

LAW
ON AMENDMENTS TO THE LAW ON COPYRIGHT AND RELATED RIGHTS
(“Official Gazette of Montenegro”, No. 145/21)

Article 1

In the Law on Copyright and Related Rights (“Official Gazette of MNE”. Nos. 37/11 and 53/16) in article 37 paragraphs 4 and 5, article 73 paragraph 2, article 146 paragraph 3 and article 167 paragraph 2, the words: “of copyright and related” shall be deleted.

Article 2

In Chapter II, Section D after article 47, a new Section shall be added to read as follows:

“Section 2.
Free use“.

Article 3

In article 48 paragraph 1 in introductory sentence the words: “but against” shall be replaced with the words: “and without”.

In item 2 words: “special needs” shall be replaced with the words: “disability”.

In item 3 words: “of the special needs” shall be replaced with the words: “required by the specific disability”.

Article 4

In Chapter II, Section D after article 48 the following words shall be deleted:

“Section 2.
Free Use“.

Article 5

A new article shall be added after article 53 to read as follows:

“Celebrations

Article 53a

It shall be permitted to use works during celebrations organized by the state authority or competent authority of the Capital City, Royal Capital or the local self-government unit or the local government authority on the occasion of holidays determined by the law which prescribes state and other holidays, without acquiring the corresponding ownership right and without compensation, provided that the use of these works does not lead to any direct or indirect economic advantage.

Paragraph 1 of this Article does not apply to events that accompany or follow celebrations mentioned in paragraph 1 of this Article."

Article 6

In Article 69e paragraph the word “Ministry” shall be replaced with the words: “state administration authority in charge of copyright and related rights affairs ((hereinafter: Ministry))”.

Article 7

In Article 69f paragraphs 1 and 3 and Article 151 paragraphs 1 and 2 words: “competent authority” in different grammatical cases shall be replaced with the word “Ministry” in a corresponding grammatical case.

In Article 69f paragraph 4 words: “competent authority” shall be replaced with the word “Ministry”.

Article 8

A new paragraph shall be added in article 73 after paragraph 1 to read as follows:

“The rightholder, in terms of collective management of copyright and related rights, shall mean a natural and legal person or any other person, other than a collective management organisation, that holds a copyright or related right or who, under an agreement for the exploitation of rights or by law, is entitled to a share of the rights revenue.”

The current paragraph 2 shall become paragraph 3.

Article 9

A new article shall be added after article 145a to read as follows:

“Application

Article 145b

The provisions of this law governing the elements of the copyright work, the presumption of authorship, co-authors and authors of joined works, the content and limitations to moral rights, ownership and other rights of the author, content copyright limitations, the calculation of copyright terms, the relationship between copyright and ownership right, rights in legal transactions, works of authorship from employment relationship, records of protection subject, protection of rights, relations with foreign elements and supervision, shall also apply accordingly to the rights of database producers.“

Article 10

In article 146 paragraph 1 the words: „individually or collectively” shall be replaced with the words: “individually, collectively or through organisations referred to in Article 180l paragraph 1 of this Law”.

Article 11

In Chapter VI, Section A shall be amended to read as follows:

“SECTION A

COLLECTIVE MANAGEMENT ORGANISATIONS“.

Article 12

Article 147 shall be changed to read as follows:

Collective management organisation shall mean any organisation which is authorised by law or by way of assignment, licence or any other contractual arrangement to manage copyright or rights related to copyright on behalf of more than one rightholder, for the collective benefit of those rightholders, as its sole or main purpose, and which it is:

- a) owned or controlled by its members;
- b) organised on a not-for-profit basis;

Member of collective management organisation shall mean a rightholder or an entity representing rightholders, including other collective management organisations and associations of rightholders, fulfilling the membership requirements of the collective management organisation and admitted by it.

The authors and other holders of related rights shall establish a collective management organisation by an agreement as non-profit organisation with the status of a legal entity.

The collective management organisation must register in accordance with the provisions of the law governing the conduct of activities following the obtaining of the authorization referred to in Article 150 paragraph 1 of this Law.

The collective management organisation shall, on its own name and for the account of its members, manage copyright and other rights on their published copyright works or subject matter of related rights (hereinafter: protection matter).

The collective management organisation must act in the best interests of the rightholders whose rights it represents and may not impose obligations that are not necessary for the protection of their rights and interests or for the effective management of those rights.

The activity of collective management of copyright and related rights may only be exercised on the basis of an authorization by the Ministry.

Article 13

Article 148 shall be changed to read as follows:

“The foundation act, statute, preliminary representation contract of members, data on the number of authors, or rightholders who authorized the collective management organisation to manage rights on their works, or subject matter related rights, list of works or subject matter related rights that constitute the repertoire of the organization, proof of payment of the prescribed administrative fee and other evidence on the fulfilment of the conditions referred to in Article 149 of this Law shall be enclosed to the request for issuing the authorization for performing activity referred to in Article 147 paragraph 7 of this Law.

The Ministry must issue a decision on the request of the legal person within 30 days following the submission of the correct request.”

Article 14

In article 148a paragraphs 1 and 2, article 150 paragraphs 2 to 5, article 151 paragraphs 1 and 2, article 167 paragraphs 1 to 6 and article 169 paragraphs 1 and 2 before the word “organisation“ in different grammatical cases, the following words shall be added: “collective management” in a corresponding grammatical case.

Article 15

In article 149 paragraph 1 item 1 shall be changed to read as follows:

„1) holds a statute and other general acts pursuant to this Law;”

In item 2 the word “which“ shall be deleted.

Item 4 shall be changed to read as follows:

4) employs at minimum a person with completed VII1 education qualification level in the area of law and at minimum a person with completed VII1 education qualification level in the area of economics;“

Item 6 shall be deleted.

Article 16

In Article 150 the name of the article shall be changed to read as follows: Authorization for the exercise of the activity”.

In paragraph 1 the words: “paragraph 6“ shall be replaced with the words: “paragraph 7“.

Article 17

Article 152 shall be deleted.

Article 18

Article 153 shall be changed to read as follows:

“Against the authorization of the Ministry referred to in Article 147 paragraph 7 and the decision on the revocation of the authorization referred to in Article 151 of this Law an administrative dispute may be initiated.

The decision on the issuance and revocation of the authorization shall be published by the Ministry in the “Official Gazette of Montenegro”.

The establishment, registration, operation and termination of operation of the collective management organisation shall be subject to the act governing non-governmental organizations, unless otherwise provided by this Law.”

Article 19

In Chapter VI, Section B shall be changed to read as follows:

“SECTION B RELATIONSHIP TOWARDS RIGHTHOLDERS”

Article 20

Article 154 shall be amended to read as follows:

“Rights of Rightholders

Article 154

Rightholder may authorise a collective management organisation to manage his rights, categories of rights, types of works or other content of his choice, for the territories of his choice, for the territories of his choice.

Rightholder may authorise a collective management organisation to manage his rights, categories of rights, types of works or other content of his choice, for the territories of his choice, irrespective of the European Union member state of nationality, residence or establishment of either the rightholder or the collective management organisation

Unless the collective management organisation has objectively justified reasons to refuse management, it shall be obliged to manage rights, categories of rights or types of works and other content referred to in paragraph 1 of this article, provided that their management falls within the scope of its activity

Unless the collective management organisation has objectively justified reasons to refuse management, it shall be obliged to manage rights, categories of rights or types of works and other content referred to in paragraph 2 of this article, provided that their management falls within the scope of its activity

Rightholder may assign the authorization for non-commercial uses of rights, categories of rights or types of works and other content that he may choose, and the collective management organisation must inform the rightholder whose rights is managing about the conditions under which the rightholder may assign the authorisation for non-commercial use of his rights, categories of rights or types of works and other subject-matter the management of which has been assigned to that organisation.

Non-commercial use referred to in paragraph 5 of this article shall mean the management not generating economic gain.

The rightholder by authorizing the collective management organisation rights to manage his rights, gives his consent specifically for each right or category of rights or type of works or other content for which he is issuing management authorization, and such authorization must be recorded in writing.

The collective management organisation must publish the information on the rights of the rightholders in accordance with paragraphs 1 to 7 of this article and article 154a of this Law on its website.

The collective management organisation must inform the rightholders of the rights referred to in paragraphs 1 to 7 of this article and article 154a of this Law in writing, as well as the conditions for managing the rights referred to in paragraph 5 of this article, prior to granting authorization for the management of those rights, categories of rights, types of works and other content.”

Article 21

Three new articles shall be added after article 154 to read as follows:

“Termination of Authorization for the management of rights

Article 154a

The rightholder may terminate the authorization referred to in article 154 paragraphs 1 and 2 of this Law for the management of rights, category of rights, type of works and other content entrusted to the collective management organisation in whole or in respect of or any right, category or rights, type of works or other content of their choice, after the termination period, which cannot be longer than six months.

Notwithstanding paragraph 1 of this article, the collective management organisation may decide that the termination shall generate a legal effect from the end of the financial year.

If the right to claim certain amounts has incurred prior to the termination of rights referred to in paragraph 1 of this article or within the authorization granted prior to the entry into force of the termination of rights, the rightholder shall retain the rights to the collective management organisation referred to in articles 162, 162a, 162b, 162c, 164, 166a, 175 and 180g of this Law.

The collective management organisation must not restrict the use of management of rights from paragraphs 1, 2 and 3 of this article, by referring to the conditions that the management of rights, category of rights, type of works or other content subject of termination or withdrawal, contingent upon entrusting them to another collective management organization.

Membership of collective management organisation

Article 154b

A collective management organisation must accept the rightholders and entities representing rightholders, including other collective management organisations and associations of rightholders, as members if they fulfil the membership requirements, which shall be based on objective, transparent and non-discriminatory criteria

A collective management organisation must determine the membership requirements referred to in paragraph 1 of this article in the statute or other general act laying down membership terms and shall be made them publicly available on its website.

In cases where a collective management organisation refuses to accept a request for membership, it shall provide the rightholder with a clear explanation of the reasons for its decision.

A collective management organisation shall allow its members to communicate with it by electronic means, including for the purposes of exercising members' rights.

A collective management organisation shall keep records of its members and shall regularly update those records.

Rights of rightholders who are not members of the collective management organisation

Article 154c

A collective management organisation must apply any rights assigned to its members and apply them accordingly also to the rightholders who are not its members and which it represents under the law, by way of assignment of rights or contracts, other than the rights relating to the management and decision-making in a collective management organisation.“

Article 22

In article 155 item 3, the words: “and other internal” shall be deleted.

Article 23

Article 156 shall be deleted.

Article 24

Article 157 shall be changed to read as follows:

”Bodies of Collective management organisation

Article 157

Bodies of collective management organisation shall be:

- 1) General assembly of members;
- 2) Managing board;
- 3) Executive director;
- 4) Supervisory board. “

Article 25

Article 158 shall be changed to read as follows:

“General assembly of members of the collective management organisation

Article 158

General assembly of members shall be composed of members of the collective management organisation.

General assembly of members shall be convened at least once a year.

General assembly of members shall in particular:

- 1) Bring the statute and decide on the amendments to the membership terms of the collective management organisation where those terms are not regulated by the statute;
- 2) Decide on the appointment or dismissal of the members of the Managing and Supervisory Boards and Executive Director, review their general performance and approve their remuneration and other benefits such as monetary and non-monetary benefits, pension awards and entitlements, rights to other awards and rights to severance pay.
- 3) Bring the general acts on the distribution of amounts due to rightholders;
- 4) Bring general acts on the use of non-distributable amounts;
- 5) Bring general investment acts with regard to rights revenue and to any income arising from the investment of rights revenue;
- 6) Bring general acts on deductions from rights revenue and from any income arising from the investment of rights revenue referred to in articles 161 and 162;
- 7) Decide on the use of non-distributable amounts;

- 8) Bring general acts on the risk management;
- 9) Approves any acquisition, sale or hypothecation of immovable property;
- 10) Approves mergers and alliances, the setting-up of subsidiaries, and the acquisition of other entities or shares or rights in other entities, acquisition of other entities or shares or rights in other entities;
- 11) Approves taking out loans by collective management organisation or providing security for those loans;
- 12) Decide on the appointing of auditor;
- 13) Approves annual transparency reports referred to in article 166c of this Law.

Notwithstanding paragraph, item 2 of this article, the General assembly of members may, if deemed justified, authorize the Supervisory board to decide on the appointment or dismissal of the members of the Managing board and of Executive director, the granting of their fees and other incentives.

Powers referred to in paragraph 3, items 8 to 11 of this article, and may be assigned to the Supervisory Board by the statute of the collective management organisation or by a special decision of the General assembly of members.

The General assembly of members must determine in details the conditions for the use of rights revenue and other income arising from the investment of rights revenue.”

Article 26

Two new articles shall be added after article 158 to read as follows:

“Voting right Article 158a

All members of the collective management organisation shall have the right to participate and vote in the General assembly of members.

Notwithstanding paragraph 1 of this Article, if these criteria have been established and applied fairly and proportionally, the collective management organisation may, in its statute or rules of membership which must be publicly available in accordance with articles 166 and 166b of this Law, limit the right of members to participate and the right to vote at the General assembly of members, on the basis of the following criteria:

- 1) Duration of membership and/or;
- 2) Amounts received or due to a member.

A member of collective management organisation shall have the right to appoint any other person as a proxy-holder to participate in, and vote at the General assembly of members on his behalf, provided that such appointment does not result in a conflict of interest between a member of the of collective management organisation and the proxy-holder.

The proxy must be certified in accordance with the law and it shall be valid only for the General assembly of members.

The proxy-holder shall have the same rights at the General assembly of members as the member who appointed him and shall be obliged to vote in accordance with the instructions he received from the member who authorized him.

Assembly of delegates

Article 158b

The powers of the General assembly of members may be exercised by an Assembly of delegates of the collective management organisation.

Delegates referred to in paragraph 1 of this article shall be appointed by the General assembly of members, at minimum once in four years, provided that:

1) Appropriate and effective participation of members in the collective management organisation's decision-making process is ensured; and

2) The representation of the different categories of members in the assembly of delegates is fair and balanced.

Provisions of articles 158 and 158a of this Law shall also apply to the Assembly of delegates.“

Article 27

Article 159 shall be amended to read as follows:

“Supervisory function

Article 159

The Supervisory Board shall perform the supervisory function by monitoring the activities and tasks of the persons managing the operation of the collective management organisation.

The various categories of members of the collective management organisation must be fair and balanced in the Supervisory board.

Each member of the Supervisory board shall be obliged to submit to the General assembly of members an annual statement of conflict of interest containing the information referred to in article 159a paragraph 5 of this Law.

The Supervisory Board shall be obliged to meet as necessary, but at least once a month.

In performing activities and duties, the Supervisory Board must in particular:

- 1) exercise the powers delegated to it by the General assembly of members, in accordance with this Law;
- 2) Monitor the activities and the performance of the duties of the persons managing the business of the collective management organisation, including the implementation of the decisions of the General assembly of members and general acts referred to in Article 158 paragraph 3 items 3 to 6 of this Law.

The Supervisory board must submit its annual report and identified deficiencies in the work of persons managing the business of the collective management organisation to the General assembly of members at least once a year.

Article 28

A new article shall be added after article 159 to read as follows:

“Obligations of the persons who manage the business of the collective management organisation

Article 159a

Persons who manage the business of collective management organization of rights shall be obliged to do so in a conscious manner and with the care of a prudent manager and professional, in accordance with the law governing accounting.

Persons referred to in paragraph 1 of this Article shall be obliged to perform the business of collective management organisation in a manner to avoid subordinating the interest of the organisation to a private interest, and that they do not cause conflict of interest in the performance of their duties and tasks.

The organization for the collective exercise of rights shall be obliged to introduce and apply procedures in the business to avoid conflict of interest.

If the conflict of interest referred to in paragraph 3 of this article may not be avoided, the organization for the collective management of rights shall be obliged to identify, manage, monitor and disclose actual or potential conflicts of interest in such way as to prevent them from adversely affecting the collective interests of the rightholders whom the collective management organisation is representing.

A person managing the business of the collective management organization of rights shall be obliged to submit one a year to the General assembly of members, the declaration on:

- 1) any benefit in the collective management organization of rights;
- 2) fees and other incentives realized in the previous financial year from the collective management organization of rights, including other incentives such as monetary and non-monetary ones, allocations in pension funds, right to other bonuses and severance pay;
- 3) monetary amounts received as a rightholder in the previous financial year from the collective management organisation;
- 4) Actual or potential conflicts of interest between the interests of collective management organisation and personal interests or between any obligations owed to the collective management organisation and any duty owed to any natural or legal person.”

Article 29

Article 160 shall be changed to read as follows:

”Statute

Article 160

The Statute shall mean an act including the core of organisation and functioning of the collective management organisation.

The Statute of the collective management organisation shall regulate in particular:

- 1) name and registered seat of the collective management organization of rights;
- 2) activity pursued by the collective management organisation;
- 3) types and protected matter of rights that are collectively managed;
- 4) more detailed powers of the authority of the collective management organisation;
- 5) the basis of the internal organization and the manner of work of the Managing and Supervisory boards, the quorum necessary for decision making, as well as the duration of the term of office the members of the Managing and Supervisory board;
- 6) conditions for the appointment and powers of the Executive director and the duration of his term of office;
- 7) obligations of members in delivering data on collective protected matter, as well as data necessary for payment of fees;
- 8) method and content of informing members about the sessions of the General assembly of members, the manner of voting and the number of votes required for deciding on certain issues;
- 9) basic criteria for determining the costs of conducting the business of the collective management organisation; and
- 10) Other issues in accordance with this Law and the law regulating non-governmental organizations.

The Statute of the collective management organisation shall be adopted by the General assembly of members by two-thirds of votes of all members.

The Statute of the collective management organisation shall be published in the "Official Gazette of Montenegro" following the issuance of the authorization referred to in Article 150 of this Law.

Article 30

Article 161 shall be changed to read as follows:

"Collection and use of rights revenue

Article 161

Collective management organisations must collect and manage rights revenues with the care of a prudent manager.

Rights revenues referred to in paragraph 1 of this article shall be the revenue from the exclusive right or right to compensation collected by a collective management organisation for the account of the rightholders.

The organization for the collective exercise of rights shall be obliged to keep separate in its business books:

- 1) rights revenue and any income arising from the investment of rights revenue; and
- 2) Any own assets it may have and income arising from such assets, from management fees or from other activities.

A collective management organisation shall use rights revenue or any income arising from the investment of rights revenue only for purposes of distribution to rightholders, except where the use of rights revenues or income arising from the investment of rights revenues, or to deduct or offset its management fees in compliance with a general act referred to in article 158 paragraph 3 items 3 to 11 of this Law.

Where a collective management organisation invests rights revenue or income arising from the investment of rights revenue, it shall do so in the best interests of the rightholders whose rights it represents, in accordance with the general investment and risk management acts referred to in article 158 paragraph 3 items 5 and 8 of this Law.

When investing revenues referred to in paragraph 5 of this Law, a collective management organisation must:

- 1) ensure that the investment is made in the sole interest of rightholders, where there is any potential conflict of interest;
- 2) invest assets in order to ensure the security, quality, liquidity and profitability of the portfolio as a whole;
- 3) Properly diversify assets in order to avoid excessive reliance on any particular asset and accumulations of risks in the portfolio as a whole. “

Article 31

Article 162 shall be changed to read as follows:

”Deductions

Article 162

The collective management organisation must provide the rightholder with information on management fees and other deductions from the rights revenue and from any income arising from the investment of rights revenue, before obtaining his consent to its managing his rights.

The fee referred to in paragraph 1 shall represent the amount which the collective management organisation is collecting, deducting or offsetting from the right revenue or any income arising from investment of rights revenue, for the purpose of covering the costs of managing copyright and related rights.

Management fees shall not exceed the real and justified costs incurred by the collective management organisation in managing copyright and related rights.

The deductions referred to in paragraph 1 of this article must be appropriate to the services provided by the collective management organisation to the rightholders, including, where appropriate, the services referred to in paragraph 6 of this article, being determined on the basis of objective criteria in accordance with article 158 paragraph 3 item 6 of this Law.

The requirements applicable to the use and the transparency of the use of amounts deducted or offset in respect of management fees apply to any other deductions made in order to cover the costs of managing copyright and related rights.

Where a collective management organisation provides social, cultural or educational services (monetary social benefit, scholarships, strengthening the development of minority communities, etc.) funded through deductions from rights revenue or from any income arising from the investment of rights revenue, such services shall be provided on the basis of fair criteria, in particular as regards access to, and the extent of, those services.”

Article 32

New three articles shall be added after article 162 to read as follows:

“Distribution of amounts due to rightholders

Article 162a

The collective management organisation must regularly and accurately distribute and pay amounts due to rightholders, in accordance with the general acts on distribution referred to in article 158 paragraph 3 item 3 of this Law.

General distribution acts referred to in article 158 paragraph 3 item 3 of this Law shall include in particular:

- 1) Protected matter and rightholders to which the general rules on the allocation of amounts pertaining to the rightholders relate;
- 2) Determining the share of the individual rightholder in the collected rights revenues;
- 3) Determining the amount for the payment after the deduction of costs referred to in article 162 of this Law.

The collective management organisation or their members who are representing rightholders must distribute and pay amounts to rightholders as soon as possible but no later than nine months from the end of the financial year in which the rights revenue was collected, unless objective reasons relating in particular to reporting by users, identification of rights, rightholders or matching of information on works and other content with rightholders prevent the collective management organisation or, where applicable, its members from meeting that deadline.

Where the amounts due to rightholders cannot be distributed within the deadline referred to in paragraph 3 of this article because the relevant rightholders cannot be identified or located and the exception to that deadline does not apply, those amounts shall be kept separate in the accounts of the collective management organisation.

Identifying and locating the rightholders

Article 162b

The collective management organisation must take all necessary measures, for the purpose to identify and locate the rightholders.

In particular, at the latest three months after the expiry of the deadline referred to in article 162a paragraph 3 of this Law, the collective management organisation shall make available

information on works and other content for which one or more rightholders have not been identified or located to:

- 1) the rightholders that it represents or the entities representing rightholders, where such entities are members of the collective management organisation; and
- 2) All collective management organisations with which it has concluded representation agreements.

The information referred to in paragraph 2 of this article shall include, where possible:

- 1) The title of the work or other content;
- 2) The name of the rightholder;
- 3) The name of the relevant publisher or producer; and
- 4) Any other relevant information available which could assist in identifying the rightholder.

The collective management organisation must, in addition to undertaking measures referred to in paragraphs 1 and 2 of this article, also verify the records referred to in article 154b paragraph 5 of this Law and other available records.

If the measures referred to in paragraphs 1 to 4 of this article fail to produce results, the collective management organisation shall make that information available to the public at the latest one year after the expiry of the three-month period referred to in paragraph 2 of this article.

Non-distributable amounts

Article 162c

Where the amounts due to rightholders cannot be distributed after three years from the end of the financial year in which the collection of the rights revenue occurred, and provided that the collective management organisation has taken all necessary measures to identify and locate the rightholders referred to in article 162b paragraph 1 of this Law, those amounts shall be deemed non-distributable.

The general assembly of members of a collective management organisation shall decide on the use of the non-distributable amounts in accordance with article 158 paragraph 3 item 4 of this Law.

The decision referred to paragraph 2 of this Article, shall be without prejudice to the right of rightholders to claim such amounts from the collective management organisation in accordance with the laws governing the statute of limitations of claims.”

Article 33

In article 163 paragraph 1 in the introductory sentence, the word “revenues” shall be changed with the following wording: “Unless different groups of interested rightholders agreed differently, the revenues”.

Article 34

Article 164 shall be changed to read as follows:

“Information provided to rightholders on the management of their rights

Article 164

A collective management organisation must make available, not less than once a year, to each rightholder to whom it has attributed rights revenue or made payments in the period to which the information relates, at least the following information:

- 1) contact details which the rightholder has authorised the collective management organisation to use in order to identify and locate the rightholder;
- 2) the rights revenue attributed to the rightholder;
- 3) the amounts paid by the collective management organisation to the rightholder per category of rights managed and per type of use;
- 4) the period during which the use took place for which amounts were attributed and paid to the rightholder, unless objective reasons relating to reporting by users prevent the collective management organisation from providing this information;
- 5) deductions made in respect of management fees;
- 6) deductions made for any purpose other than in respect of management fees, including deductions for the provision of social, cultural or educational services;
- 7) Any rights revenue attributed to the rightholder which is outstanding.

Where the collective management organisation attributes rights revenue and has as members entities which are responsible for the distribution of rights revenue to rightholders, it shall be obliged to provide the information referred to in paragraph 1 of this article to those entities, provided that they do not have that information in their possession.

The entities referred to in paragraph 2 of this article must make available the information referred to in paragraph 1 of this article, not less than once a year, to each rightholder to whom they have attributed rights revenue or made payments in the period to which the information relates.

Article 35

A new article shall be added after article 164 to read as follows:

“Rights managed under representation agreements

Article 164a

Representation agreement, under this Law, shall mean agreement between collective management organisations whereby one collective management organisation mandates another collective management organisation to manage the rights it represents, including an agreement concluded under articles 180h and 180i of this Law.

A collective management organisation must not discriminate or proceed differently against rightholders whose rights it manages under a representation agreement in comparison to other rightholders, in particular with respect to tariffs, management fees, as well as the conditions for the collection of the rights revenue and distribution of amounts due to rightholders.

A collective management organisation may not make deductions, other than in respect of management fees, from the rights revenue derived from the rights it manages on the basis of a representation agreement, or from any income arising from the investment of that rights revenue, unless the other collective management organisation that is party to the representation agreement expressly consents to such deductions.

A collective management organisation must regularly, diligently and accurately distribute and pay amounts due to other collective management organisations referred to in paragraph 3 of this article.

A collective management organisation must carry out distribution to the organisations referred to in paragraph 3 of this article and make payment as soon as possible but no later than nine months from the end of the financial year in which the rights revenue was collected, unless objective reasons relating in particular to reporting by users, identification of rights, rightholders or matching of information on works and other content with rightholders prevent the collective management organisation from meeting that deadline.

A collective management organisation or its members, if its members are entities representing rightholders, those members, shall distribute and pay the amounts due to rightholders as soon as possible but no later than six months from receipt of those amounts, unless objective reasons relating in particular to reporting by users, identification of rights, rightholders or matching of information on works and other content with rightholders prevent the collective management organisation or, where applicable, its members from meeting that deadline.“

Article 36

In Chapter VI, Section C shall be amended to read as follows:

“SECTION C RELATION WITH USERS, TRANSPARENCY AND REPORTING “ .

Article 37

Article 165 shall be changed to read as follows:

“Licensing Article 165

Collective management organisations and users conduct negotiations for the licensing of rights in good faith.

User shall mean any person or entity that is carrying out acts subject to the authorisation of rightholders, remuneration of rightholders or payment of compensation to rightholders and is not acting in the capacity of a consumer.

Prior to the use of the protection matter, the user must submit a license request for the use a certain type of protected matter to the competent organization for the collective management of rights.

Collective management organization and users shall provide, in conduct of negotiations, all necessary information for the licensing.

The conditions for licensing shall be regulated by the statute of the collective management organization of rights and must be objective and non-discriminatory.

When licensing rights, collective management organisations shall not be required to use, as a precedent for other online services, licensing terms agreed with a user where the user is providing a new type of online service which has been available to the public in Montenegro for less than three years.

When licensing rights, collective management organisations shall not be required to use, as a precedent for other online services, licensing terms agreed with a user where the user is providing a new type of online service which has been available to the public in the European Union for less than three years.

The user must not use the protected matter without the license.

Where the collective management organization does not issue a license, the claimed right shall be deemed to have been assigned if the user pays the collective management organisation or deposited with a notary public or court in favour of the collective management organisation in the amount of the fee for the use of the protected matter determined by the tariff.

Rightholders shall be entitled to compensation for the use of their rights proportionate to their use.

Article 38

Two new articles shall be added after article 165 to read as follows:

“Obligations of collective management organisation in the licensing procedure

Article 165a

“Collective management organisations shall reply without undue delay to licensing requests from users for the use of protected matter, indicating the information needed in order for the collective management organisation to offer a licence.

Upon receipt of all relevant information, the collective management organisation must, without undue delay, either offer a licence or provide the user with a reasoned statement explaining why it does not intend to license a particular service.

The license shall include in particular: type of rights covered by the license, conditions of use in relation to the method, territory, time of use, as well as the amount of the fee, if the right to use is fee tied.

A collective management organisation shall be obliged to enable users to communicate with it electronically, if applicable, for the purpose of reporting on the use of the license.

Invoicing

Article 165b

A collective management organisation must issue to the user an invoice containing in particular the data on:

- 1) The amount of the fee to be paid;

2) The basis for calculation of the fee in accordance with the tariff or, if the tariff has not been adopted, the agreement concluded with the user.“

Article 39

Article 166 shall be changed to read as follows:

“Information provided to other collective management organisations on the management of rights under representation agreements

Article 166

A collective management organisation makes at least the following information available, not less than once a year and by electronic means, to collective management organisations on whose behalf it manages rights under a representation agreement, for the period to which the information relates:

- 1) the rights revenue attributed, the amounts paid by the collective management organisation per category of rights managed, and per type of use, for the rights it manages under the representation agreement, and any rights revenue attributed which is outstanding for any period;
- 2) deductions made in respect of management fees;
- 3) deductions made for any purpose other than in respect of management fees as referred to in article 164a paragraphs 3 to 6 of this Law;
- 4) information on any licences granted or refused with regard to works and other content covered by the representation agreement;
- 5) Resolutions adopted by the General assembly of members in so far as those resolutions are relevant to the management of the rights under the representation agreement.”

Article 40

New five articles shall be added after article 166 to read as follows:

“Information provided to rightholders, other collective management organisations and users on request

Article 166a

A collective management organisation makes, in response to a duly justified request, at least the following information available by electronic means and without undue delay to any collective management organisation on whose behalf it manages rights under a representation agreement or to any rightholder or to any user:

- 1) the works or other contents it represents, the rights it manages, directly or under representation agreements, and the territories covered; or
- 2) Where, due to the scope of activity of the collective management organisation, such works or other contents cannot be determined, the types of works or of other contents it represents, the rights it manages and the territories covered.

Disclosure of information to the public

Article 166b

A collective management organisation must publish on its website and keep up to date the information, within seven days from the date of change occurrence, in particular:

- 1) its statute;
- 2) its membership terms and the terms of termination of authorisation to manage rights, if these are not included in the statute;
- 3) standard licensing contracts and standard applicable tariffs, including discounts;
- 4) the list of the persons referred to in articles 159 and 159a of this Law;
- 5) its general act on distribution of amounts due to rightholders;
- 6) its general pact on management fees;
- 7) its general act on deductions, other than in respect of management fees, from rights revenue and from any income arising from the investment of rights revenue, including deductions for the purposes of social, cultural and educational services;
- 8) a list of the representation agreements it has entered into, and the names of the collective management organisations with which those representation agreements have been concluded;
- 9) the general act on the use of non-distributable amounts;
- 10) The complaint handling and dispute resolution procedures available in accordance with articles 175, 176 and 176a of this Law.

Annual transparency report

Article 166c

A collective management organisation must draw up and make public on its website an annual transparency report for each financial year no later than eight months following the end of the financial year.

Report referred to in paragraph 1 of this article must remain available to the public on that website for at least five years.

Report referred to in paragraph 1 of this article shall include in particular:

- 1) financial statements comprising a balance-sheet or a statement of assets and liabilities, an income and expenditure account for the financial year and a cash-flow statement;
- 2) a report on the activities in the financial year;
- 3) information on refusals to grant a licence pursuant to article 165a paragraph 2 of this Law;
- 4) a description of the organisational and governance structure of the collective management organisation;
- 5) information on any entities directly or indirectly owned or controlled, wholly or in part, by the collective management organisation;

- 6) information on the total amount of remuneration paid to the persons referred in article 159 paragraph 3 and article 159a of this Law, in the previous year, and on other benefits granted to them;
- 7) the financial information referred to article 166d of this Law;
- 8) A special report on the use of any amounts deducted for the purposes of social, cultural and educational services, containing the information referred to in article 166e of this Law.

The accounting information included in the annual transparency report must be audited by one or more persons empowered by law to audit accounts in accordance with the law governing auditing.

The audit report, including any qualifications and conclusions, if any, shall be reproduced in full in the report referred to in paragraph 1 of this article.

The accounting information referred to in paragraphs 4 of this article, shall comprise the financial statements referred to paragraph 3 item 1 of this article and the financial information referred to in paragraph 3 items 7 and 8 of this article and article 166d of this Law.

Financial information to be provided in the annual transparency report

Article 166d

The annual transparency report shall include:

- 1) Financial information on rights revenue, per category of rights managed and per type of use (e.g. broadcasting, online, public performance), including information on the income arising from the investment of rights revenue and the use of such income (whether it is distributed to rightholders or other collective management organisations, or otherwise used);
- 2) Financial information on the cost of rights management and other services provided by the collective management organisation to rightholders, with a comprehensive description of at least the following items:
 - a) all operating and financial costs, with a breakdown per category of rights managed and, where costs are indirect and cannot be attributed to one or more categories of rights, an explanation of the method used to allocate such indirect costs;
 - b) operating and financial costs, with a breakdown per category of rights managed and, where costs are indirect and cannot be attributed to one or more categories of rights, an explanation of the method used to allocate such indirect costs, only with regard to the management of rights, including management fees deducted from or offset against rights revenue or any income arising from the investment of rights revenue in accordance with article 161 paragraph 3 and article 162 paragraphs 1, 3, 4 and 5 of this Law;
 - c) operating and financial costs with regard to services other than the management of rights, but including social, cultural and educational services;
 - d) resources used to cover costs;

- e) deductions made from rights revenues, with a breakdown per category of rights managed and per type of use and the purpose of the deduction, such as costs relating to the management of rights or to social, cultural or educational services;
- f) the percentages that the cost of the rights management and other services provided by the collective management organisation to rightholders represents compared to the rights revenue in the relevant financial year, per category of rights managed, and, where costs are indirect and cannot be attributed to one or more categories of rights, an explanation of the method used to allocate such indirect costs;

3) Financial information on amounts due to rightholders, with a comprehensive description of at least the following items:

- a) the total amount attributed to rightholders, with a breakdown per category of rights managed and type of use;
- b) the total amount paid to rightholders, with a breakdown per category of rights managed and type of use;
- c) the frequency of payments, with a breakdown per category of rights managed and per type of use;
- d) the total amount collected but not yet attributed to rightholders, with a breakdown per category of rights managed and type of use, and indicating the financial year in which those amounts were collected;
- e) the total amount attributed to but not yet distributed to rightholders, with a breakdown per category of rights managed and type of use, and indicating the financial year in which those amounts were collected;
- f) where a collective management organisation has not carried out the distribution and payments within the deadline referred to in article 162a paragraph 3 of this Law, the reasons for the delay;
- g) the total non-distributable amounts, along with an explanation of the use to which those amounts have been put;

4) Information on relationships with other collective management organisations, with a description of at least the following items:

- a) amounts received from other collective management organisations and amounts paid to other collective management organisations, with a breakdown per category of rights, per type of use and per organisation;
- b) management fees and other deductions from the rights revenue due to other collective management organisations, with a breakdown per category of rights, per type of use and per organisation;
- c) management fees and other deductions from the amounts paid by other collective management organisations, with a breakdown per category of rights and per organisation;

- d) amounts distributed directly to rightholders originating from other collective management organisations, with a breakdown per category of rights and per organisation.

Special report on the use of amounts deducted for the purpose of social, cultural and educational services

Article 166e

A special report on the use of the amounts deducted for the purposes of social, cultural and educational services shall contain at least the following data and information:

- 1) the amounts deducted for the purposes of social, cultural and educational services in the financial year, with a breakdown per type of purpose and, for each type of purpose, with a breakdown per category of rights managed and per type of use;
- 2) an explanation of the use of those amounts, with a breakdown per type of purpose including the costs of managing amounts deducted to fund social, cultural and educational services and of the separate amounts used for social, cultural and educational services.”

Article 41

Article 168 shall be amended to read as follows:

A user must provide a collective management organisation, within an agreed or pre-established deadline and in an agreed or pre-established format, with such relevant information at their disposal on the use of the rights represented by the collective management organisation as is necessary for the collection of rights revenue and for the distribution and payment of amounts due to rightholders.

When deciding on the format for the provision of such information, collective management organisations and users shall take into account, as far as possible, voluntary industry standards.

A user must provide for an insight to the authorized person of the collective management organisation into the documentation and data relevant for calculation of the fee that is paid according to the tariff.

A legal or natural person who enables the use of premises over which he has the right of ownership, possession or use to another legal or natural person and who knows or must know that protected matters shall be used in these premises, must determine whether that other legal or natural person has obtained the license referred to in article 165 of this Law, and if determines that such license has not been obtained, to prohibit to such person the use of premises for the purpose of using of protected matters.”

Article 42

In article 170 paragraph 1 after the words: “towards the“ the following words shall be added: “collective management”.

In paragraph 2 after the words: “towards the“ the following words shall be added: “collective management”.

Article 43

A new article shall be added after article 170 to read as follows :

“Personal data protection

Article 170a

The use and processing of personal data obtained in the implementation of the provisions referred to in articles 147 to 180k of this Law shall be conducted in accordance with the law governing the protection of personal data.”

Article 44

Article 171 shall be amended to read as follows:

“The tariff shall determine the equitable amount of remuneration for single forms of use of protected matter.

The tariffs for exclusive rights and rights to remuneration must be appropriate, in particular in relation to the economic value of the use of trade rights, taking into account the type and scope of use of works and other contents, as well as the economic value of the service provided by the collective management organisation.

Collective management organizations must inform the user about the criteria used for determining specific tariff amounts.

The tariff referred to in paragraph 1 of this article shall be determined:

1) As a percentage of gross revenue which the user generates from an activity, which is contingent upon the use of protected matter (concert producers, dancing school, discos, etc.);

2) as a percentage of the gross revenue which the user generates from an activity, which is contingent upon the use of protected matter, whereby it cannot be established which share of revenue derives from the use of protected matter (e.g. broadcasts of broadcasting organizations, cable retransmissions etc.);

3) As a percentage of costs for the use of protected matter, if the user does not generate income;

4) In proportion to the revenue generated by the use of protected matter, if the revenue is generated from the use of protected and unprotected matters;

5) as a lump sum per number of uses of protected matter, if the use of protected matter is not indispensable for the conduct of the activity of the user, or where the revenue or costs for the use of protected matter cannot be exactly established and/or where the establishment of this revenue requires unproportionate costs.

For determining the tariffs referred to in paragraph 1 of this article, the following criteria shall be taken into account:

1) The duration and number of uses of protected matter;

2) The number of potential end-users in a given territory and within a given time period;

3) The purpose of use (commercial or non-commercial);

4) The status of the users (youth or student associations, organizations of persons with a disability, non-professional organizations, minorities, etc.).

The gross revenue of the user referred to in paragraph 4 items 1 and 2 of this article shall include his total revenue generated through the conduct of his activity, less the value added tax.”

Article 45

Article 172 shall be amended to read as follows:

“The collective management organisation must negotiate tariffs with a representative association of users (hereinafter: user association), and where a consensus is reached, conclude the tariff agreement (hereinafter: common agreement).

The representative user association referred to in paragraph 1 of this article shall be considered an association representing the majority of users conducting an activity that makes use of protected matter on the territory of Montenegro or an association granted the status of representativeness by virtue of other regulations.

A common agreement may also be concluded directly between the collective management organisation and an individual user of protected matter, where that particular user is the only in Montenegro to perform the activity that makes use of protected matter.

A common agreement shall include in particular: criterion/criteria for determining the tariff referred to in article 171 of this law, data or facts in support of the representativeness of the user association, the method for the calculation and the amount of the remuneration due, the procedures and terms of reporting on the use of protected matter, the conditions for an increase or decrease of the remuneration set in the tariffs, and the term for and form of payment of the remuneration

The collective management organisation shall publish the common agreement referred to in paragraphs 1 to 4 of this article and article 173 of this Law, in the “Official Gazette of Montenegro”, after the Ministry approves the common agreement.

The common agreement shall enter into force on the eighth day following its publication.

The common agreement concluded for a category of use shall apply to all users of that category using protected matter, regardless of whether they are members of the user association.

The users referred to in paragraph 7 of this article must conclude individual agreements with the collective management organisation in accordance with the common agreement.

Article 46

Article 173 shall be amended to read as follows:

“The collective management organisation shall initiate the procedure for the conclusion of a common agreement by publishing an invitation in at least one daily distributed across the territory of Montenegro, to user associations, individual users and business associations to start negotiations within deadline that may not exceed 30 days from the day of publishing an invitation.

The collective management organisation must draw up and publish, in addition to an invitation referred to in paragraphs 1 of this article, on its website, the draft of the common agreement

with the explanation and shall deliver it in writing to the entities referred to in paragraph 1 of this article.

The collective management organisation must submit a concluded common agreement to the Ministry for approval within five days from the date of its conclusion.

The Ministry shall approve the common agreement referred to in paragraph 3 of this article if it determines that it fulfils the conditions prescribed by this Law.”

Article 47

In article 174 paragraph 1, the wording: “within six months of the delivery of the draft common agreement to individual users and user associations“ shall be replaced with the wording: “90 days from the day of publishing an invitation referred to in article 173 paragraph 1 of this Law“, and the words: “competent authority” shall be replaced with the word ”Ministry”.

In paragraph 2 the words: “Competent authority” shall be replaced with the word ”Ministry”, and before the word “organisations“ the following words shall be added: “collective management“.

In paragraph 3 the words: “Competent authority” shall be replaced with the word ”Ministry”, and before the word “organisations“ the following words shall be added: “collective management“.

In paragraphs 4 and 8, before the word “organisation“ the following words shall be added: “collective management“.

In paragraph 5 the words: “Competent authority” shall be replaced with the word ”Ministry”.

In paragraphs 10, the words: “paragraph 6“ shall be replaced with the words: “paragraph 9“.

In paragraph 11, the wording: “until the final decision in a collective dispute on the tariff has been rendered“ shall be replaced with the wording: “reaching an agreement through the mediation procedure in accordance with article 176 of this Law“.

Article 48

A new article shall be added after article 174 to read as follows:

“Changes in Tariffs

Article 174a

If the tariff determined in accordance with articles 172 and 173 of this Law has been applied for at least one year, the user association and the collective management organisation may initiate the setting of a new agreement tariff through the Ministry, which may request the collective management organisation to prepare the draft agreement tariff within 30 days from the day of the delivery of the request of the Ministry.

In the case referred to in paragraph 1 of this article, the provisions of articles 171 to 173 and article 174 paragraph 4 of this Law shall apply.

At the request of the user association and the collective management organization, the Ministry shall initiate the procedure of reviewing the preliminary tariff and adopt a new one, or change the existing preliminary tariff if it determines that the preliminary tariff is contrary to the provisions of this law.

The Ministry may also ex-officio initiate the procedure referred to in paragraph 3 of this article.“

Article 49

Article 175 shall be amended to read as follows:

“Dealing with complaints

Article 175

The collective management organisation must, in its statute, envisage the possibility of filing complaints and effective and timely procedures for dealing with complaints of its members and collective management organisations on whose behalf it manages rights under the representation agreements, as well as to organize the reception and deciding upon complaints within appropriate deadlines, in particular with respect to management authorization of rights, , termination or withdrawal of rights, membership conditions, the collection of amounts attributed to the rightholders, deductions and distributions.

The collective management organisation must to respond in writing to the objections of members or collective management organisations on whose behalf it manages the rights under the representation agreement, within eight days from the day of receiving the complaint.

If the collective management organisation dismisses the objection referred to in paragraph 2 of this article, the reasons for the dismissal must be explained.”

Article 50

Article 176 shall be amended to read as follows:

“Alternative dispute resolution procedures by mediation

Article 176

The mediation procedure may be initiated if an agreement fails to be reached in relation to:

- 1) tariffs and common agreements referred to in articles 171, 172, 173 and 174a of this Law;
- 2) license for the use of works and/or subject-matter of related rights for cable retransmission of broadcasting.

The initiation of the mediation procedure shall not contest the application of the preliminary tariff set out in accordance with article 174 of this Law up to the final settlement of the dispute.

The mediation procedure may be initiated in reference to:

1) any other dispute between collective management organisations, members of collective management organisations, rightholders or users in relation to the application of the provisions of this Law on the collective management of rights;

2) the application of the provisions of articles 180a to 180k of this Law relating to the establishment of the collective management organisation on the territory of Montenegro, issuing or

offering the issuance of a license for online rights to music works in the territory of several states in relation to disputes with:

- a) an existing or potential online service provider in reference to the application of articles 165 and 165a and articles 180c to 180f of this Law;
- b) one or more rightholders in reference to the application of articles 180c to 180j of this Law;
- c) another collective management organisation in relation to the application of articles 180c to 180i of this Law.

The provisions of the law governing mediation shall apply to the mediation procedures referred to in paragraphs 1 and 3 of this article, unless this Law prescribes differently.

A mediator may be a person meeting the general requirements for a mediator prescribed by the law governing mediation procedure and who has experience in the area of copyright and related rights.

In the case referred to in paragraph 1 item 2 of this article, it shall be deemed that the parties have accepted the proposal of the mediator for the resolution of the dispute, if none of them submits the objection within three months from the day of receiving the proposal of the mediator. "

Article 51

New article shall be added after article 176 to read as follows:

“Judicial proceedings

Article 176a

Provisions of articles 175 and 176 of this Law shall not affect the right of the parties to the dispute to initiate the proceedings before the competent court in order to protect their rights.”

Article 52

In Chapter VI, Section E shall be changed to read as follows:

„SECTION E

CONTROL OVER THE OPERATION OF THE COLLECTIVE MANAGEMENT ORGANISATION“.

Article 53

Article 177 shall be amended to read as follows:

“Supervision over the work of collective management organisation

Article 177

The Ministry shall carry out the control over the legality and effectiveness of the work of the collective management organisation.

The supervision referred to in paragraph 1 of this article may be regular and extraordinary.

A regular supervision shall mean the supervision carried out by the Ministry during the year, without the request of interested persons, by insight into data, acts, documents, business books and other documentation of the collective management organisation.

An extraordinary supervision may be carried out after receiving an initiative by the members of the collective management organisation, right holders, beneficiaries, other collective management organisation or any other interested person listing the actions and circumstances that, in their opinion, constitute a violation of the provisions of articles 147 to 180k of this Law.

The Ministry must consider the allegations from the initiative and inform a person who submitted the initiative on actions undertaken.

Except in the case referred to in paragraph 4 of this article, the Ministry may carry out the extraordinary supervision if, in any other way, it becomes aware of possible irregularities in the work of collective management organisation.

The collective management organisation must, upon the request and within the deadline determined by the Ministry, prepare accurate and complete information, present documents, business books and other documentation necessary for the supervision.

The Ministry shall have the right that its representatives attend the sessions of the collective management organisation, ask questions, request explanations and provide recommendations.”

Article 54

Article 178 shall be amended to read as follows:

“Supervision of users

Article 178

The Ministry shall carry out the supervision of the lawful conduct of users under article 146 and article 147 to 180k of this Law, with the exception of the cases referred to in articles 170 and 199 paragraphs 4 and 6 of this Law.

At the request of the collective management organisation, the Ministry shall prohibit the holding of a music event to a user who, without a license issued in accordance with article 165 of this Law, is using or intends to use protected matter.“

Article 55

Article 179 shall be amended to read as follows:

“The collective management organisation must deliver to the Ministry, within three days of the date of adoption, establishment or conclusion and reception of:

- 1) its general regulations (statute, rules, etc.);
- 2) tariffs, including the amounts for single user categories;
- 3) licensing conditions referred to in article 165 paragraph 5 of this Law;
- 4) conditions under which the rightholders may issue authorizations for a non-commercial use of their works or other content referred to in article 154 paragraph 4 of this Law;
- 5) concluded common agreements with user associations;
- 6) agreements concluded with foreign societies;
- 7) decisions rendered by the General assembly of members and other bodies of the collective management organisation;
- 8) reports referred to in articles 166c, 166d and 166e of this Law;

9) decisions rendered by courts and other competent authorities that the collective management organisation is a party to.

The collective management organisation shall immediately notify the Ministry of any change of persons authorized to represent the collective management organisation.

Upon request of the Ministry, the collective management organisation shall deliver immediately, and within three days of the receipt of the request at the latest, the required information and data from its sphere of activity.“

Article 56

In article 180 paragraph 1, the words: “competent authority” shall be replaced with the word ”Ministry”, and before the word “organization”, the following words shall be added to read as: “collective management.”

In paragraph 2 before the word “organization”, the following words shall be added to read as: “collective management”, and the words: “competent authority” shall be replaced with the word ”Ministry”.

Paragraph 3 shall be amended to read as follows:

“If the collective management organisation fails to comply with the order of the Ministry in the given deadline, the Ministry may order the General assembly of the members to relieve of their duty the persons responsible for the execution of imposed measures.”

Article 57

In article 180a, paragraph 3 shall be amended to read as follows:

“Online rights to musical works shall mean any of the author's rights to a musical work prescribed by article 21 and articles 25 to 31 of this Law, which are necessary for the provision of online services.“

Article 58

Article 180b shall be amended to read as follows:

„Collective management organisation which grants licences referred to in Article 180a paragraph 1 of this Law shall provide administrative, professional and technical conditions to process electronically, in an efficient and transparent manner, data needed for the administration of such licences, including for the purposes of identifying the repertoire and monitoring its use, invoicing users, collecting rights revenue and distributing amounts due to rightholders, in particular conditions to:

- 1) have the ability to identify accurately the musical works, wholly or in part, which the collective management organisation is authorised to represent;
- 2) have the ability to identify accurately, wholly or in part, with respect to each relevant territory, the rights and their corresponding rightholders for each musical work or share therein which the collective management organisation is authorised to represent;

- 3) make use of unique identifiers in order to identify rightholders and musical works, taking into account, as far as possible, voluntary industry standards and practices;
- 4) make use of adequate means in order to identify and resolve in a timely and effective manner inconsistencies in data held by other collective management organisations granting multi-territorial licences for online rights in musical works.

The repertoire shall mean a copyright work or other content for which the collective management organisation manages rights.”

Article 59

Article 180k shall be amended to read as follows:

„Derogation for online music rights required for radio and television programmes

Article 180k

The provisions of Articles 180a to 180j of this Law shall not apply to collective management organisations when they grant, on the basis of the voluntary aggregation of the required rights, in compliance with the law governing the protection of competition, a multi-territorial licence for the online rights in musical works required by a broadcaster to communicate or make available to the public its radio or television programmes simultaneously with or after their initial broadcast as well as any online material, including previews, produced by or for the broadcaster which is ancillary to the initial broadcast of its radio or television programme.“

Article 60

A new article shall be added after article 180k to read as follows:

“Appropriate application

Article 180l

Independent management organisation means any organisation which is authorised by law or by way of assignment, licence or any other contractual arrangement to manage copyright or rights related to copyright on behalf of more than one rightholder, for the collective benefit of those rightholders, as its sole or main purpose, and which is:

- a) neither owned nor controlled, directly or indirectly, wholly or in part, by rightholders, and
- b) organised on a for-profit basis.

Provisions of article 164, article 165 para. 1 i 3, article 166a, article 166b items 1, 2, 3, 5, 6 i 7 and articles 170a i 177 of this law shall apply to organisation referred to in paragraph 1 of this article which is established in Montenegro.

Provisions of article 164, article 165 para. 1 i 3, article 166a, article 166b items 1, 2, 3, 5, 6 i 7 and articles 170a i 177 of this law shall apply to organisation referred to in paragraph 1 of this article which is established in the European Union.“

Article 61

In Article 181 paragraph 1 the words: ”competent authority” shall be replaced with the word ”Ministry”.

In paragraph 2 the words: ”competent authority” shall be replaced with the word ”Ministry”.

Article 62

Article 199 shall be amended to read as follows:

„Supervision

Article 199

The Ministry shall carry out the supervision over the implementation of this Law and regulations adopted pursuant to it.

Inspection supervision over the implementation of this law shall be performed by:

- 1) the administrative authority in charge of inspection supervision, through market inspection and tourist inspection;
- 2) the administrative authority in charge of taxation affairs, through tax inspection;
- 3) Agency.

The market inspector shall carry out inspection supervision over the production and trade of goods protected by copyright or related rights, or goods infringing copyright and related rights.

The tourist inspector shall carry out inspection supervision over the provision of services in case of using copyright and related rights in the area of tourism and hospitality services without regulating the obligation of paying the compensation for the use of these rights in accordance with the provisions of this Law regulating the collective management of copyright and related rights.

The tax inspector shall carry out inspection supervision over the legality of using computer programmes used by business organisations and other forms of performing economic activity in the conduct of their business activities.

The Agency shall perform inspection supervision over:

- 1) Providers of audio-visual media services and controls whether within the programme content copyright or related rights have been infringed by unauthorized broadcasting, re-broadcasting and cable retransmission of copyrighted works or objects of related rights;
- 2) operators of electronic communications networks and controls whether they unauthorized re-broadcasting the programme content of the media service provider.

A commodity that is subject to copyright and related rights infringement under articles 199 to 199e of this Law shall be considered a copy of a protected copyright work or content of related right that has been duplicated without the consent of the author or holder of a related right in cases where such consent is not necessary in accordance with this Law, or commodities containing a protected copyright work or content of related right, which was created without the consent of the rightholder (pirated copyright work), as well as a mold or matrix used for their reproduction or creation.“

Article 63

New five articles shall be added after article 199 to read as follows:

“Inspection supervision procedure

Article 199a

A competent inspector, ex - officio or at the initiative of the person referred to in paragraph 3 of this article, shall undertake actions and bring acts in accordance with this Law and the law regulating the inspection supervision.

The provisions of the law regulating inspection supervision shall apply to the inspection supervision issues that are not specifically regulated by this Law.

The author or holder of related rights, a person having a legal interest, as well as a person who has been empowered by them on the basis of the general rules on representation, may file an initiative for initiating the inspection supervision procedure (hereinafter: the initiative).

The initiative may be:

- 1) individual, when it relates to a particular type and quantity of goods or a particular service or activity, or
- 2) General, when it relates to all quantities of a particular type of goods, services or activities for a certain period of time.

The initiative must contain data on the basis of which the goods, services or activities infringing copyright or related rights may be identified, as well as the evidence that a person who submitted the initiative is actually the one from paragraph 3 of this article, and if it is a general initiative, it shall include the time period of the initiative.

The person who submitted the initiative may also submit:

- 1) details on the basis of which the shipment or package can be identified;
- 2) information on the place where the goods are located or the intended destination or the place where the service is provided;
- 3) the name of the manufacturer, importer, owner or holder of the goods, or the service provider or the person pursuing actions infringing copyright or related rights;
- 4) information on the envisaged date of shipment or delivery of goods;
- 5) information on the means of transport used for transportation;
- 6) sample of goods, photographs, etc.

The competent inspector must act at the initiative and inform in writing the person who submitted the initiative on performed supervision and any measures taken, within eight days from the date of the submission of the initiative.

If the initiative proposes urgent action and if the initiative contains sufficient information on the deliveries of goods for which it is reasonably suspected that the goods are infringing copyright or related rights, the competent inspector must be obliged to inform the person who submitted the initiative within on performed supervision and any measures taken, within the three days from the date of the submission of the initiative

Undertaking measures and informing

Article 199b

When in the procedure of inspection supervision it is established that there is a reasonable doubt that there has been a violation of copyright or related right, the competent inspector shall be authorized to:

- 1) temporarily prohibit the production of goods that infringe copyright or related right or temporarily prohibit the performance of the activity;

- 2) temporarily confiscate goods infringing copyright or related rights;
- 3) temporarily prohibit the performance of the service or taking of actions infringing copyright or related law.

In case of taking the measures referred to in paragraph 1 of this article, the competent inspector shall immediately, and at the latest within two days from the date of taking measures, inform the person who submitted the initiative in writing of the obligation to initiate the procedure for protection of rights before the competent court.

The person who submitted the initiative must, at latest within 15 days from the date of the receipt of the notification referred to in paragraph 2 of this article, submit to the competent inspector the evidence of the initiated procedure before a competent court or an imposed interim measure by the competent court.

When it determines that there is a reasonable suspicion that a copyright or related right has been infringed, the Agency shall be authorized to:

- 1) temporarily prohibit the unauthorized broadcasting, re-broadcasting and cable retransmission of certain programme contents to an audio-visual media service provider;
- 2) temporarily prohibit the operator of the electronic communications network unauthorized re-broadcasting of the content of a particular media service provider.

The information referred to in paragraph 2 of this article shall contain the data on the title or the name or the registered seat or address of the person on whom the measure referred to in paragraph 1 of this article has been imposed and the type of imposed measure, as well as the obligation to initiate the procedure for the protection of rights before the competent court, and the address of the owner, importer and manufacturer of the goods in question, as well as data on the quantity and type of goods or services, etc.

Security, costs of the proceeding and compensation for damages

Article 199c

If it has been deemed justifies bases on the circumstances of the case, the competent inspector may, in the procedure initiated at the initiative, impose that the determining of measures referred to in article 199b paragraph 1 of this Law is contingent upon providing adequate security of the person who submitted the initiative for the purpose of compensating the costs of keeping temporarily seized goods or damage arising from the omission of the person who submitted the initiative or the unlawful confiscation.

The costs of the procedure initiated upon the initiative, and which has been completed in favour of the subject of supervision, shall be borne by the person who submitted the initiative, otherwise they shall be borne by the subject of supervision.

The competent inspector shall not be liable for compensation for damage arising from the unreasonable temporary seizure of goods.

If in the procedure on the initiative it is determined that the goods have been seized without any grounds, the person who submitted the initiative must compensate the owner, or the person from whom the goods have been seized, and he shall be compensated for the damage caused by the temporary seizure.

Return and destruction of goods

Article 199d

If the person who submitted the initiative fails to submit to the competent inspector, within the deadline referred to in article 199b paragraph 3 of this Law, proof of the initiated procedure before the competent court or an interim measure imposed by the competent court, the temporarily seized goods shall be returned to the person from whom it was confiscated.

Where the proceedings before the competent court has been initiated, and the court did not impose an interim measure on the prohibition of the production and trade of goods, the temporarily seized goods shall be returned to the person from whom it was confiscated.

At the request of the person who submitted the initiative, the competent inspector must enable the taking of samples of goods in the quantity admissible as an evidence in the proceedings before the competent court.

Upon the court's order or ex-officio, the competent inspector may destroy temporarily seized goods.

The competent inspector may ex-officio destroy temporarily seized goods if the following conditions have been fulfilled:

1) if the person who submitted the initiative within the deadline referred to in article 199b, paragraph 3 of this Law, failed to submit to the competent inspector the proof of the initiated procedure before the competent court or imposed interim measure by the competent court;

2) the owner, or the person from whom the goods have been temporarily seized, fails to make himself available to the competent inspector within 30 days from the expiration of the deadline referred to in article 199b paragraph 3 of this Law.

Information on termination of rights

Article 199e

The person who submitted the initiative must inform the competent authority about the termination of the protection of the copyright or related right or the termination of the legal interest, if this right or legal interest is terminated in the course of the proceedings upon the initiative. "

Article 64

Article 200 shall be amended to read as follows:

“Misdemeanour by the collective management organisation

Article 200

A monetary fine ranging from EUR 1.000 to EUR 15.000 shall be imposed on a collective management organisation for misdemeanour, if:

- 1) Fails to manage rights, categories of rights or types of works and other content referred to in article 154 paragraph 1 of this Law, unless it has objectively justified reasons to refuse management (Article 154 paragraph 3);
- 2) Fails to inform the rightholder whose rights is managing about the conditions under which the rightholder may assign the authorisation for non-commercial use of his rights, categories of

- rights or types of works and other contents the management of which has been assigned to that organisation (Article 154 paragraph 5);
- 3) Fails to publish the information on the rights of the rightholders in accordance with article 154 paragraphs 1 to 7 and article 154a of this Law on its website. (Article 154 paragraph 8);
 - 4) Fails to inform the rightholders of the rights referred to article 154 paragraphs 1 to 7 and article 154a of this Law in writing, as well as the conditions for managing the rights referred to article 154 paragraph 5, prior to granting authorization for the management of those rights, categories of rights, types of works and other content (Article 154 paragraph 9);
 - 5) Restricts the use of management of rights from article 154a paragraphs 1, 2 and 3, by referring to the conditions that the management of rights, category of rights, type of works or other content subject of termination or withdrawal, contingent upon entrusting them to another collective management organization (Article 154a paragraph 4);
 - 6) Fails to accept the rightholders and entity representing rightholders, including other collective management organisations and associations of rightholders, as members if they fulfil the membership requirements, which shall be based on objective, transparent and non-discriminatory criteria (Article 154b paragraph 1);
 - 7) Fails to determine the membership requirements referred to in article 154b paragraph 1 of this Law in the statute or other general act laying down membership terms and shall be made them publicly available on its Internet page (Article 154b paragraph 2);
 - 8) Refuses to accept a request for membership, and fails to provide the rightholder with a clear explanation of the reasons for its decision (Article 154b paragraph 3);
 - 9) Fails to allow its members to communicate with it by electronic means, including for the purposes of exercising members' rights (Article 154b paragraph 5);
 - 10) Fails to keep updated records of its members (Article 154b paragraph 5);
 - 11) Fails to apply accordingly any rights assigned to its members and apply them accordingly also to the rightholders who are not its members and which it represents under the law, by way of assignment of rights or contracts, other than the rights relating to the management and decision-making in a collective management organisation (Article 154c);
 - 12) The General assembly of members fails determine in details the conditions for the use of rights revenue and other income arising from the investment of rights revenue (Article 158 paragraph 6)
 - 13) Fails to keep separate in its business books rights revenue and income arising from the investment of rights revenue ((Article 161 paragraph 3 item 1);
 - 14) Fails to keep separate in its business books any own assets it may have and income arising from such assets, from management fees or from other activities (Article 161 paragraph 3 item 2);
 - 15) Fails to use rights revenue or any income arising from the investment of rights revenue only for purposes of distribution to rightholders, except where the use of rights revenues or income arising from the investment of rights revenues, or to deduct or offset its management fees in compliance with a general act referred to in article 158 paragraph 3 items 3 to 11 of this Law. (Article 161 paragraph 4);

- 16) Fails to provide the rightholder with information on management fees and other deductions from the rights revenue and from any income arising from the investment of rights revenue, before obtaining his consent to its managing his rights (Article 162 paragraph 1);
- 17) Fails to regularly and accurately distribute and pay amounts due to rightholders, in accordance with the general acts on distribution referred to in article 158 paragraph 3 item 3 of this Law (Article 162a paragraph 1);
- 18) Fails to take all necessary measures, for the purpose to identify and locate the rightholders. (Article 162b paragraph 1);
- 19) At the latest three months after the expiry of the deadline referred to in article 162a paragraph 3 of this Law, the collective management organisation fails to make available information on works and other content for which one or more rightholders have not been identified or located to the rightholders that it represents or the entities representing rightholders, where such entities are members of the collective management organisation (Article 162b paragraph 2 item 1);
- 20) At the latest three months after the expiry of the deadline referred to in article 162a paragraph 3 of this Law, the collective management organisation fails to make available information on works and other content for which one or more rightholders have not been identified or located to all collective management organisations with which it has concluded representation agreements (Article 162b paragraph 2 item 2);
- 21) In addition to undertaking measures referred to article 162b paragraphs 1 and 2 of this Law, fails to also verify the records referred to in article 154b paragraph 5 of this Law and other available records (Article 162b paragraph 4);
- 22) Fails to make the information available to the public that measures referred to in article 162b paragraphs 1 to 4 of this Law are not producing results, at the latest one year after the expiry of the three-month period referred to in article 162b paragraph 2 of this Law (Article 162b paragraph 5);
- 23) Fails to make available, not less than once a year, to each rightholder to whom it has attributed rights revenue or made payments in the period to which the information relates in reference to Article 164 paragraph 1 of this Law;
- 24) Attributes rights revenue and has as members entities which are responsible for the distribution of rights revenue to rightholders, and fails to provide the information referred to in article 164 paragraph 1 of this Law to those entities, provided that they do not have that information in their possession (Article 164 paragraph 2);
- 25) Discriminates or proceed differently against rightholders whose rights it manages under a representation agreement in comparison to other rightholders, in particular with respect to tariffs, management fees, as well as the conditions for the collection of the rights revenue and distribution of amounts due to rightholders (Article 164a paragraph 2);
- 26) Applies deductions, other than in respect of management fees, from the rights revenue derived from the rights it manages on the basis of a representation agreement, or from any income arising from the investment of that rights revenue, unless the other collective management

- organisation that is party to the representation agreement expressly consents to such deductions. (Article 164a paragraph 3);
- 27) Fails to regularly, diligently and accurately distribute and pay amounts due to other collective management organisations referred to article 164a paragraph 3 of this Law (Article 164a paragraph 4);
 - 28) Fails to carry out distribution to the organisations referred to in article 164a paragraph 3 of this article and make payment as soon as possible but no later than nine months from the end of the financial year in which the rights revenue was collected, unless objective reasons relating in particular to reporting by users, identification of rights, rightholders or matching of information on works and other content with rightholders prevent the collective management organisation from meeting that deadline (Article 164a paragraph 5);
 - 29) Fails to distribute and pay management organisation or its members, if its members are entities representing rightholders, those members, the amounts due to rightholders as soon as possible but no later than six months from receipt of those amounts, unless objective reasons relating in particular to reporting by users, identification of rights, rightholders or matching of information on works and other content with rightholders prevent the collective management organisation or, where applicable, its members from meeting that deadline (Article 164a paragraph 6);
 - 30) Fails to provide the users, in conduct of negotiations, all necessary information for the licensing. (Article 165 paragraph 4);
 - 31) Acts contrary to article 165a paragraph 1 of this Law;
 - 32) Acts contrary to article 165a paragraph 2 of this Law;
 - 33) Fails to enable users to communicate with it electronically, if applicable, for the purpose of reporting on the use of the license (Article 165a paragraph 4);
 - 34) Fails to issue the Invoice containing the data referred to in Article 165b of this Law;
 - 35) Fails to make at least the following information available, not less than once a year and by electronic means, to collective management organisations on whose behalf it manages rights under a representation agreement, for the period to which the information relates referred to in article 166 of this Law;
 - 36) Fails to make available, in response to a duly justified request, information referred to article 166a of this Law by electronic means and without undue delay to any collective management organisation on whose behalf it manages rights under a representation agreement or to any rightholder or to any user;
 - 37) Fails to publish on its website and keep up to date the information, within seven days from the date of change occurrence, referring to article 166b of this Law;
 - 38) Fails to draw up and make public on its website an annual transparency report for each financial year no later than eight months following the end of the financial year (Article 166c paragraph 1);
 - 39) Fails to publish the common agreement referred to in Article 172 paragraphs 1 to 4 and article 173 of this Law in the “Official Gazette of Montenegro”, after the Ministry approves the common agreement. (Article 172 paragraph 5);

- 40) Fails to publish the common agreement with the invitation referred to article 173 paragraph 1 of this Law in its website with the explanation and fails to submit it to entities referred to in article 173 paragraph 1 of this Law (Article 173 paragraph 2);
- 41) Fails to submit a concluded common agreement to the Ministry for approval within five days from the date of its conclusion (Article 173 paragraph 3);
- 42) Fails to envisage in its statute the possibility of filing complaints and effective and timely procedures for dealing with complaints of its members and collective management organisations on whose behalf it manages rights under the representation agreements, as well as to organize the reception and deciding upon complaints within appropriate deadlines, in particular with respect to management authorization of rights, , termination or withdrawal of rights, membership conditions, the collection of amounts attributed to the rightholders, deductions and distributions (Article 175 paragraph 1);
- 43) Fails to respond in writing to the objections of members or collective management organisations on whose behalf it manages the rights under the representation agreement, within eight days from the day of receiving the complaint (Article 175 paragraph 2);
- 44) Dismissed the objection referred to in article 175 paragraph 2 of this article, and fails to provide the reasons thereof (Article 175 paragraph 3);
- 45) Fails to submit to the Ministry, within three days from the date of adoption, establishment and conclusion of acts, tariffs, conditions, agreements, decisions and reports referred to in article 179 paragraph 1 of this Law;
- 46) Fails to immediately notify the Ministry of any change of persons authorized to represent the collective management organisation, within three days from the change of persons (Article 179 paragraph 2);
- 47) Upon request of the Ministry, fails to deliver immediately, and within three days of the receipt of the request at the latest, the required information and data from its sphere of activity (Article 179 paragraph 3).

A monetary fine ranging from EUR 500 to EUR 2.000 shall be also imposed on a responsible person in the collective management organisation for misdemeanour referred to in paragraph 1 of this article.”

Article 65

Article 201 shall be amended to read as follows:

“Misdemeanour by the member of the Supervisory board

Article 201

A monetary fine ranging from 250 euros to 1.000 euros shall be imposed for a misdemeanour on any member of the Supervisory board if he fails to submit once a year the declaration on the conflict of interest containing the information referred to in article 159a paragraph 5 of this Law (Article 159 paragraph 3).“

Article 66

Article 202 shall be amended to read as follows:

“Misdemeanour by the person managing operation of the collective management organisation

Article 202

A monetary fine ranging from EUR 250 to EUR 1.000 shall be imposed for misdemeanour to a person managing the collective management organisation, if fails to submit annually to the General assembly of members the declaration containing the information referred to in article 159a paragraph 5 of this Law.“

Article 67

Three new articles shall be added after article 202 to read as follows:

„Misdemeanours by users

Article 202a

A monetary fine ranging from EUR 1.000 to EUR 15.000 shall be imposed on a legal person – user for misdemeanour, if:

- 1) The collective management organization, in conduct of negotiations, fails to provide all necessary information for the licensing (Article 165 paragraph 4);
- 2) Uses protected matter without the license (Article 165 paragraph 8);
- 3) Fails to provide a collective management organisation, within an agreed or pre-established deadline and in an agreed or pre-established format, with such relevant information at their disposal on the use of the rights represented by the collective management organisation as is necessary for the collection of rights revenue and for the distribution and payment of amounts due to rightholders (Article 168 paragraph 1);
- 4) Fails to provide for an insight to the authorized person of the collective management organisation into the documentation and data relevant for calculation of the fee that is paid according to the tariff (Article 168 paragraph 3).

A monetary fine ranging from EUR 250 to EUR 2.000 shall be imposed on a natural person – user for misdemeanour referred to in paragraph 1 of this article.

A monetary fine ranging from EUR 250 to EUR 2.000 shall be imposed on a responsible person in legal person – user for misdemeanour referred to in paragraph 1 of this article.

A monetary fine ranging from EUR 500 to EUR 5.000 shall be imposed on an entrepreneur – user for misdemeanour referred to in paragraph 1 of this article.

Misdemeanour by the member of the collective management organisation

Article 202b

A monetary fine ranging from EUR 500 to EUR 2.000 shall be imposed on a member of the collective management, who:

- 1) is responsible for the distribution of rights revenue to rightholders, if the information referred to in article 164 paragraph 1 of this article is not made available at least once a year to any

rightholder who is entitled to or receives payments in the period in which the information relates (Article 164, paragraph 3);

- 2) represents the rightholders and if he fails to distribute to rightholders and to pay the attributable amounts without delay, and at the latest six months from the receipt of these amounts, unless justified reasons, in particular with regard to reporting by the user, by establishing the rights, right holders or by linking information on works and other contents with rights holders, prevent a member of the collective management organization from complying with this deadline (Article 164a paragraph 6).

Misdemeanours of other persons

Article 202c

A monetary fine ranging from EUR 500 to EUR 2.000 shall be imposed on a legal person who acts contrary to article 168 paragraph 4 of this Law.

A monetary fine ranging from EUR 50 to EUR 200 shall be imposed on a responsible person in a legal person for misdemeanour referred to in paragraph 1 of this article.

A monetary fine ranging from EUR 50 to EUR 200 shall be imposed on a responsible person in a legal person for misdemeanour referred to in paragraph 1 of this article.

A monetary fine ranging from EUR 150 to EUR 600 shall be imposed on an entrepreneur for misdemeanour referred to in paragraph 1 of this article.

Article 68

In Article 206d, paragraph 1, the words: "Article 69i, Article 142 paragraph 2 and Article 145a paragraphs 4, 5 and 6" shall be replaced by the words: "Article 142 paragraph 2, Article 145a paragraphs 4, 5 and 6, Article 154 paragraphs 2 and 4, Article 165 paragraph 7, Article 178, Article 180l paragraph 3 and Article 206g".

Article 69

Three new articles shall be added after article 206e to read as follows:

„Duty of informing

Article 206f

The collective management organisation shall be obliged to provide information about the rights referred to in articles 154 and 154a of this Law and shall inform the rightholders that have authorized it to manage, as well as about all conditions for the management of rights referred to in article 154, paragraph 5 of this Law, within six months from the date of entry into force of this Law.

Cooperation with competent authorities of the member states of the European Union

Article 206g

The Ministry must, without undue delay, respond to the request for information in relation to the application of the provisions of art. 147 to 180k of this Law, received by an authority of a member state of the European Union responsible for supervising the work of the collective management

organisations, and in particular the information on the activities of collective management organisations headquartered in Montenegro, provided that the request is duly reasoned.

If the Ministry considers that a collective management organisation established in a member state of the European Union operating in the territory of Montenegro may not be in compliance with the provisions of the national law of the member state of the European Union in which that collective management organisation is established, it may submit all relevant information to the competent authority of the member state of the European Union in which the collective management organisation is established, and may, if necessary, also attach the request to that authority to undertake appropriate measures within its jurisdiction.

If the Ministry has received the request referred to in paragraph 2 of this article by the competent authority of a member state of the European Union, it shall be obliged to reply within three months from the date from the request reception.

The Ministry may refer the request referred to in paragraph 2 of this article also to an expert group established in accordance with the regulations of the European Union governing the collective management of copyright and related rights.

Business compliance

Article 206h

The collective management organisation must harmonize its organization, business and activity with this Law within one year from the date of entry into force of this Law.

The Ministry shall revoke the license for the collective management of rights to the organization referred to in paragraph 1 of this Article that fails to harmonize its organization, business and activity within the deadline referred to in paragraph 1 of this article.”

Article 70

A new article shall be added after article 208 to read as follows:

“Superseding

Article 208a

On the date this Law enters into force, the Law on the enforcement of regulations on the protection of intellectual property (“Official Gazette of the RoM, No. 45/05, and the “Official Gazette of Montenegro, Nos. 37/11, 40/11, 18/14 and 42/16) shall be superseded.“

Article 71

This Law shall enter into force on the eighth day following its publication in the “Official Gazette of Montenegro”.