

Issuer: Cabinet of Ministers Type: regulation Document number: 565 Adoption: 21.08.2007. Entry into force: 29.08.2007.

Publication: Latvijas Vēstnesis, 138 (3714), 28.08.2007.

Text consolidated by Valsts valodas centrs (State Language Centre) with amending regulations of: 26 May 2009 [shall come into force from 3 June 2009]; 25 January 2011 [shall come into force from 28 January 2011]; 10 December 2013 [shall come into force from 14 December 2013].

If a whole or part of a paragraph has been amended, the date of the amending regulation appears in square brackets at the end of the paragraph. If a whole paragraph or sub-paragraph has been deleted, the date of the deletion appears in square brackets beside the deleted paragraph or sub-paragraph.

Republic of Latvia Cabinet Regulation No. 565 21 August 2007

# Procedures by which the Remuneration Regarding Public Lending shall be Calculated, Paid and Distributed

Issued pursuant to Section 19.<sup>1</sup>, Paragraph two of the Copyright Law

# I. General Provisions

1. This Regulation prescribes the procedures by which the amount of remuneration in respect of State and local government libraries, libraries of derived public persons and private libraries regarding public lending (hereinafter - remuneration) shall be calculated, the procedures by which the remuneration shall be paid and proportionally distributed among authors, performers, phonogram producers and film producers.

2. The remuneration shall be collected, distributed and paid to copyright holders and holders of rights related to copyright by a collective management organisation of economic rights that shall have received a Ministry of Culture permit in accordance with Section 67 of the Copyright Law (hereinafter - organisation).

# II. Amount of the Remuneration

3. The annual remuneration amount shall be 10% of the amount:

3.1. that was allocated during the previous year for the supplementation of the library collections of State, local government or derived public persons, and of the values of the obligatory deposit copies;

3.2. that was used during the previous year for the supplementation of the collections of private libraries.

[26 May 2009; 10 December 2013]

4. The remuneration amount shall not include the financing for the supplementation of the collections that was allocated to libraries which provide services to sight and hearing handicapped persons and where works and phonograms are available to the referred to persons in a perceptible form.

# III. Calculation and Distribution of the Remuneration

5. The amount of the remuneration for the current year shall be calculated on the basis of information submitted by 15 February of each year to the Ministry of Culture by:

5.1. libraries under the supervision of the State and local governments (except libraries of educational institutions) and libraries of State significance under the supervision of derived public persons - regarding the finances allocated by the State and local government thereto in the previous year for the supplementation of the collections (including books, periodicals, phonograms, films) in accordance with Sub-paragraph 5.3.1.3.1 of Annex 2 to Cabinet Regulation No. 1074 of 22 September 2009, *Regulations Regarding Collection of the Official Statistics in the Field of Culture*;

#### 5.1.1 [25 January 2011];

5.2. the Latvian National Library - regarding the number of obligatory deposit copies received and their value in accordance with the Legal Deposit Law.

#### [26 May 2009; 25 January 2011]

6. By 1 April of each year, private libraries shall submit to the organisation information regarding the amount they used to supplement the collection (including books, periodicals, phonograms, films). The conditions shall apply to the libraries of private educational institutions only in such case, if they have acquired the status of the State-level library in accordance with the Law On Libraries.

#### [26 May 2009]

7. On the basis of the information provided in Paragraph 5 of this Regulation, the Ministry of Culture shall calculate the amount of the remuneration for the current year and submit a budgetary request for the next year.

8. The organisation, by 1 February of the current year, shall submit to the Ministry of Culture an estimate of the receipts and expenses regarding the distribution of the remuneration for the previous year, in accordance with Paragraph 16 of this Regulation.

9. The Ministry of Culture shall transfer the remuneration to the organisation for the previous year in accordance with the State Budget Law for the current year.

10. Private libraries shall transfer the remuneration to the organisation for the previous year after the compilation of the information referred to in Paragraph 6 of this Regulation, but not later than by 1 July of the current year.

### **IV. Distribution of the Remuneration**

11. The organisation shall organise annual statistical research to determine which works, phonograms and films and how often have been lent from the libraries. The organisation shall repay to the performer of the research the costs related to the research.

12. The Latvian National Library shall provide the organisation with information regarding the works, phonograms and films lent in the State. The organisation shall reimburse the Latvian National Library the costs which have occurred in the compiling of additional information if the relevant information is necessary for the distribution of the remuneration and is not necessary for libraries.

13. The organisation shall distribute the remuneration proportionally between authors, performers, phonogram producers and film producers in accordance with the frequency of lending of their work, based on the research and compiled information referred to in Paragraphs 11 and 12 of this Regulation.

14. The proportional distribution of the remuneration between several authors of the one work, as well as for performers and producers in respect of a specific work, phonogram or film shall be determined by the collective management organisation of economic rights representing the relevant rights holders.

15. The organisation has the right to withhold from the total remuneration only the costs related to the administration of the remuneration distribution and payment. Administration costs shall also include the costs of the research referred to in Paragraphs 11 and 12 of this Regulation and the costs of compiling the information.

16. At the beginning of the financial year the organisation shall co-ordinate the expected estimate of administrative costs with organisations that administer economic rights on a collective basis representing authors, performers, phonogram producers and film producers.

17. After performance of the statistical research referred to in Paragraph 11 of this Regulation, compilation of the results and withholding of administrative costs the organisation shall distribute the remuneration for the previous year and pay it to the copyright holders and holders of rights related to copyright not later than by 31 December of the current year.

18. By 1 April of the current year the organisation shall submit a report to the Ministry of Culture regarding the collection, distribution and payment of the remuneration, as well as the administrative costs related thereto.

# **V. Closing Provisions**

19. Cabinet Regulation No. 444 of 27 April 2004, *Regulations Regarding Public Lending (Latvijas Vēstnesis*, 2004, No. 69; 2006, No. 194) is repealed.

20. [26 May 2009]

## Informative Reference to the European Union Directive

This Regulation contains legal norms arising from Directive 2006/115/EC of the European Parliament and of the Council of 12 December 2006 on rental right and lending right and on certain rights related to copyright in the field of intellectual property.

Prime Minister A. Kalvītis

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