

# **The removal of an indicative list of third countries that qualify for reciprocal treatment with regard to Artist's Resale Right**

**Department of Business, Energy and Industrial Strategy/Intellectual Property Office**

**RPC rating: fit for purpose**

## **Description of proposal**

This PIR reviews a correction to the UK's implementation of the Artist's Resale Right Directive 2001/84/EC. The directive ensures that artists and their heirs receive a percentage of sales when a qualifying artwork is sold through an art market professional. The UK's original implementation of the Directive included a list of third-party countries whose artists could also benefit under the Directive. Their percentages of sales were collected and distributed by "collecting societies" organised on a national basis. The measure corrected this list to ensure it was fully compliant with the qualifying criteria set out in the final Directive.

## **Impacts of proposal**

The original IA identified one collecting society operating in the UK that would no longer be able to collect from art market professionals for Russian artists (Russia was listed in the UK's indicative list of non-EU countries, but was not included in the final Directive text). The original IA suggested that there would be a saving of £100,000 per annum to the UK market but this was considered cost neutral as there would be a cost to a Russian collecting society of £100,000. Since the measure was introduced the Russian collecting society no-longer exists.

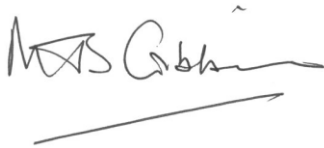
## **Quality of submission**

Given the small scale of the estimated impacts, a very light-touch review is appropriate. The regulator has frequent contact with stakeholders and has not been notified of any adverse consequences of this measure being in place. The regulator has considered various options for additional evidence gathering but has rejected these on grounds of proportionality. The IPO explained its approach in more detail in a confidential note seen by the RPC.

Departmental recommendation	Keep
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### RPC assessment

Is the evidence in the PIR sufficiently robust to support the departmental recommendation?	Yes
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**Michael Gibbons CBE**, Chairman