The purpose of this article is to provide an overview of Estonian legislation pertaining to copyright and related rights, and its perspectives. The article aims to show the role of copyright in the Estonian cultural and legal tradition from a historical point of view and describe the main trends of development in Estonian copyright and related rights legislation, which are mainly based on international developments. The main emphasis in the article is on the aspect of “law in law books”. Implementation, enforcement and case law, which in practice are as important as legislation, constitute a topic to be dealt with in a separate article.

1. Historical Overview

In order to be able to answer the question of whether copyright is established in the Estonian cultural tradition and whether the society is psychologically ready to comply with international copyright principles as well as to understand the essence of piracy, a brief historical overview is necessary.

The first Copyright Act in the world was enacted in England in 1710. In 1710, Estonia became part of the Russian Empire. The first few articles on authors’ rights in Russia were enacted as part of the Censorship Act as late as in 1828. In an Act of 1830, the concept of author’s right was recognised as a property right, but it was only in 1887 that the corresponding provisions were transferred from the Censorship Act to the Property Act, which formed part of the Civil Code. The 1911 Copyright Act of the Russian Empire, also enacted in the Baltic provinces, was one of the most modern Acts in Europe at the time.

During the whole period of the independent Republic of Estonia (1918-1940), the Copyright Act of the Russian Empire of 1911 was in force. In the thirties, a draft Copyright Act was prepared based on the German model although it was never adopted. Legal research in the field of copyright was very modest.

In 1927, Estonia became party to the Berne Convention for the Protection of Literary and Artistic Works (Berlin Act of 1908). However, this was a political decision that was not widely supported in cultural circles or by cultural industries. The Estonian public at the time was not ready to accept international principles of copyright protection and favoured the free use of foreign works. In order to support local authors, a special fund — Kultuurikapital (Cultural Endowment Fund) — was created in 1925. The Cultural Endowment Fund provided support to writers, composers, artists and other creative people in the form of monthly stipends and pensions and enjoyed...
great popularity. Copyright was regarded as somewhat less important at the time.

In 1932, the Eesti Autorikaitse Ühing, EAKÜ (Estonian Authors Protection Association) was set up aimed at the collective management of authors' rights. The EAKÜ had agreements with several similar organisations in other countries.

After the occupation of Estonia by the Soviet Union in 1940, the Soviet copyright legislation and doctrine were in force until the restoration of Estonia's independence in 1991. Before the adoption of the Copyright Act of 1992, the provisions on copyright were included in Part IV of the Civil Code of 1964. In 1973, the USSR became party to the Universal Copyright Convention (UCC) signed in 1952 in Geneva. Estonia was bound by the UCC until re-establishment of its independence on 20 August 1991. It is the official position that agreements to which the USSR or the Estonian SSR was party are not automatically valid in the re-established Republic of Estonia. The Ministry of Foreign Affairs officially announced that Estonia is no longer party to the UCC. Accession to this convention was never seriously discussed.

2. Legislation in Force

2.1. CONSTITUTIONAL BASIS FOR COPYRIGHT

Estonia has a constitutional basis for the protection of copyright. Section 39 of the Constitution of 1992 reads: “An author has the inalienable right to his or her work. The state shall protect the rights of the author.”

This wording of the constitutional clause concerning the protection of intellectual property has brought about some criticism in Estonian legal literature. For this reason, the Committee for the Legal Expert Analysis of the Constitution, set up by an order of the Estonian Government in 1996, has proposed that this clause be amended as follows: “An author has the right to his or her work. Such right shall be protected by law.”

Another constitutional clause, § 25 of the Constitution, serves as a guarantee for authors: “Everyone has the right to compensation for moral or economic damage caused by the unlawful action of any other person.” According to the Committee for the Legal Expert Analysis of the Constitution, this section also needs amendment. The new proposed version is as follows: “Everyone has, in the cases and pursuant to the procedure established by law, the right to compensation for moral or economic damage caused by the unlawful action of any other person.” The new version restricts the possibilities to demand compensation for moral damage only to the cases directly established by law. As the current Copyright Act includes provisions on compensation for moral damage in the case of copyright infringement, this amendment does not affect copyright protection.

The provisions of an international agreement signed by the Republic of Estonia may have direct effect if the national law is contrary to the agreement. In such case, the provisions of the international agreement which form part of the Estonian legal system are directly applicable (§ 123 of the Constitution; § 2(2) of the Copyright Act).

2.2. GENERAL OVERVIEW OF COPYRIGHT LEGISLATION

The currently effective Copyright Act (CA) was passed on 11 November 1992 and entered into force on 12 December 1992. Several implementation Acts were adopted by the Government based on the Copyright Act. In January 1995, amendments were made to the Criminal Code (§ 136) and the Code of Administrative Offences. Section 184 of the Code of Administrative Offences established administrative liability for infringement of copyright or related rights. On 21 January 1999, the Copyright Act, Code of Administrative Offences, Criminal Code, Consumer Protection Act and Customs Act Amendment Act was passed and entered into force on 15 February 1999. Besides the aforementioned general copyright legislation, several provisions concerning copyright can be found in the Broadcasting Act (1994), Advertising Act (1998) and Industrial Designs Protection Act (1998).

On 26 October 1994, Estonia rejoined the Berne Convention in its last revision, the 1971 Paris Act. Compared to 1927, national implementation of the re-accession decision was easier, although not unanimous. The first accession Act passed by the parliament on 6 April 1994 was not proclaimed by the President and only the second Act passed by the parliament on 18 May 1994 became law. There was no major debate in the question of joining as such, rather about the retroactive protection of foreign works after accession. The Berne Convention is administered by the World Intellectual Property Organisation (WIPO). Estonia is a member of the WIPO since 5 February 1994.

In 1991, the Estonian Authors Association (Eesti Autorite Ühing, EAU) was established as a legal successor to the Authors Protection Association of 1932. There are several other organisations unifying holders of copyright or related rights but their activities are still in the initial stages.

2.3. SOME REMARKS ON THE COPYRIGHT ACT OF 1992

The Copyright Act of 1992 is the first Estonian Copyright Act in the history of Estonia drafted by Estonian lawyers. It is based on the 1971 Paris Act of the Berne Convention and the WIPO’s model copyright law. At the time of its passage in 1992, the Act complied with all international and a majority of European Union standards. The Act provided protection for computer programs and collections of data (databases). Authors were granted a broad catalogue of personal (moral) rights and economic rights, including rental and lending rights. No exhaustion was...
applied to the distribution right (including rental right) held by the author of a computer program, audiovisual work or a fixation of a work on a phonogram. The economic rights of an author may be assigned or an exclusive or non-exclusive licence may be granted.\(^{20}\)

As the Act contains a special chapter on related rights (Chapter VIII), it was drafted in compliance with the 1961 Rome Convention (International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations).

However, at present the Copyright Act no longer complies with some international and EU standards and needs amendment. During the six years from its adoption, no substantial amendments were made to the Act except for a few factual changes.

The first major revision occurred in January 1999 mainly concerning the enhancement of the fight against copyright piracy, and also the collective management of rights. Why has the Act not been amended for such a long period? During the last five years, little attention has been paid to copyright and related rights at state level. The Ministry of Culture which, according to its Statutes (1996), “co-ordinates and organises activities in the field of copyright pursuant to the Copyright Act” has not shown initiative in developing the field. A lack of specialists in the copyright field working for the government should also be mentioned. The Estonian Authors Association has been the main pressure group in recent years. Outside Estonia, the governments and non-governmental organisations of the USA, Finland and the European Commission, as well as bilateral and multilateral accession negotiations aimed at joining the World Trade Organisation (WTO) and the European Union have insisted on strengthening the legal basis and enforcement mechanism for fighting against piracy.\(^{21}\)

\section*{2.4. OVERVIEW OF SOME AMENDMENTS MADE TO THE COPYRIGHT ACT IN JANUARY 1999}

Amendments made by the 21 January 1999 Act are mainly directed towards the protection of rights and specification of liability (first and foremost, in the context of the fight against piracy), elaboration of the provisions concerning the collective management of rights and the implementation of the Act. Chapter IX Collective Management of Rights and Chapter X Protection of Rights and Liability of the Act have been thoroughly amended and Chapter XI Implementation of Act has been added. Amendments to the Code of Administrative Offences, Criminal Code, Consumer Protection Act and Customs Act cover, in addition to copyright, some industrial property and trade issues (including violations of rules for trading with intellectual property products at markets or in streets).

The 1992 text of the Copyright Act did not provide a direct answer to the question of whether works created before the entry into force of the Act (12 December 1992) are also protected under copyright during the full term of protection. The 1999 amendments make it crystal clear (§ 88) that such works are protected under copyright within the whole term of copyright which, as a rule, is the life of the author plus 50 years after his or her death.

The issue concerning the retroactivity of related rights has also often been discussed: are related rights in performances, phonograms, radio and TV broadcasts which were created before 12 December 1992 protected? Related rights were not protected at all in Estonia before the entry into force of the Copyright Act of 1992. Now there is a clear answer: related rights are protected during the entire term of protection (as a rule, for fifty years (§ 88)).

Protection provided by the Copyright Act is retroactive; materials which were not protected before 12 December 1992 are now protected. However, the Act only applies to instances of use starting from 12 December 1992. The Act does not apply to use that occurred earlier (for example, no remuneration can be claimed retroactively for use of works or phonograms that occurred before 12 December 1992).

The majority of amendments made by the Act of 21 January 1999 concern infringements of copyright or related rights, including the fight against piracy.

The amended version of the Estonian Copyright Act contains the legal definition of pirated copy. According to § 10:

\begin{enumerate}
\item \textbf{(1)} For the purposes of this Act, “pirated copy” means a copy, in any form and with or without the corresponding packaging, of a work or object of copyright related rights which is reproduced without the consent of the author of the work, holder of copyright or holder of related rights.
\item \textbf{(2)} A copy of a work or object of related rights which has been reproduced in a foreign country with the consent of the author of the work, holder of copyright or holder of related rights but which is imported into Estonia without the consent of the author of the work, holder of copyright or holder of related rights is also deemed to be a pirated copy."
\end{enumerate}

The definition is, in principle, in compliance with the definition laid down in Article 51, Footnote 14 (b) of the GATT TRIPS Agreement.\(^{22}\) The amended version of § 26(2) of the Estonian Customs Act\(^{23}\) also refers to the legal definition in the Copyright Act.

The main emphasis in the fight against violations of intellectual property rights by natural persons is on criminal law. Sections 184\(^{4}\) (copyright and related rights) and 1845 (industrial property) of the Code of Administrative Offences have been repealed. Section 136 of the Criminal Code has also been repealed and its Special Part was amended by addition of Chapter 15 Criminal Offences against Intellectual Property.

Sections 82-84 of the amended Copyright Act provide
for the administrative liability of legal persons. For example, a fine between 250,000 - 500,000 kroons is imposed on a legal person for the manufacture of pirated copies (§ 83(6)). A natural person is punished for the manufacture of pirated copies by a fine or by imprisonment for up to three years (§ 280(3) of the Criminal Code). The same applies to the unlawful reproduction of computer programs.

If a natural person infringes copyright or related rights in the interests of a legal person, the natural person may be held criminally liable concurrently with the application of administrative liability for the legal person (§ 82(1) of the Copyright Act).

Chapter 11 of the Code of Administrative Offences, Administrative Offences in the Field of Internal Market and Finance, contains several relevant amendments that also concern the fight against pirated goods. Under the General Rules for Trading at Markets or in Streets approved by the Government of the Republic Regulation of 18 February 1998, it is prohibited to offer or sell pre-recorded or blank audio and video recording devices (tapes, cassettes, etc.) and sound carriers (vinyl records and CDs), and computer programs on discs or CD-ROMs or installed on hard drives, at markets or in streets. A fine or administrative detention is imposed for keeping such goods at a place of sale or for selling them (§ 133 of the Code of Administrative Offences).

The importation or exportation of pirated copies is treated as a violation of the customs rules (§ 82(2) of the Copyright Act); the liability of a legal person for such an offence is provided by the Customs Act (§ 69). The following controversial provision was removed from the Customs Act: “The customs authority shall prevent the importation or exportation of counterfeit goods and pirated goods at the written request of a court and shall inform the declarant of the prevention of the importation or exportation of such goods” (§ 26(5)). As the role of the court in customs procedures was not clear, the corresponding section of the Customs Act was not used in practice. Now the customs authorities must detain counterfeit and pirated goods. Furthermore, the customs authorities have the right to seize them (§ 69(8) of the Customs Act).

A fine or imprisonment for up to three years is imposed for the importation or exportation of pirated copies by a natural person (§ 280(4) of the Criminal Code).

The criminal liability of a natural person (§ 281 of the Criminal Code) and the administrative liability of a legal person (§ 83(4) of the CA) are prescribed for the manufacture, acquisition, possession, use, carriage, sale or transfer of technical means or equipment designed for the removal of protective measures against the illegal reproduction of works or against the illegal reception of signals transmitted via satellite or cable.

New amendments to the Copyright Act and related Acts also contain provisions on seizure, ascertainment of pirated copies and other relevant issues which are important in fighting piracy.

3. Perspectives for Development of Estonian Copyright Law

3.1. GENERAL REMARKS

Important changes and developments are envisaged for 1999, as was the case in 1992 when the Copyright Act presently in force was adopted. In addition to amendments made to the Copyright Act by the Act of 21 January 1999, new amendments are necessary. The aim of a new Act or Acts is to harmonise Estonian legislation with five effective copyright directives of the European Union, two new directives still to be adopted, the 1996 WIPO treaties and the GATT TRIPS Agreement. So, the future developments of Estonian copyright legislation stem directly from the duty to fulfill international obligations. A working group was established in 1998 at the Ministry of Culture to draft amendments to the Copyright Act and related Acts. The working group presented the new draft amendments to the Ministry of Culture in July 1999. Several foreign experts from Sweden and Germany participated in the harmonisation exercise.

As the new amendments affect the whole Copyright Act, the Ministry of Justice has proposed to pass a completely new Act instead of amending the 1992 text. The Ministry of Culture plans to draft the new Act after adoption of new EU copyright directives which are currently pending, and after a thorough analysis of the practice of implementation of the 1992 Act and of corresponding foreign experience.

3.2. ESTONIA AND THE EU

The harmonisation of Estonian copyright legislation with the corresponding EU legislation is based on Article 66 and Annex IX of the Association Agreement (the Europe Agreement) which entered into force on 1 February 1998. Article 66(2) reads: “Estonia shall continue to improve protection of intellectual, industrial and commercial property rights in order to provide, by 31 December 1999, for a level of protection similar to that existing in the Community, including effective means of enforcing such rights.”

Another requirement to be met by 31 December 1999 is that Estonia should join the conventions set out in Annex IX. As Estonia is party to the Berne Convention, this obligation also includes accession to the 1961 Rome Convention (International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations).

Negotiations with the EU regarding Estonia’s possible accession started in March 1998 with the so-called screening exercise. During the negotiations, intellectual property is a topic to be dealt with under the chapter of company law. Two screening sessions were successfully completed.
in 1998 and it was concluded that there should be no obstacles to prevent full harmonisation with the five EU directives. These directives are:


Council Directive of 19 November 1992 on rental right and lending right and on certain rights related to copyright in the field of intellectual property (92/100/EEC);

Council Directive of 27 September 1993 on the coordination of certain rules concerning copyright and rights related to copyright applicable to satellite broadcasting and cable retransmission (93/83/EEC);

Council Directive of 29 October 1993 harmonising the term of protection of copyright and certain related rights (93/98/EEC);


As for the draft directives of the EU, they will be harmonised after their adoption.

In the documents underlying the harmonisation of legislation — the Accession Partnership and Estonian National Work Program for the Adoption of the acquis — intellectual property is mentioned as one of the priorities in 1999.

3.3. ESTONIA AND THE NEW WIPO TREATIES

On 20 December 1996, two new international agreements were concluded in Geneva: the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty. Estonia signed these treaties on 29 December 1997. By that date, the treaties had been signed by 51 and 50 countries, respectively. The treaties have not yet been ratified by the Riigikogu as several amendments to the Copyright Act are necessary. According to the position of the Ministry of Culture, it would be more useful to adopt amendments to the Copyright Act as a package after the adoption of the European Parliament and Council Directive on the harmonisation of certain aspects of copyright and related rights in the Information Society. This directive harmonises the WIPO Treaties within the EU.

3.4. ESTONIA AND THE WTO

In 1994, the most extensive international agreement on intellectual property was concluded as part of the Marrakesh Agreement Establishing the World Trade Organisation (WTO). This Agreement is commonly known as the GATT TRIPS Agreement (Agreement on Trade-related Aspects of Intellectual Property Rights) and it was drafted within the framework of the General Agreement on Tariffs and Trade (GATT) Uruguay Round.

Estonia has an observer status in GATT since June 1992 and applied for membership in March 1994. In January 1995, the WTO General Council transformed the GATT Accession Working Party into a WTO Accession Working Party. The bilateral and multilateral negotiations for joining the WTO were concluded on 21 May 1999 with the signing of the Protocol of Accession of Estonia to the Marrakesh Agreement Establishing the World Trade Organisation by the Estonian Minister of Foreign Affairs.

One of the special topics on the agenda during the negotiations has been intellectual property. In the field of copyright and related rights, three main formal requirements have been raised: an effective fight against piracy (adoption of corresponding legislation, and implementation and enforcement of the legislation), and accession to the 1961 Rome Convention and the 1971 Geneva Phonograms Convention (Convention for the Protection of Producers of Phonograms against Unauthorised Duplication of Their Phonograms). During the negotiations, the representative of Estonia stated that Estonia would fully apply all the provisions of the GATT TRIPS Agreement from the date of its accession to the WTO, without recourse to any transition period.

The Act of 21 January 1999 has set a solid legal basis for the fight against piracy. The police, customs, courts and other enforcement institutions have made great progress, but more will still have to be done in the future. Preparations have been made to join the Rome Convention and the Geneva Convention in 1999. After the completion of national formalities by the Riigikogu, there would seem to be no obstacles to Estonia becoming a full member of the WTO in 1999.

3.5. NEW ESTONIAN CIVIL CODE

For various historical and political reasons, Estonia serves as an example of a country where classical civil law enjoys a particular privileged status and is, in some respects, a matrix in building up the entire legal system.


The new draft Law of Obligations Act with its nearly 1200 sections in the general and special part covers the whole law of obligations. The adoption of the Act will bring along several changes in copyright legislation. These changes mainly concern copyright contracts as the Law of Obligations Act will include a special chapter on licensing contracts.

Conclusion

Copyright has quite a long history in the Estonian cultural and legal traditions although its history is somewhat
controversial. The 1990s have been the most effective period for new legislation and legal thinking, of which 1992 and 1999 have been years of major reforms. It can be stated that the future development of Estonian copyright law and related rights law will mainly be determined by fulfilling obligations of international agreements. By the end of 1999, Estonia is expected to harmonise its legislation with the five EU copyright directives and the requirements of the GATT TRIPS Agreement, as well as to pass Acts to join the 1961 Rome Convention and the 1971 Geneva Convention. After the adoption of the EU directive on copyright in the information society, some fundamental amendments will be added, harmonising the two WIPO treaties of 1996 at the same time.

The development of Estonian copyright law is affected by general tendencies present in the Estonian legal system. The adoption of the Law of Obligations Act which forms Part 5 of the new Civil Code will bring along several changes in copyright legislation. These changes mainly concern copyright contracts. The new legislation on telecommunications, broadcasting, cable networks, libraries, etc. also has some influence on copyright. The Copyright Act in force needs some fundamental amendments arising from practical experience. Although new national legislation, in particular the Civil Code, affects copyright legislation, its influence is not as marked as that of international developments. It is likely that work on drafting a completely new Copyright Act will start in 1999 or 2000.

Notes:
3. I.A. Kantorovich. Avtorskoye pravo na literaturnymy, muzikalnymy, khudozh-
estvennymy i fotograficheskiy proizvedeniya. (Copyright on Works of Literature, Music, Art and Photography.) St. Petersburg, 1911, pp. 72-104, 374-415.
6. SP SSSR 1973, 24, 139. See also M. Boguslavski. Rahvusvaheline autoróiõ-
14. RT I 1999, 10, 156. The consolidated text of the Copyright Act is in RT I 1999, 36, 469.
23. RT I 1998, 3, 54; 36/37, 552, 51, 756; 1999, 10, 156.
24. 1 US dollar equals 14.5 EEK as at 4 August 1999.
25. RT I 1998, 70, 1179.
30. Riigikogu = the parliament of Estonia