

DEVELOPING THE FINNISH COPYRIGHT SYSTEM

Copyright plays an important social, cultural and economic role. It offers an incentive to create and to invest in creative works. At the same time, copyright aims at ensuring access to culture to all citizens. In order to meet these goals, the copyright system needs to be continuously monitored. This fact sheet highlights important aspects for maintaining the system's efficiency and balance.

The copyright system is undergoing major transformations which directly impact every citizen and creator. Digitalization has created a shift in the markets for cultural goods, creative processes and means of access. The copyright system needs to adapt to the new forms of interaction and

creation. For this purpose, the European Commission has put in place a strategy for a digital single market, which includes initiatives to modernize the EU copyright rules. These recent changes require adaptations to the Finnish copyright system.

THE LANDSCAPE OF COPYRIGHT

A copyright system is a combination of processes, rules and policies. It involves many actors such as creators, performers, cultural institutions, collective management organizations and public authorities. Copyright questions are also intertwined with different aspects of society, such as freedom of expression, education, employment and international trade. This is why it is important to understand the copyright system in its entirety.



COPYRIGHT

- Copyright **protects the rights of authors** of literary, artistic, dramatic or musical creations.
- Those **who own the rights** on a creation **decide what can or cannot be done with it**; only they can authorize copying and distribution, and request a remuneration for these uses.
- The law also allows for exceptions and limitations that **safeguard the public interest and fundamental rights**, in particular the right to access culture.
- The purpose of copyright is to **encourage creativity** and at the same time **ensure the availability of creative works**.

A well-functioning copyright system creates a balance between the interests of copyright holders and those of society in general.

ASSESSING THE COPYRIGHT SYSTEMS' OPERATION

In 2016, Cupore published an innovative and ambitious **framework to assess the operation of copyright systems**. The goal was to better understand copyright systems in their entirety and to promote fact-based copyright policies. The work was commissioned by the Finnish Ministry of Education and Culture.

The pilot studies conducted in 2013–2015 to implement the methodology in Finland provided a thorough assessment of the system's operation and performance, which was summarized in a **Review of the Finnish Copyright System**, published in 2018.

RECOMMENDATIONS TO DEVELOP THE FINNISH COPYRIGHT SYSTEM

Possible actions identified as a result of the assessment include:

- **Clarifying the scope of copyright protection regarding follow-on creation** and new practices made possible by the development of digital technology.
- **Clarifying issues related to the use of works in education**, concerning for example the online environment, the long-term preservation of materials and the definition of private and public use.
- **Facilitating online distribution by libraries, archives and museums.**
- **Further acknowledging cultural impacts** when assessing impacts of copyright-related legislative initiatives.
- **Facilitating the involvement of end-users** in stakeholder consultations on legislative amendments.
- **Further monitoring the operation of the copyright system** by studying e.g. the significance of copyright revenue for different stakeholders, the availability of copyrighted works on legal markets, and the opinions of the public at large on the copyright system.

ELEMENTS OF THE COPYRIGHT SYSTEM

Law, policy and public administration

The law of Finland grants copyright to a person who has created a work. It is highly influenced by international treaties and directives of the European Union. Finnish copyright policy is primarily the responsibility of the Ministry of Education and Culture. When drafting copyright legislation, the interests of different stakeholders are taken into account through impact assessment studies as well as by hearing and inviting comments from stakeholder groups and experts at different stages of the process.

Enforcement

Copyright enforcement in Finland involves public authorities in charge of detecting, preventing and imposing sanctions for copyright infringement, as well as rightholders' organizations combating piracy. Overall, the recourses available in Finland in cases of copyright infringement are numerous, generally affordable and accessible, and there does not seem to be significant obstacles to prevent access to sanctions and remedies.

Management of rights

Rightholders can exercise their rights either individually or collectively. Collective management organizations monitor and collect remuneration on the use of works. In Finland, collective management of rights is highly developed and collective management organizations play an important role in the copyright system.



Dissemination of knowledge

In Finland, copyright-related information is provided to the public through

- the integration of copyright issues in the national core curriculum for basic education,
- public awareness campaigns and projects, and
- advisory services or online copyright information pages by public and private actors.

Professionals in creative industries can access information on copyright through vocational education, information provided online as well as advisory services.

The amount of intellectual property research has expanded significantly since 2000.

COPYRIGHT-RELATED RESEARCH IS CONDUCTED EXTENSIVELY IN FINLAND:

between 1999–2013

- 56 scientific publications
- 49 post-graduate theses

in 2013

- 4 master's degree programs
- 6 professorships

IN 2015, CORE COPYRIGHT INDUSTRIES CONSTITUTED

4.14%

OF THE FINNISH GDP, ALMOST EQUIVALENT TO THE SHARE OF THE CONSTRUCTION INDUSTRY.

Further reading:

Jukka Kortelainen, Nathalie Lefever & Tiina Kautio. *Evidence for the Future – A Review of the Finnish Copyright System*. Cupore webpublications 48, April 2018.

Tiina Kautio, Nathalie Lefever & Milla Määttä, *Assessing the Operation of Copyright and Related Rights Systems*. Methodology Framework, Cupore publications 26, May 2016.

Assessing Copyright and Related Rights Systems: *Results of the piloting of the methodology framework in Finland*. 37 reports, Cupore webpublications 39:1 to 39:37, May 2016.

EFFICIENCY OF THE COPYRIGHT SYSTEM: HIGHLIGHTS

CONTRIBUTION TO THE NATIONAL ECONOMY

Core copyright industries, whose primary activities are to produce and/or distribute copyrighted works, constituted 4.14% of the Finnish GDP in 2015, which represented 8.67 billion euros. The industries of software and databases (68%), press and literature (17%) and advertising (6%) represented the major part of the total.

Core copyright industries employed 4.15% of the employed labor force in 2015. They have presented a trade balance in surplus since 2008. Creative industries have been considered as a **significant source of economic value** in the government's key programs related to copyright policy.

COLLECTIVE MANAGEMENT ORGANIZATIONS

Collective management is the exercise of copyright by organizations acting on behalf of rightholders. The seven Finnish collective management organizations (Kopioisto, Teosto, Gramex, APFI, Sanasto, Kuvasto and Filmex) vary greatly in size, age, amounts of remunerations administered, and activities. They tend to be **managed with reasonable financial efficiency and hold a prominent role in promoting culture in their respective fields**.

Collective management organizations also facilitate international licensing of works through cooperation agreements with foreign organizations in the same field.

In 2017, the Finnish collective management organizations collected a total of **161 million euros** of copyright revenue.

ACCESS TO CULTURE

The copyright system aims at facilitating access to copyrighted works through different means, such as:

- exceptions and limitations to copyright: for example, private copying is allowed but compensated to rightholders

- remuneration and compensation schemes: for example, authors are remunerated for the lending of their works in public libraries
- extended collective licenses which enable users to gain instant access to a wide spectrum of content with just one licensing contract.

The biggest access-related challenges seem not to be related to legislation but rather to the operation of the markets. Several industries are undergoing transformation towards digital distribution which might affect the availability of works.

COPYRIGHT INFRINGEMENT

In Finland, the level of copyright infringement in physical form (copying and distributing works embedded in a physical object, such as a CD or a DVD, without the authorization of rightholders) has been very low for a number of years. **Illegal copying and exchange in digital form is much more common but has been decreasing during the last decade.** This drop is probably connected to the increasing attractiveness of lawful services, together with the actions taken by rightholders to contact alleged infringers directly.