause to 4 years. Since late 2016, the file is under discussion in the Parliament; the rapporteur in the leading Internal Market and Consumer Protection Committee, MEP Roza Thun (EPP, Poland), proposed in her draft report to include copyrighted content from the onset – with opinions from the Culture and Education Committee (January 2017) and the Industry, Research and Energy Committee (February 2017) supporting the review clause, and the one from the Legal Affairs Committee (4 April 2017) siding with the rapporteur. The vote in committee took place on 25 April 2017 and resulted in the full inclusion of ebooks (and other non-audiovisual copyrighted material) in the scope of the Regulation, provided the trader has the relevant rights or licences; a provision was maintained for the respect of fixed book price agreements where embedded in national legislation. The file will go to trilogue in the coming months.

DG COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY

ARROW - ARROW +

FEP'S INTERVENTIONS

FEP remained engaged with the ARROW system as a Charter Member of the Arrow Association.

FEP contributed to the dissemination activities of the Arrow Association through a number of meetings with Commission officials, Members of the European Parliament and other stakeholders, also trying to secure public support for the system.

FEP maintained an agreement with the Arrow Association to contribute to the implementation of its promotion plan.

FEP reported to its member associations on a regular basis, to inform them of the developments related to the ARROW system.

FEP contributed to discussions and preparations around existing and emerging use cases for ARROW.

On 30 June 2016, FEP participated in the Arrow Association's Board of Directors and General Assembly meetings.

BACKGROUND

Together with the emergence of digital libraries, the need to provide pragmatic solutions to the challenges of orphan works, out of print books, and clearance of protected material has arisen. In 2008, under the leadership of the Italian Publishers Association (AIE), FEP undertook a project under the Commission programme eContent+, called "ARROW: Accessible Registries of Rights Information and Orphan Works towards Europeana".

The project aimed at creating an interoperable search infrastructure, a distributed

network of national databases to facilitate retrieving information about the rights status of works and a set of tools for both public and private organisations who wish to contact active rights holders in order to seek copyright clearance for the reuse of content. It also collected information on current and emerging business models and explored possible systems to facilitate co-existence and interoperability between public institutions and commercial publishing initiatives.

The system can provide the infrastructure for the management of any type of rights information, thus facilitating the actual

implementation of innovative business models for both digital libraries and private e-content providers. The rights information infrastructure will facilitate the search for rights holders and the correct identification of public domain works, orphan works, out of print works and other copyrighted works. The broad involvement of rights holders, collective management organisations and libraries provided critical mass to approach the problem at a pan-European level.

The project ran for 2.5 years, from September 2008 to February 2011; it led to the setting up of the planned infrastructure and to the piloting of the system in four countries: France, Germany, Spain and the UK.

Since 2010, most of the project partners worked on the enhancement and extension of the project: this led to the setting up of the ARROW+ project under the Competitiveness and Innovation Framework Programme 2007-2013. The project aimed at enhancing the system already in place following case usage requirements and integrating a wider range of countries, as well as piloting the inclusion of images embedded in books in its scope. ARROW+ started in April 2011; FEP was the leader of a Work Package aimed at organising and coordinating national initiatives. The project was granted an extension and came to a conclusion at the end of December 2013. Work was completed in all the target countries, focusing on the creation of new data infrastructure or the integration of the one existing; the system was enhanced and plans were made for its sustainability.

As a result, 12 new countries were integrated in the ARROW system: Austria, Belgium, Bulgaria, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Netherlands, Poland and Portugal. The project was assessed very positively by the independent reviewers appointed by the European Commission.

In September 2013, a legal entity was established to manage the system after the end of the project phase. Negotiations are still going on with regard to existing and potential new use cases for ARROW in several countries. A number of use cases have been completed and work is progressing on others.

Due to the fact that Europeana no longer supports the TEL (The European Library) online system, the Arrow Association undertook the migration of the national library catalogues onto its own servers, to maintain the first step of the Arrow workflow operational. Meanwhile, the Arrow Association continues looking for possible use cases and negotiating their implementation. As Member States gradually address the implementation of the Orphan Works Directive (which mentions Arrow as a tool for diligent search), requests are likely to increase; the Commission's proposal to facilitate digitisation of out-of-commerce works should also raise interest in the system. However, as such interested seems slow in materialising, for various reasons - including a lack of digitisation programmes of the kind that could be supported by Arrow - members of the Arrow Association are looking at different options for the future.

DG COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY

NEM (NEW EUROPEAN MEDIA)

FEP'S INTERVENTIONS

FEP participated in several meetings and conference calls of the NEM Steering Board and Executive Group.

FEP contributed to the update of the NEM Strategic Innovation and Research Agenda.

FEP contributed to developing synergies between NEM and TISP.

FEP participated in the drafting of a NEM-Vital Media Policy Requirements Survey and replied to the survey.

In March 2016, FEP participated in the Steering Board and General Assembly meetings of NEM, and was re-elected to the Steering Board.

BACKGROUND

NEM (New European Media, formerly Networked and Electronic Media) is a European Technology Platform dedicated to Content, dealing with Connected, Converging and Interactive Media & Creative Industries. In entering a new phase of its existence, NEM has been trying to become a key player in interactive content and media, and to enhance the involvement of creative industries. The European Commission (DG CNECT in particular) wants NEM to become a point of reference when it comes to reaching out to cultural and creative industries (especially SMEs) and to collecting their views with regard to technology-related policies affecting the sector and, in particular,

concerning the definition of the research and innovation agenda (including funding programmes, such as Horizon 2020). NEM drafted and updated a Strategic Research and Innovation Agenda, which is meant to feed into the Commission's preparation of the work programmes of its funding schemes, in particular Horizon 2020.

FEP became a member of NEM in early 2014 and entered its Steering Board and Executive Group, then was re-elected to the Steering Board in March 2016. NEM is currently working in close cooperation with Vital Media, a project aimed to establish a common European community in the area of convergence and social media, the partners of which are in most part NEM members.

EUROPEANA FOOD & DRINK

FEP'S INTERVENTIONS

FEP contributed to preparing and reviewing several deliverables within its competence.

FEP contributed to the dissemination activities of the project within the publishers' community.

FEP prepared its final activity and financial reports for the project.

On 6 and 7 June 2016, FEP participated in the final all partners' meeting of the project.

FEP informed its members about the outcomes of the project.

BACKGROUND

Europeana Food and Drink was a project that aimed to promote the wider re-use of digital cultural resources available through Europeana, in order to boost creativity and business development across Europe. It ran from January 2014 until June 2016 and was co-funded by the commission under the Competitiveness and Innovation Framework Programme.

Europeana Food and Drink was meant to provide the basis for innovative and commercially viable applications and services developed in partnership with cre

ative industries, with a strong thematic focus on celebrating Europe's diverse food and drink culture, and with a view to demonstrate the potential of high-value digital content discovered through Europeana. Among the project outcomes, a book and an ebook produced in 2015 can be mentioned.

FEP was a partner of the project to ensure the involvement of the publishing sector and was part of the project cluster dedicated to the book and ebook initiative. The project was deemed successful by the independent reviewers after the final review meeting of 21 September 2016.



DG JUSTICE AND CONSUMERS

The objective of this DG (formerly DG Justice, Freedom and Security) is to seek practical solutions to cross-border problems in order for citizens to feel at ease about living, travelling and working in another Member State and trust that their rights are protected no matter where in the European Union they happen to be. This involves, amongst other things, promoting and enforcing the Charter of Fundamental Rights of the European Union, fighting discrimination, data protection, fundamental rights, gender equality, effective justice, and consumer policy.

Consumer policy is central to the EU objective of continuously improving the quality of life of all EU citizens.

The aim of promoting the interests, fundamental rights and safety of citizens and consumers in the EU is enshrined in articles 153 and 95 of the Treaty establishing the European Community.

The Directorate-General monitors the application of EU laws on the safety of food and other products, on consumer rights and on the protection of people's health and devise on new policies.

The Commissioner responsible is Věra Jourová., who was appointed in November 2014.

The Director General is Tiina Astola, appointed in February 2016.

DG JUSTICE AND CONSUMERS

REVIEW OF THE CONSUMER ACQUIS

FEP'S INTERVENTIONS

FEP is an active member of the Stakeholder Consultation Group for Consumer Rules for Online and Digital Purchases, put in place by the Commission's DG JUST.

FEP regularly attends conferences and meetings involving consumers and dealing with consumer policies.

FEP met with MEPs involved in the modernisation of consumer policies to discuss the impact of the proposals on the publishing sector.

BACKGROUND

The new Consumer Rights Directive came into force on 13 June 2014 and aims at reinforcing consumers' protection and at establishing a true internal market for retail, making cross-border trades easier and less costly for traders and providing consumers with a larger choice and proposing competitive prices. This Directive merges four previous EU consumer directives (Directive

85/577/EEC on contracts negotiated away from business premises, Directive 93/13/EEC on unfair terms in consumer contracts, Directive 97/7/EC on distance contracts, and Directive 1999/44/EC on consumer sales and guarantees) into one single set of rules, and proposes the adoption of a full harmonisation approach (i.e. Member States cannot maintain or adopt provisions diverging from those laid down in the Directive).

It updates and modernises existing consumer rights, bringing them in line with technological changes and strengthening provisions in key areas where consumers have experienced problems in recent years – particularly in sales negotiated away from business premises (e.g. door to

door selling). Several meetings took place between the Commission and Member States to assist them with the transposition of the Directive.

Although books are not mentioned explicitly in any of the provisions of the Directive, in the eye of publishers, this Directive plays an important role in the digital environment. It provides useful information on compatibility, in particular of hardware and software, and the application of any technical protection measures (e.g. limiting the possibilities for consumers to make copies) must be clearly stated. Furthermore, it specifies that consumers have a right to withdraw from any digital purchases until the moment the download begins.

The Directive also has an impact on physical distribution. Adversely to the previous directives, it states that consumers will be able to withdraw from

the sales contract within 14 days, starting from the receiving of the goods (rather than at the point when the contract is concluded, as is presently the case) and that refunds – including delivery charges – must be paid within 14 days after the withdrawal.

On 9 December 2015, following the Communication of May 2015 (Digital Single Market Strategy) whereby the Commission undertook to propose legislation to facilitate access to digital goods and services for consumers and businesses across Europe, and introduced simple and effective cross-border contract rules for consumers and businesses, the Commission published a proposal for a Directive on certain aspects concerning contracts for the supply of digital content and a proposal on certain aspects concerning contracts for the online and other distance sales of goods.

The plenary vote on both proposals is expected during the second half of 2017 after possible trilogue negotiations with the Council.

DG JUSTICE AND CONSUMERS

DATA PROTECTION

FEP'S INTERVENTIONS

FEP has been following the discussions concerning the Data Protection Package in the Parliament.

FEP attended several conferences and hearings on data protection and privacy issues, notably at the European Parliament.

BACKGROUND

The current EU Directive governing data protection and privacy was adopted in 1995 and since then, the rapid evolution of technology and the expansion of the digital world have introduced many new ways in which data can be created, exchanged and manipulated. The issue of privacy and data protection in the digital world is regarded with increasing interest by decision-makers and stakeholders, and is followed closely by the cultural industries, due to its possible interaction with the protection of intellectual property rights. The intersection of legislative provisions on data protection and copyright enforcement

has in fact created tensions in a number of cases in the past years.

In January 2012, after several years of consultations, the European Commission proposed a comprehensive reform of data protection rules in the EU. The completion of this reform was a policy priority for 2015. The objective of this new set of rules is to give control over their personal data back to citizens, and to simplify the regulatory environment for business. The data protection reform is a key enabler of the Digital Single Market, which the Commission has prioritised. The reform will allow European citizens and businesses to fully benefit from the digital economy.

More specifically, the Commission issued a proposal for a comprehensive reform of the EU 1995 Data Protection rules consisting in two legislative proposals: a new general data protection Regulation, and a new Directive on protecting personal data processed for the purposes of the prevention, detection, investigation or prosecution of criminal offences or execution of criminal penalties and free movement of data.

The Regulation aims to update and modernise the principles enshrined in the 1995 Data Protection Directive to guarantee privacy rights. It focuses on: reinforcing individuals' rights, strengthening the EU internal market, ensuring stronger enforcement of the rules, streamlining international transfers of personal data and setting global data protection standards. These changes will give people more control over their personal data and make it easier for them to access it. They are designed to make sure that people's personal information is protected – no matter where it is sent, processed or stored – even outside the EU, as may often be the case on the internet. For consumers, the Regulation includes the “right to be forgotten” provision, to ensure easier access to their own personal data and

‘opt-in’ rather than assumed consent for data to be processed. These key changes will affect publishers who do handle private data in the course of their activities.

On the other hand, the Directive will ensure the protection of personal data of individuals involved in criminal proceedings, be it as witnesses, victims, or suspects. It will also facilitate a smoother exchange of information between Member States' police and judicial authorities, improving cooperation in the fight against terrorism and other serious crimes in Europe. It establishes a comprehensive framework to ensure a high level of data protection while taking the specific nature of the police and criminal justice field into account.

On 4 May 2016, the official texts of the Regulation and the Directive have been published in the EU Official Journal in all the official languages. While the Regulation entered into force on 24 May 2016, it shall apply from 25 May 2018. The Directive entered into force on 5 May 2016 and EU Member States have to transpose it into their national law by 6 May 2018.

DG RESEARCH AND INNOVATION

Innovation Day

Brussels, Wednesday 12 October 2014

Speakers

Bergen Henegouwen, Co-founder of Bookarang, Netherlands
Bergen Henegouwen studied Industrial Design and co-founded several successful start-up and software companies, such as Elephantcandy, of which he is currently CEO. Bookarang is a Dutch technology company specialised in literature analysis and book recommendations, using knowledge from the music industry (audio similarity computation).

The Directorate-General for Research and Innovation's mission is to develop and implement the European research and innovation policy with a view to achieving the goals of Europe 2020 and the Innovation Union.

The Commissioner responsible is Carlos Moedas, who was appointed in November 2014.

The Director General is Robert-Jan Smits, appointed in July 2010.

DG RESEARCH AND INNOVATION

FEP'S INTERVENTIONS

FEP coordinates with the International Association of Scientific, Technical and Medical Publishers (STM) so that the views of our respective members are well represented in Brussels.

FEP regularly attends meetings and conferences organised by DG Research, the European Parliament, other institutions or stakeholders on the issue of access to scientific publications and information.

FEP follows the debates and initiatives related to the development of the EU research and innovation funding programmes.

FEP has regular meetings with the EU Institutions to discuss topics of relevance for scientific publishers, in particular TDM.

FEP maintains that the sustainability of the sector must be taken into account. In its opinion, it is essential to distinguish between the principles of intellectual property and policies which allows for the access to scientific information published in STM journals. FEP is working closely with STM publishers to make sure that any policy in the field of access to scientific publications is a balanced one and recognises the added value of the publishing process.

FEP recurrently recalls, in talks with its counterparts, that in the case of scholarly journal publishing, publishers are offering 90% of their products in digital form, having thus successfully covered the objective of providing access to the content. FEP also upholds the notion according to which licences provide the best means to address the technical, economic and legal issues related to TDM.

In the framework of its advocacy on the copyright reform proposal, FEP lobbied extensively about the proposed exception for TDM.

On 15 June 2016, FEP attended a panel discussion organised by Elsevier on "Demystifying science - getting science out of the lab and into society".

On 28 June 2016 FEP attended the Summer Reception of the European Internet Forum, with Commissioner Moedas.

BACKGROUND

The issue of access to scientific output is high on the institutions' agenda. Horizon 2020 is the financial instrument implementing the Innovation Union, a Europe 2020 flagship initiative with the objective of securing Europe's global competitiveness. Running from 2014 to 2020 with an €80 billion budget, its aim is to create new growth and jobs in Europe.

Horizon 2020 provides major simplification through one single set of rules. It will combine all research and innovation funding currently provided through the Framework Programmes for Research and Technical Development, the innovation related activities of the Competitiveness and Innovation Framework Programme (CIP) and the European Institute of Innovation and Technology (EIT).

The European Commission made a proposal in November 2011; the Commission also issued a Communication entitled 'Open Access (OA) to Scientific Information' in July 2012. There is a strong drive towards open access in the documents and support for Gold OA as the preferred way forward. An alternative is to have different embargo periods in case of Green

OA, depending on the areas of research.

In November 2013, the European Parliament adopted the package on Horizon 2020 in plenary, and the Council carried out its final adoption a month later, in December. The first calls for proposals were launched that very same month.

Several further details are set in the grant agreements on research funding. Model Grant Agreements (MGAs) have been issued together with the first calls for proposals, but can be modified by the Commission. There are various versions of the MGA, depending of different sections of Horizon 2020 and several parameters. Some of them contain information on OA provisions, but some clarifications are still needed. An important point is that publication costs may become eligible for funding under Horizon 2020.

Meanwhile, the issue of Open Access remains on the Commission's agenda, and it has recently been joined by a drive towards Open Science; as the Commission takes the latter as the next step after securing Open Access, the two items will move together. The Commission in 2016 created an advisory Open Science Policy Platform.

DG RESEARCH AND INNOVATION

On 17 October 2016, the FEP President welcomed Commissioner Moedas at the STM Annual General Meeting in Frankfurt.

On 3 and 11 November 2016, FEP attended two TDM discussions and demonstrations organised by STM.

On 7 November 2016, FEP attended the presentation of an advice paper called "Citizen science at LERU universities: trends, guidelines and recommendations".

On 26 January 2017, FEP attended a briefing on "Towards a new generation of publishing models", organised by the Mission Switzerland to the EU and SwissCore.

On 1 March 2017, FEP attended a debate on TDM organised by Bitkom and Microsoft.

On 29 March 2017, FEP attended a TDM workshop organised in the framework of the FutureTDM project, which took place in the European Parliament.

FEP provided comments for a study prepared for the Open AIRE project by Research Consulting, on behalf of the European Commission, on "Towards a competitive and sustainable open access publishing market in Europe", published on 21 March 2017.

DG TAXATION AND CUSTOMS UNION



The Directorate General's mission is to propose and develop EU policies in the field of taxation, as well as to ensure the proper implementation of taxation measures adopted by the Council and the Parliament. On the basis of this, it aims at developing a coherent, modern and simple Value Added Tax system.

The Commissioner responsible is Pierre Moscovici, who was appointed in November 2014.

The Director General is Stephen Quest, appointed in January 2016.

DG TAXATION AND CUSTOMS UNION

REDUCED RATES OF VAT

FEP'S INTERVENTIONS

FEP met with or contacted several members of Commissioner Moscovici's cabinet and of DG TAXUD. FEP has always pleaded for books to be taxed at the lowest rate for the intrinsic educational, cultural and social value they carry, and is now committed to advocating for equal fiscal treatment for all kinds of books, regardless of their format or the way they are delivered.

FEP gathered information to support its arguments for equal treatment of all kinds of books and also intelligence on the position of the European Institutions on the subject, especially thanks to the help of the Working Group on VAT established within its members.

FEP regularly collects information about the implementation of the new VAT Directive in the EU Member States and about changes in VAT rates applied to books.

FEP frequently presented the issue of VAT on electronic publications to European Commission officials, MEPs and Permanent Representations in Brussels.

FEP continued to campaign, with the help of representatives of newspaper and magazine publishers, in order to raise support for the cause and convince the Commission to consider the issue of equal treatment of cultural products online and offline.

FEP had several coordination meetings with other associations representing publishers concerning the VAT campaign.

FEP cooperated with IPA for the production of the Annual Global report on VAT on books 2016, published in October 2016.

On 29 June 2016, FEP attended a debate organised by the European Internet Forum on "Taxation in the Digital Economy", for which FEP was part of the Organising Committee.

In September 2016, FEP replied to a public consultation by the European Commission on reduced VAT rates for electronically supplied publications.

BACKGROUND

Out of the 28 EU Member States, 26 allow reduced or zero VAT rates on printed books, as per the VAT Directive, in recognition of the cultural, social and economic value of books and reading. FEP constantly supports this attitude and encourages its preservation and expansion.

In May 2009, a new Directive on VAT rates (Council Directive 2009/47/EC) extended the possible application of reduced rates to books on all physical supports; including CDs, DVDs and USB sticks but excludes downloads and access online, which according to EU law are electronic services and must be taxed at full VAT under the current conditions. As of April 2016, 14 Member States have taken advantage of the new provisions to extend the reduced rates to some or all books on other physical supports. However, differences remain in the fiscal treatment of books with regard to their format (printed or electronic) and means of delivery (online or offline).

A Green Paper issued by the Commission discussing the future of VAT (December 2010), as well as the related consultation, mentioned the discrepancy in treatment of cultural products online and offline. In late 2011, the European Parliament took a position on several occasions the Parliament Report on the future of VAT called for equal and favourable treatment of books in all format, a call echoed by MEP Gallo and 42 other MEPs with an oral question, and a

Parliament resolution on modernising VAT recommended reduced rates for online cultural products and redressing the discrimination. The recommendation was reiterated in the Parliament's Annual Tax Report of March 2015 and in a Resolution on a topical subject in May 2015. Members of the Parliament continued to express their interest in the issue via Parliamentary Questions to the Commission.

A Commission Communication was issued in December 2011, based on the results of the consultation that followed the Green Paper and intended to set out the fundamental features of a future EU VAT system, as well as a list of priority areas for further action. The Communication devised a plan to propose a VAT system based on the principle of destination (taxation according to the rate of the country where the consumer resides). The Communication in general had a negative attitude towards the use of reduced rates of VAT, based on some responses to the consultation and on further economic analysis. Still, the arguments proposed by a number of stakeholders (including FEP) were taken into account, so that the document took into account the possibility of addressing the issue of the equal treatment of products available in traditional and digital formats, and did not rule out completely the use of reduced rates in selected cases.

In May 2012, the Council issued Conclusions on the future of VAT, based on the Commission's Communications that

DG TAXATION AND CUSTOMS UNION

On 5 December 2016, FEP issued a press release together with EIBF welcoming the Commission proposal on reduced VAT rates for e-publications.

On 24 January 2017, FEP met with the Italian Permanent Representation to talk about the prospects of the VAT proposal in the Council.

On 1 February 2017, FEP met with a shadow rapporteur for “Value added tax: rates applied to books, newspapers and periodicals” in the ECON Committee of the European Parliament.

On 16 February 2017, FEP attended a workshop on the VAT on intra-community and e-commerce operations, organised by the Spanish Chamber of Commerce.

On 27 February 2017, FEP met with the rapporteur for “Value added tax: rates applied to books, newspapers and periodicals” in the ECON Committee of the European Parliament.

In March 2017, FEP invited its members to address their Ministers of Finance in view of the Council discussion on the proposal on reduced VAT for e-publications.

In April 2017, FEP addressed MEPs in view of the votes on the VAT reports in the European Parliament.

were quite negative about the use of reduced rates but acknowledged the intention of the Commission to assess the VAT framework according to principles that included addressing the discrimination. Member States agreed to examine the findings of the assessment. Around that time, the Commission held a small inter-service consultation regarding the assessment of the VAT structure. It asked a group of consultants to conduct a study in order to estimate the impact of changes in VAT rates and carried out an Impact Assessment to look into the possible

effects of different policy options.

A new consultation from the Commission was issued in October 2012, focused on reduced rates of VAT; large attention was devoted to the issue of different treatment of online and offline cultural products, with a specific question on the definition of ebooks for VAT purposes and one on the opportunity of having a precise definition of online cultural goods in EU legislation. In October 2013, the European Council took note of the Commission's intention to look into the issue of VAT discrimination.

Despite the pressure and expectations of many stakeholders, the 2009-2014 Commission eventually stopped the process: no VAT proposal was made, the study and impact assessment were not published and the file passed on to the new Commission. Given its aversion for reduced rates in general, DG TAXUD maintained that ebooks and print books are not perfect substitutes and thus justified its reluctance to see reduced rates be applied to ebooks. A High Level Expert Group on the taxation of the digital economy issued a report in June 2014, which mainly dealt with the taxation of internet giants, but also recommended to harmonise rates to the standard ones.

The Italian Minister of Culture, very supportive of the cause, made a proposal for the Culture Council of 25 November 2014 to adopt strong Conclusions on the subject, finally achieving a compromise on a text that recorded both the support of many Member States and the opposition of some others (based, allegedly, on cautiousness and budget considerations), as well as a reply by the Commission stating that they would keep looking into the issue.

As of January 2012, France and Luxembourg began applying reduced VAT rates to all kinds of books, regardless of the support. In July 2012, the Commission started an infringement procedure against them and in 2013, it referred to the Court of Justice of the EU to solve the issue. The CJEU ruled against the two Member States on 5 March 2015. Meanwhile,

as of January 2015, Italy began to apply reduced rates of VAT on ebooks as well, while Luxembourg re-established the standard rate in May 2015.

In 2014, the new Commission took off with a cautious approach to the issue, with new Taxation Commissioner Pierre Moscovici not giving any clear signals of an intention to propose allowing reduced rates of VAT on ebooks. However, President Juncker, Vice-president Ansip and Commissioner Oettinger all made supportive declarations on the topic during the year 2015. The DSM Strategy (July 2015) also mentioned that the issue should be addressed. In January 2016, the Commission published a Roadmap towards an Action Plan for a definitive VAT system, meant to propose actions to reduce fraud, simplify the system and look into VAT rates, among others; it stated that the issue of ebooks would be explored in the context of the general VAT reform. The Action Plan was issued on 7 April 2016, with the general objective to make the EU VAT system simpler and to reduce the possibilities for VAT fraud. The plan also envisaged the modernisation of VAT rates: acknowledging that the VAT rules do not fully take into account technological and economic developments (the document specifically mentions ebooks as an example) and that the destination principle mostly eliminates the risk of distortion (Member States competing through VAT rates).

According to the Plan, the specific issue of ebooks and e-newspapers would be addressed

DG TAXATION AND CUSTOMS UNION

directly in a proposal (due by the end of 2016) entitled 'Removing VAT obstacles to cross-border e-commerce - e-publications', to be tabled under the Digital Single Market Strategy, in the framework of the REFIT programme (aimed at simplifying EU regulations). On 25 May 2016, the Economic and Financial Affairs Council adopted Conclusions on the VAT Action Plan, inviting the Commission to make its proposal on e-publications with an Impact Assessment. In July 2016, the Commission launched a public consultation on reduced VAT rates for electronically supplied publications, which closed in September, in preparation for the proposal. On 1 December 2016 the Commission published its proposal; it aims at allowing Member States to apply the same reduced or super-reduced VAT rates they apply to print books also to all other kinds of books. The ECJ ruled on 7 March 2017 that the VAT discrimination

was justified under the current legislative framework.

The Council is looking into the proposal at Working Party level, and the specific question of super-reduced and zero rates was discussed in an ECOFIN meeting on 21 March 2017: the issue per se is not controversial, basically all delegates expressed support for the text as amended by the Presidency (a clarification that the application of reduced rates to e-publications would be optional, including the possibility to maintain different rates for print and digital), though some details need to be worked out and some reservations overcome. A few Member States have requested to broaden the scope of the proposal. The Council's Legal Service, consulted on the topic, stated that the recent ECJ ruling on VAT on ebooks did not constitute an obstacle to the consideration of the Commission's proposal. The Maltese

Presidency hopes to close the procedure by June 2017. The EP is working on a consultative report in the ECON Committee (rapporteur MEP Tom Vandenkendelaere, EPP, Belgium), which is scheduled for adoption in May 2017; on 25 April, the CULT Committee adopted an opinion on the subject, fully supporting the proposal.

In January, the Commission issued several roadmaps on VAT issues, including one on a review of the special VAT scheme for SMEs and one on a reform of VAT rates (to extend and periodically review the list of goods and services eligible for reduced rates or even to abolish the list and give more freedom to Member States).

NEW RULES ON THE PLACE OF SUPPLY OF ELECTRONIC SERVICES FOR VAT PURPOSES

FEP'S INTERVENTIONS

FEP continued following developments in the field of VAT and e-commerce.

BACKGROUND

Directive 2008/8/EC of 12 February 2008, amending Directive 2006/112/EC with regard to the place of supply of services, established that as of 1 January 2015, the supply of electronic services (including ebooks) must be taxed according to the VAT rate applicable in the country where the consumer is located. This means that retailers will have to know the VAT rates of each country they sell in and be able to locate their customers.

This shift towards the principle of destination in determining the place of supply for VAT purposes was meant, among other

things, to eliminate the problem of distortion of the internal market that could arise with different VAT rates in different countries under the current rules.

Further legislation was adopted to implement those new rules (in particular the Council's Implementing Regulation 1042/2013 of 7 October 2013, amending Implementing Regulation 282/2011). In April 2014, the Commission published a set of explanatory notes to facilitate the understanding and implementation of the new rules (FEP participated in the drafting of those rules). A scheme, called the Mini One-Stop-Shop (MOSS), is being put in

place to simplify the handling of VAT by retailers selling to more than one Member State. Member States were expected to have their MOSS portals ready for companies to register by 1 October 2014 (most of them complied). The Commission also created a portal with information on VAT rules and procedures and explanations on the new rules and the MOSS.

Given the difficulties signalled by many small businesses after the introduction of the new rules on the supply of electronic services, the Commission looked into a series of simplification measures; the Commission carried out a consultation on the subject in 2015. The VAT Action Plan issued on 7 April 2016 had the general objective to make the EU VAT system simpler

and to reduce the possibilities for VAT fraud. With a view to remove VAT related obstacles to cross-border e-commerce, the Commission announced a series of proposals to be issued by the end of the year. In December 2016 the Commission made a proposal in December on VAT obligations for supplies of services and distance sales of goods to, among others, extend the One Stop Shop mechanism to online sales of tangible goods and non-electronic services to final consumers; introduce a common simplification measure including a VAT threshold for intra-Community distance sales of goods and electronic services as well as simplified rules for the identification of customers; and remove the VAT exemption for imports of small consignments from non-EU countries.

DG TRADE

The Directorate General for Trade is in charge of implementing the common trade policy of the European Union. It is negotiating the TTIP (Transatlantic Trade and Investment Partnership) and the TiSA (Trade in Services Agreement) on behalf of the EU. In the context of these negotiations, DG TRADE focuses on, among other things, the protection

of intellectual property rights worldwide.

The Commissioner responsible for the DG Trade is Cecilia Malmström, who was appointed in November 2014.

The Director General is Jean-Luc Demarty, appointed in January 2011.



DG TRADE

TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP (TTIP) - TRADE IN SERVICES AGREEMENT (TISA)

FEP'S INTERVENTIONS

FEP regularly meets officials of the DG Trade (IPR, Services, and Investment Protection Units) and the DG EAC in order to discuss TTIP and TISA.

FEP presents the publishers' priorities in the IPR chapter and the question of the exclusion of cultural services from the scope of TTIP. FEP members are concerned that the fix book price arrangements, which are non-discriminatory national arrangements necessary to cultural diversity, could be challenged under TTIP.

FEP, together with other trade organisations of the cultural sector, continues its lobbying efforts to obtain an explicit exclusion of the cultural services from the agreement.

Since the start of the negotiations, FEP has attended a number of civil society dialogue meetings and other negotiator's presentations to hear about progress in the negotiations for TTIP and TISA and ask questions to the negotiators.

FEP liaises regularly with its colleagues from the Association of American Publishers.

BACKGROUND

When negotiations on TTIP started between the EU and the US, it was decided that they would include a chapter on intellectual property rights. It was soon argued that all cultural services should be explicitly excluded from the agreement; however, the Council gave the mandate to negotiate to the Commission, excluding audio-visual services from it. This means that publishing, although an already largely liberalised sector, is potentially part of the discussions. The Commission has however informally stated that it has not yet been a part of the discussions. It is presumed that negotiations will concern very precise IPR-related issues, where the gaps between legislations affect trade between the EU and the US. The rounds of negotiations started in July 2013.

In the summer of 2014, the Commission issued a paper on TTIP and Culture which emphasizes that the EU must "take cultural aspects into account under other provisions of the Treaties" (art. 167 para 4) and that trade negotiations are one of these "other provisions."

The EU has a legal obligation under the 2005 UNESCO Convention (which the US has not signed) to protect and promote the diversity of cultural expressions, a principle also enshrined in the EU Treaties (art. 167 TFEU). Moreover, in relation to the trade agreements, individual Member States have a veto in areas related to culture and the

audiovisual sector if an agreement threatens "cultural and linguistic diversity" (art. 207 TFEU).

In January 2017 the Commission and the US Government have published a joint assessment of the progress made in the negotiations for a Transatlantic Trade and Investment Partnership (TTIP) since negotiations started. The joint EU-US report outlines progress made in all areas of the talks, namely on better access to markets for EU and US firms, on simplifying technical regulations without lowering standards and on global rules of trade, including sustainable development, labour and the environment with a dedicated chapter on smaller firms. In addition to outlining the common ground reached, the report also identifies the areas where significant work remains to resolve differences, including improving access to public procurement markets, providing strong investment protection that preserves the right to regulate, and reconciling approaches to trademarks and geographical indications.

The Trade in Services Agreement (TISA) is a trade agreement which is currently being negotiated by 23 members of the World Trade Organization (WTO), including the EU. The participating countries account for 70% of world trade in services.

TISA is based on the WTO's General Agreement on Trade in Services (GATS), which involves all WTO members.

DG TRADE

TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP (TTIP) - TRADE IN SERVICES AGREEMENT (TISA)

The key provisions of the GATS are also found in the TISA.

The talks are based on proposals made by the participants. The TISA aims at opening up markets and improving rules in fields such as licensing, financial services, telecoms, e-commerce, maritime transport, as well as facilitating the movements of professionals going abroad temporarily in order to provide services.

The European Commission negotiates on the basis of a mandate issued by the governments of the EU's 28 member countries.

The talks started formally in March 2013, with participants agreeing on a basic text in September 2013. By the end of 2013, most participants had indicated which of their service markets they were prepared to open and to what extent.

In 2016 the seventeenth (10 - 15 April), the eighteenth (26 May - 3 June), the nineteenth (8-18 July), the twentieth (9-25 September) and the twenty-first (2-10 November) rounds of talks were held. There is no formally set deadline for ending the negotiations.

The content of the said Agreement would possibly have an impact on the ebook market, since on 5 March 2015 the European Court of Justice ruled that even though ebooks can be read on tablets and computers, they should be considered "electronically supplied services", not goods (Cases C-479/13 and C-502/13, Commission v France and Commission v Luxembourg).

DG TRADE

OTHER FREE TRADE AGREEMENTS AND TRADE IPR DIALOGUES

FEP'S INTERVENTIONS

FEP regularly attends DG Trade civil society dialogues organised around trade issues and IPRs.

FEP attended preparatory meetings organised by the Commission to discuss IP issues with third countries such as Turkey, Korea, Singapore, China, Ukraine, Thailand and Brazil and presented publishers' priorities and issues of concern in those countries.

FEP takes part in all relevant IPR dialogues with third countries.

Pierre-Yves Andrau, Policy Officer of International aspects of intellectual property rights of DG Trade, visited the Frankfurt Book Fair in October 2016 and spoke at FEP annual rendez-vous of the challenges faced in international bilateral negotiations.

BACKGROUND

A number of EU companies suffer from extensive counterfeiting and piracy activities in third countries that affect their markets on a large scale. Activities in China, India and Russia have been among the most harmful from this point of view.

The EU regularly hosts IP dialogues, which are also opportunities to give feedback on third countries' IPR legislation and to help address problems that EU industries encounter in their daily operations, to exchange best practices and to discuss concrete issues. Several dialogues of this type have been organised. The Commission initially tried to establish a positive relation with local authorities, to create a favourable atmosphere for discussion, and to find solutions for cases reported by European right holders.

In order to improve the protection of IP in China, the Commission has been active on a number of fronts, including the setting up of the EU-China IP Dialogue in 2004; it is a powerful tool, and its annual meetings allow for the direct exchange and action planning between the partners on a high level. The IP Dialogue is supported by the EU-China IP Working Group, which meets twice a year. The EU continues its IP dialogue with China and regularly consults stakeholders for feedback, most recently on the

review of Chinese copyright legislation. IP Key is the EU's financial vehicle for this cooperation.

The Commission has been negotiating a Comprehensive Economic and Trade Agreement (CETA) with Canada. At the same time, the Canadian government adopted a bill, whose aim was modernising Canada's copyright system which includes provisions on exceptions that, less than a year after the adoption of this bill, have already affected EU publishers negatively, in particular academic and educational publishers. This explains why many European publishers have already decided to leave Canada. The EU has tried in vain to use the CETA as leverage to influence Canadian copyright law.

Currently, there are also negotiations with India, which are blocked on the IPR chapter, although there are considerable print and online piracy issues affecting publishers in India.

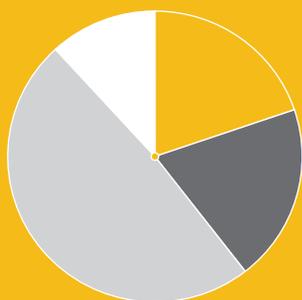
The Commission is also currently negotiating with Japan, however it is widely considered that such a deal would not affect European publishers too much, due to language differences and the high level of IPR protection offered under both systems.

**A turnover
of 22-24
billion euros
benefiting the
EU economy**

**FACTS AND FIGURES
ON THE BOOK MARKET IN EUROPE**

FACTS AND FIGURES ON THE BOOK MARKET

A turnover of 22-24 billion euros benefiting the EU economy



European publishing, largest in the world: of the top 10 largest publishers, 7 are European



22 million titles are available in Europe, 5 million are ebooks



More than half a million people work in publishing...*



*Direct and indirect employment in the book sector (authors, publishers, booksellers, printers, designers, etc.)

On average, a book has a print run of...



5000 in France

3000 in Spain

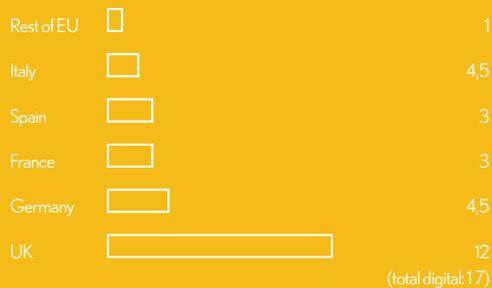
500 in Bulgaria

Over half a million new titles are published every year



Cross-subsidisation from best-sellers enables investment in new talents

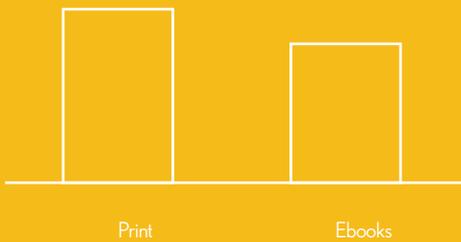
The ebook market is a nascent one



*Ebooks sales as a share of the total trade book market (in %)

FACTS AND FIGURES ON THE BOOK MARKET

Ebooks are only 15-20 % cheaper to produce than physical books



Producing ebooks generates certain costs which do not apply in the case of printed books

Self-published authors tend to sign with publishers once they are successful

50 Shades of Grey (E.L. James)

Self-published: 250 000 copies

By Random House: over 100 million copies

4 out of 5 publishers produce ebooks



Books were one of the most desired and offered Christmas gift in many EU countries for 2015 and 2016 *



* Deloitte Xmas Survey 2015 (France, UK), 2016 (Belgium, Germany, Italy)

1 citizen out of 5 buys books online *



*one out of 3 in Germany, The Netherlands and the UK

Out of 10 books, only 1 makes a profit



2 break even, the rest is losing money

FACTS AND FIGURES ON PUBLIC LIBRARIES

Local libraries lend music and audiovisual... and books



14.6 million phonograms*



5.8 million videos*



1629 million printed works*

*in France

Authors receive much less from loans of their books than from sales in shops.

0,08 £

Several countries across the EU have not yet implemented PLR schemes (Greece, Bulgaria, ...)

* Rate per loan in the UK in 2016 - Source PLR UK

The books most frequently borrowed in libraries are often bestsellers

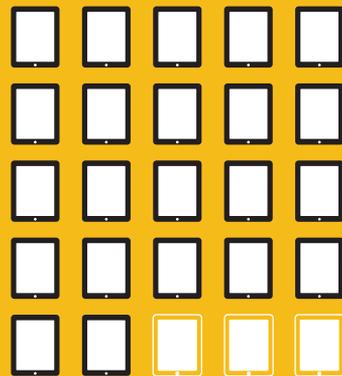
1. Paula Hawkins / The Girl on the Train / Doubleday (2015) 2. Lee Child / Personal / Bantam (2014) 3. Lee Child / Make Me / Bantam (2015) 4. Jeff Kinney / Diary of a Wimpy Kid / Puffin (2008) 5. Jeff Kinney / Diary of a Wimpy Kid: The Long Haul / Puffin (2014) 6. James Patterson / Alert / Century (2015)*

> UK's most borrowed author of the decade 2005-2015: James Patterson

They were also among the bestselling titles/ authors in bookshops!

* 2015-2016 (source UK PLR)

Libraries can take over a large part of the primary ebook market



In Sweden, libraries only purchase 4% of all books sold, while they are serving up to 90% of the ebook needs

Library acquisitions make up at the very best 4% of publishers' turnover



So at least 96% of publishers' turnover is made through retailers

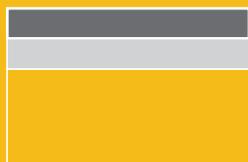
Experience shows how e-loans can cannibalise sales of ebooks*



* eReolen in Denmark

FACTS AND FIGURES ON THE EDUCATIONAL BOOK MARKET

Educational publishing is a very important component of the overall publishing industry (6-7 billion € value)



- Educational (19,9%)*
- Academic (19,5%)
- Trade (60,6%)

*up to 30% (ES, PL), 60% (IE)

26,8% of Danish primary school textbook market stems from sales of digital content



Because the Danish government has since 2012 supported the schools purchases of digital learning materials.

Different education markets have different needs and customers



Primary and secondary (parents, public institutions)



Educational consumer market (parents)

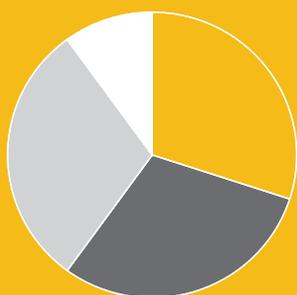


Higher education (students, university libraries)



Scientific and academic communication (university libraries, commercial companies, researchers, interested laymen)

Main costs in educational publishing



- Production/Storage 30%
- Trade 30%
- Overhead costs 30%
- Royalties authors 10%

School books alone are extremely widely copied and require licensing

400 million copies each year in Germany

(Source: VG Wort)

Since 2008, 100% of French text books are digital, 95% of Italian books



French publishers invest 4 times more than they recoup in digital

Average school budget for print and digital learning resources

1%

In France, print textbooks share is 0.23% to 0.25% of total educational expenditure (depending on curriculum changes) (Source: SNE).

The demand for digital titles is still limited and varies according to countries

1,4% of textbooks adopted in Italy are digital*

* Although 100% of textbooks include supplementary digital resources and digital titles outnumber print titles.

ACRONYMS

ALDE Alliance of Liberals and Democrats for Europe	DG TAXUD Directorate General Taxation and Customs Unit	Reproduction Rights Organisations
AIE Associazione Italiana Editori (Italian Publishers Association)	DG TRADE Directorate General for Trade	IPA International Publishers Association
ARROW Accessible Registries of Rights Information and Orphan Works	EBLIDA European Bureau of Library Information and Documentations Associations	IPR Intellectual Property Rights
ASAP Anticipatory Skills for Adapting the Publishing Sector	EC European Commission	IPRED Intellectual Property Rights Enforcement Directive
BEREC Body of European Regulators for Electronic Communications	ECR European Conservatives and Reformists Group	iTEC Innovative Technologies for Engaging Classrooms
CMO Collective Management Organisation	EIBF European and International Booksellers Federation	JRC Joint Research Centre
CEN European Standardisation Committee	EMMA European Magazine Media Association	MEP Member of the European Parliament
CENELEC European Committee for Electrotechnical Standardisation	ENPA European Newspaper Publishers Association	MOOC Massive Open Online Course
CENL Conference of European National Librarians	EOCP European Counterfeiting and Piracy Observatory	NEM New European Media
CETA Comprehensive and Economic Trade Agreement	EP European Parliament	NME News Media Europe
CJEU Court of Justice of the European Union	EPC European Publishers Council	OA Open Access
CMBA Creative Media Business Alliance	EPP European People's Party	OER Open Educational Resources
DG CNECT Directorate General for Communications Networks, Content and Technology	ETUCE European Federation of Teachers' Trade Unions.	OHIM Office for Harmonization in the Internal Market
DG EAC Directorate General for Education and Culture	EUEB European Union Ecolabelling Board	RRO Reproduction Rights' Organisation
DG EN Directorate General for the Environment	EUIPO European Union Intellectual Property Office	S&D Group of the Progressive Alliance of Socialists and Democrats in the European Parliament
DG GROW Directorate General for Internal Market, Industry, Entrepreneurship and SMEs	EUN European Schoolnet	STM International Association of Scientific, Technical & Medical Publishers
DG JUST Directorate General for Justice and Consumers	EUPL European Union Prize for Literature	TDM Text and Data Mining
	EWC European Writers' Council	TiSA Trade in Services Agreement
	ICT Information and Communications Technology	TISP Technology and Innovation for Smart Publishing
	IFRRO International Federation of	TTIP Transatlantic Trade and Investment Partnership

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Mr Enrico Turrin, Deputy Director

Mrs Małgorzata Szczodrowska, Legal Advisor

Ms Roberta Balduzzi, Assistant

Texts: FEP Secretariat
Layout, design and pictures: Roberta Balduzzi

31 rue Montoyer - Box 8
1000 Brussels • +32 2 770 1110
info@fep-fee.eu • www.fep-fee.eu

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