

THE TRUTH ABOUT PUBLIC LENDING RIGHT (PLR)

The answers to 18 questions you might have about PLR:

What is PLR?

Public Lending Right (PLR) is the right of authors and other rightsholders to receive payment for the free public use of their works in libraries.

Do PLR payments make a real difference for those who receive them?

Yes, they do. Annual PLR statements not only show funds received, they also show to authors that their works are still being read, which encourages them to go on creating those works that so often provide the basis for film, television and all the audio and video arts, underlining their soft power in the world. PLR also supports the role of education, helps to maintain psychological health and by preserving language and literature, protects a country's sense of identity. Testimonials about the importance of PLR payments to authors can be found in the PLR Introductory Guide.

Why PLR?

Every year, hundreds of millions of books are lent in millions of libraries, around the world. According to the IFLA Library Map, there are 2.6 million libraries worldwide making at least 9,350 million loans every year.

It is only fair that the creator of the work should be able to benefit from this use. This is the case today when we download or stream a song and when we photocopy or scan parts of a book. There are a variety of mechanisms enabling the creators to be paid when their works are used. Public Lending Right is one of them.

What is the legal basis for PLR?

PLR has a strong legal basis. Actually, many countries in the world already have PLR in their legislation, although the systems have not been fully implemented. Regional groups of countries can also act to introduce PLR; for instance, for the 27 members of the EU, PLR was made the subject of a Directive and is now a legal requirement.

The existing national PLR systems fall into three broad categories:

- copyright-based systems where lending is an exclusive right;
- PLR as a separate remuneration right recognised in law;
- PLR as part of state support for culture.

Some countries incorporate a combination of all three approaches. When it comes to considering which PLR system to implement, there is no right way. In fact, the flexibility of the system to allow different approaches is one of its attractions. The copyright approach is one way to introduce PLR. Other models – such as remuneration and cultural – are equally acceptable to authors.

PLR is an author's right and is already covered by World Intellectual Property Organization (WIPO) international treaties. PLR is a modern system answering to the needs of our time.

How is PLR funded?

In most countries PLR is directly funded by central or regional government. Generally, payments do not come from existing library budgets. International guidelines adopted by Public Lending Right International (see the <u>Charter of PLR Best Practice</u>) clearly and consistently say that PLR should be additional to library budgets and funded separately by central government.

How is PLR administered?

There are two main approaches. The first is the situation in which PLR is administered by a collective management organisation, sometimes alongside the management of other authors' rights. The second approach is where PLR is administered by a government body. Some PLR remuneration systems are set up without any underpinning legislation.

Who qualifies for payment?

As well as writers, other contributors to books, such as illustrators and visual artists, translators, journalists, editors and photographers, often also qualify for PLR payments. In a number of countries, publishers also receive a share of the PLR payments.

How are PLR payments calculated?

Most commonly, PLR is distributed to authors and other stakeholders in the form of payments related to how often their works have been lent out by libraries. This 'payment-per-loan' approach is used in a number of countries.

In Sweden, where the bulk of the PLR funding is paid out to authors based on lending, PLR payments are also made to authors of reference works that are used for on-the-spot reference in libraries and are not available for loan.

Alternatively, payment can be made to rightsholders based on how many copies of their books are held by libraries. This 'stock or title count' method is used in a number of countries.

Other approaches include relating payments to book purchases. This is the approach in France, where part of the overall PLR fund comes from a small payment made by booksellers every time they sell a book to a library. The remaining part of the PLR fund is covered by the state budget according to how many users are registered in the libraries (the users do not have to pay any fees). PLR funds are also used in some countries to provide authors with pensions, and in others to pay for travel grants and scholarships.

Does PLR place an administrative burden on libraries?

Thanks to the mechanisation of data collection and processing, the cost of administering a loans' or stock-based scheme is not burdensome as the information used is often also needed by libraries for other purposes. In countries where libraries have an infrastructure deficit, the introduction of a PLR system with the support of government can be an opportunity to improve and expand their systems.

Are PLR systems very different from one another?

No. The systems are unified by the principle that they enable creators to be remunerated for the free use of their works in libraries. The variety in approach is one of PLR's great strengths and enables it to be introduced at low cost in developing countries and adapted to suit local circumstances. It is for each country to decide on the approach to PLR that is best suited to its traditions and its needs.

Does PLR have an impact on access to books?

PLR does not represent any impact on the services of publicly accessible libraries. In advocating the benefits of PLR for culture in both developed and developing countries, it is necessary to emphasise the importance of protecting library budgets and of governments funding PLR from central budgets. Public libraries make authors' works more accessible, and authors are vocal supporters of libraries. At the same time, authors want to be paid for the use of their works.

Do libraries support PLR?

In general, libraries and librarians support PLR and recognise its value for authors. In two countries, the UK and New Zealand, PLR is run by the national libraries. The British Library has responsibility for PLR in the UK and has been outspoken in its support for PLR principles as well as hosting the last PLR International conference in 2019.

How widespread internationally is PLR?

The first country to establish a PLR system was Denmark in 1947. Currently, 35 countries have operational PLR systems, the most recent of which is Georgia, which implemented its system in 2018. A further 30 countries, economies or territories around the world are currently working towards setting up a PLR system, including Greece, Hong Kong, Malawi and Zanzibar.

Does PLR work in developing as well as developed countries?

Literacy, a reading culture, a strong publishing industry and a solid education sector are important to every country. PLR is a particularly cheap and direct way of targeting support for local authors whose works find their way into libraries. This is why Malawi and Zanzibar have adopted legislation to introduce PLR.

Is e-lending covered under PLR schemes?

The UK, Danish and Canadian PLR schemes cover payments in case of loans of ebooks, without affecting the licensing of these works. Where e-lending data is held by third parties, arrangements can be arrived at with aggregators to provide loans data.

Should school, university and research libraries also be included in PLR schemes?

Generally, PLR payments are made for the use of authors' works in public libraries. However, the principle can and does apply to loans from other types of library. Several countries have included loans by educational and other libraries in their PLR scheme. The reason why school libraries are covered under PLR schemes in these countries is because they undertake lending to children much in the same way as public libraries do. The same principle should apply to every library in which lending is an important activity.

Should PLR payments be limited to certain authors/national authors?

PLR should benefit writers, visual artists and other contributors to works available to the public through libraries. It is for individual countries to decide on the scope of their national scheme. Under non-copyright systems, PLR schemes can be designed to compensate national authors only.

Are PLR schemes transparent?

High standards of financial management are vital to ensure that the bulk of PLR funding gets to authors. Whether they are administered by a Collective Management Organisation (CMO) or a government agency, PLR schemes are made subject to the same standards of transparency, good governance and accountability that CMOs and government agencies are obliged to comply with.