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# Why a reform of hosting providers' safe harbour is unnecessary under EU copyright law

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## **Abstract**

In the context of its Digital Single Market Strategy (DSMS) the EU Commission is currently engaged in a discussion of whether the liability principles and rules envisaged by Directive 2000/31 (the Ecommerce Directive) should be amended. One of the principal concerns in relation to unlicensed online intermediaries (notably unlicensed hosting providers) is that these have been increasingly said to invoke the safe harbour immunities in the Ecommerce Directive lacking the conditions for their application. This alleged abuse has led to a distortion of the online marketplace and the resulting ‘value gap’ indicated by some rightholders.

This contribution discusses a recent proposal advanced in France which asks to remove the safe harbour protection pursuant to Article 14 of the Ecommerce Directive for hosting providers that give access to copyright works.

After addressing some of the points raised by the French proposal, this work concludes that the Court of Justice of the European Union (CJEU) has not erred in its interpretation of relevant provisions of the Ecommerce Directive and that – in practice – the removal of safe harbour protection for passive hosting providers that give access to copyright works would not provide any distinct advantages to rightholders. Overall, the current framework already provides an adequate degree of protection: what is required is a rigorous application by national courts of the principles enshrined in the Ecommerce Directive, as interpreted by the CJEU.

## **Introduction: the current EU policy debate**

In 2015 the EU Commission released its Digital Single Market Strategy<sup>1</sup> (DSMS), in which it presented steps towards the realisation of a connected digital single market to generate additional growth in Europe in the course of its mandate. The DSMS intends to tackle a number of areas, including ecommerce, telecoms, cross-border sales, interoperability and standardisation, copyright and intellectual property (IP) enforcement.

With regard to the latter two, the DSMS addresses the role of online intermediaries and the relevant liability system as included in Directive 2000/31<sup>2</sup> (the Ecommerce Directive) and known as ‘safe harbour’ regime. On the one hand, internet intermediary service providers are not liable for the content that they transmit, store or host, as long as they act in strictly a passive manner. On the other hand, upon obtaining knowledge of the unlawful nature of relevant content, intermediaries must act expeditiously to remove or disable access to it.<sup>3</sup>

While acknowledging the relevance of the safe harbour regime for “the development of the Internet in Europe”<sup>4</sup>, the DSMS highlights some of the alleged shortcomings of the current system, including: the number of false positives and false negatives; differences in national practices; and difficulties in identifying the boundaries of intermediaries’ liabilities.<sup>5</sup> With particular regard to the latter, the Commission announced that it would assess whether it is necessary “to require intermediaries to exercise greater responsibility and due diligence in the way they manage their networks and systems – a duty of care.”<sup>6</sup>

As one of the follow-ups to its DSMS, in Autumn 2015 the EU Commission launched a public consultation on platforms and online intermediaries.<sup>7</sup> Among other things, the

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<sup>1</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, *A digital single market strategy for Europe*, COM(2015) 192 final.

<sup>2</sup> Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market, OJ L 178, 1-16.

<sup>3</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, *A digital single market strategy for Europe*, cit, §3.3.2.

<sup>4</sup> *Ibid.*

<sup>5</sup> *Ibid.*

<sup>6</sup> *Ibid.*

<sup>7</sup> European Commission, *Public consultation on the regulatory environment for platforms, online intermediaries, data and cloud computing and the collaborative economy*, 24 September 2015, available at [http://ec.europa.eu/newsroom/dae/document.cfm?doc\\_id=10932](http://ec.europa.eu/newsroom/dae/document.cfm?doc_id=10932).

Commission sought views on whether the liability regime envisaged by the Ecommerce Directive is still fit for purpose<sup>8</sup>, and intermediaries should be required to exert a greater duty of care.<sup>9</sup>

Following the conclusion of the public consultation in early 2016, the Commission published a report on the responses received (1,034 through the official form).<sup>10</sup> Although the majority of respondents submitted that the existing liability principles under the Ecommerce Directive are appropriate, views were divided regarding some aspects of the intermediary liability regime. This is notably so with regard to: the concept of a mere “technical, automatic and passive nature” of information transmission by information society service providers pursuant to Recital 42 in the preamble to the Ecommerce Directive; the need to clarify existing categories of intermediary services in the Ecommerce Directive (these being currently mere conduit, caching, and hosting) and/or the potential need to establish further categories of intermediary services; the need to impose a specific duty of care regime in relation to certain categories of illegal content.<sup>11</sup> According to rightholders, the unclear liability framework – together with uncertainties surrounding the scope of certain exclusive rights such as the right of communication to the public – negatively affects licensing and has ultimately resulted in an imbalance in the online marketplace in favour of intermediaries (also known as ‘value gap’).<sup>12</sup> As such, the Commission should take action to clarify the rules applicable to online platforms that use protected content.<sup>13</sup> Similar concerns were echoed by the Commission itself in its Communication entitled *Towards a more modern, more European copyright framework*, released in late 2015. There the Commission highlighted

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<sup>8</sup> *Ibid*, 18.

<sup>9</sup> *Ibid*, 21.

<sup>10</sup> European Commission, *Synopsis report on the public consultation on the regulatory environment for platforms, online intermediaries and the collaborative economy*, available at [http://ec.europa.eu/newsroom/dae/document.cfm?doc\\_id=15877](http://ec.europa.eu/newsroom/dae/document.cfm?doc_id=15877), 4.

<sup>11</sup> *Ibid*, 1.

<sup>12</sup> See, eg, International Federation of the Phonographic Industry, *Global music report 2016*, available at <http://www.ifpi.org/downloads/GMR2016.pdf>, 8.

<sup>13</sup> European Commission, *Synopsis report on the public consultation on the regulatory environment for platforms, online intermediaries and the collaborative economy*, *cit*, 11.

how the activities of some intermediaries may go beyond simple hosting or mere conduit of content and, as such, would not be eligible for the safe harbour exemptions.<sup>14</sup>

As a direct follow-up to the platforms and online intermediaries public consultation, in mid-2016 the Commission released its Communication on *Online Platforms and the Digital Single Market*.<sup>15</sup> In this document the EU Commission announced that, while “maintain[ing] a balanced and predictable liability regime for online platforms” (possibly to be intended as the one currently envisaged by the Ecommerce Directive)<sup>16</sup>, it will also: address the issue of ‘value gap’ through sector-specific regulation in the area of copyright; assess the role of intermediaries in the IP enforcement process; and engage with platforms in setting up and applying voluntary cooperation mechanisms pursuant to the approach known as ‘follow the money’.<sup>17</sup> The Communication highlights how “[p]roviding more clarity to online platforms with regard to the exemption from liability for intermediaries under that Directive in light of any such voluntary measures taken by them would, therefore, be important in enabling them to take more effective self-regulatory measures.”<sup>18</sup>

From the preceding discussion it appears that in relation to intermediaries’ activities the principal concern is two-fold: ‘false’ intermediaries and ‘non-(sufficiently-)collaborative’ intermediaries. On the one hand, some infringing intermediaries have allegedly invoked the safe harbour immunities lacking the conditions for the application of relevant provisions under the Ecommerce Directive, notably Article 14. This alleged abuse has led to a distortion of the online marketplace and the resulting ‘value gap’ indicated by rightholders. On the other hand, despite the wording of the Ecommerce Directive (in particular Recitals 40 and 49 in the preamble thereof, as well as Article 16) some intermediaries have at times refrained

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<sup>14</sup> European Commission, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, *Towards a modern, more European copyright framework*, COM(2015) 626 final, §4.

<sup>15</sup> European Commission, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, *Online platforms and the Digital Single Market – Opportunities and Challenges for Europe*, COM(2016) 288/2.

<sup>16</sup> *Cf ibid.*, 9: “The Commission will maintain the *existing* intermediary liability regime while implementing a sectorial, problem-driven approach to regulation” (emphasis added).

<sup>17</sup> *Ibid.*, 8.

<sup>18</sup> *Ibid.*, 9.

from setting up cooperation mechanisms with rightholders, fearing that this intervention would render them no longer neutral and, therefore, ineligible for safe harbour protection.

The present contribution will address the first concern, ie infringing ‘false’ intermediaries unduly invoking safe harbour protection. It will discuss how the current legal framework – as interpreted in relevant case law of the Court of Justice of the European Union (CJEU) – already addresses the concerns raised by rightholders, and provides adequate and clear tools to pierce the veil of safe harbour protections when these are abused.

This contribution is structured as follows: following the presentation of a recent proposal in France aimed at removing safe harbour protection pursuant to Article 14 of the Ecommerce Directive for hosting providers that give access to copyright works, some of the points raised by the French proposal will be addressed. These include: the allegedly different liability regime (notably: exemptions from and limitations of liability) applicable to different categories of intermediaries; the seemingly incorrect application by the CJEU of relevant principles included in the Ecommerce Directive; and the effects of removing safe harbour protection for hosting providers that give access to copyright works.

This work holds the view that the CJEU has not erred in its interpretation of relevant provisions of the Ecommerce Directive and that – in practice – the removal of safe harbour protection for passive hosting providers that give access to copyright works would not provide any distinct advantages to rightholders. Overall, the current framework already provides an adequate degree of protection: what is required is a rigorous application by national courts of the principles enshrined in the Ecommerce Directive, as interpreted by the CJEU.

## **I. A French proposal**

In 2015 France's Conseil supérieur de la propriété littéraire et artistique (High Council For Literary and Artistic Property) gave mandate to a mission led by Pierre Sirinelli to explore what changes could be proposed at the EU level to enable “the effective enforcement of copyright and related rights in the digital environment particularly on platforms which disseminate protected content.”<sup>19</sup> The mission concluded that, although it may not be appropriate to reform the liability framework under the Ecommerce Directive in relation to mere conduit and caching, it is necessary to clarify that the immunity in Article 14 therein does not apply to information society service providers whose role extends beyond that of a technical service provider as defined in that directive. Article 14 of the Ecommerce Directive states:

“1. Where an information society service is provided that consists of the storage of information provided by a recipient of the service, Member States shall ensure that the service provider is not liable for the information stored at the request of a recipient of the service, on condition that:

(a) the provider does not have actual knowledge of illegal activity or information and, as regards claims for damages, is not aware of facts or circumstances from which the illegal activity or information is apparent;

or

(b) the provider, upon obtaining such knowledge or awareness, acts expeditiously to remove or to disable access to the information.

2. Paragraph 1 shall not apply when the recipient of the service is acting under the authority or the control of the provider.

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<sup>19</sup> High Council For Literary and Artistic Property, *Mission to link Directives 2000/31 and 2001/29 – Report and proposals* (3 November 2015), available at <http://www.culturecommunication.gouv.fr/content/download/133593/1443271/version/1/file/CSPLA,%20mission%20to%20link%20directives%202000-31%20and%202001-29.pdf>, 2.

3. This Article shall not affect the possibility for a court or administrative authority, in accordance with Member States' legal systems, of requiring the service provider to terminate or prevent an infringement, nor does it affect the possibility for Member States of establishing procedures governing the removal or disabling of access to information.”

The allegedly incorrect application of the regime envisaged by Article 14 to “false hosting providers”<sup>20</sup> has occurred because of the incorrect approach that the CJEU took in *Google France v Luis Vuitton*<sup>21</sup> (*Google France*). In that 2010 decision the CJEU linked the interpretation of Article 14 to Recital 42 in the preamble to the Ecommerce Directive. The latter states that:

“The *exemptions* from liability established in this Directive cover only cases where the activity of the information society service provider is limited to the technical process of operating and giving access to a communication network over which information made available by third parties is transmitted or temporarily stored, for the sole purpose of making the transmission more efficient; this activity is of a mere technical, automatic and passive nature, which implies that the information society service provider has neither knowledge of nor control over the information which is transmitted or stored.”<sup>22</sup>

In its *Google France* decision, the CJEU held that that:

“it follows from recital 42 in the preamble to Directive 2000/31 that the exemptions from liability established in that directive cover only cases in which the activity of the information society service provider is ‘of a mere technical, automatic and passive

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<sup>20</sup> *Ibid*, 3.

<sup>21</sup> *Google France SARL and Google Inc v Louis Vuitton Malletier SA* (C-236/08), *Google France SARL v Viaticum SA and Luteciel SARL* (C-237/08) and *Google France SARL v Centre national de recherche en relations humaines (CNRRH) SARL and Others* (C-238/08), EU:C:2010:159.

<sup>22</sup> Emphasis added.



nature’, which implies that that service provider ‘has neither knowledge of nor control over the information which is transmitted or stored’.

Accordingly, in order to establish whether the liability of a referencing service provider may be limited under Article 14 of Directive 2000/31, it is necessary to examine whether the role played by that service provider is neutral, in the sense that its conduct is merely technical, automatic and passive, pointing to a lack of knowledge or control of the data which it stores.”<sup>23</sup>

According to the proposal, in the first place Recital 42 in the preamble to the InfoSoc Directive would be only applicable to mere conduit and caching providers. It is Recital 46 that would instead relate to hosting providers, setting up – moreover – not an ‘exemption’ from liability (as Recital 42 does) but rather a ‘limitation’:

“In order to benefit from a *limitation* of liability, the provider of an information society service, consisting of the storage of information, upon obtaining actual knowledge or awareness of illegal activities has to act expeditiously to remove or to disable access to the information concerned; the removal or disabling of access has to be undertaken in the observance of the principle of freedom of expression and of procedures established for this purpose at national level; this Directive does not affect Member States' possibility of establishing specific requirements which must be fulfilled expeditiously prior to the removal or disabling of information.”<sup>24</sup>

In any case, even assuming that Recital 42 was applicable,

“in recital 42, the Directive states that in order to occupy a passive role, the service provider must have neither knowledge of nor control over the information. But this

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<sup>23</sup> *Google France SARL and Google Inc v Louis Vuitton Malletier SA* (C-236/08), *Google France SARL v Viaticum SA and Luteciel SARL* (C-237/08) and *Google France SARL v Centre national de recherche en relations humaines (CNRRH) SARL and Others* (C-238/08), *cit.*, [113]-[114]. According to D Lievens, ‘eBay’s accessory liability for counterfeiting – why joint tort liability just doesn’t cut the mustard’ (2011) 42(5) IIC 507, 527, in *Google France* the CJEU “suggested a very restrictive interpretation of Art. 14(1) of the E-Commerce Directive by stipulating that the liability exemption would only apply to service providers who had “not played an active role of such a kind as to give it knowledge of, or control over, the data stored”.”

<sup>24</sup> Emphasis added.

does not mean that the service provider is necessarily passive just because it does not have knowledge and/or control of the information, or likewise that the service provider must have knowledge and control of the information in order to play an active role (as stated by the CJEU).

In other words, the condition set out by recital 42 is necessary but insufficient.”<sup>25</sup>

As such, the proposal asks to clarify at the EU level that intermediaries whose intervention consists of giving access to the public to copyright works and/or other subject-matter (including through the use of automated tools) do not fall within the scope of Article 14 of the Ecommerce Directive.<sup>26</sup> To this end and among other things, it advocates the introduction of a new provision (Article 9a) into Directive 2001/29<sup>27</sup> (the InfoSoc Directive). This would be to the effect that these intermediaries would need to obtain permission from the relevant rightholders to make their copyright works available to the public. This is because they – either alone or with the participation of users of their services – are said to implement the rights set out by Articles 2 (reproduction right) and 3 (right of communication to the public of works and right of making available to the public other subject-matter) thereof. Such permission would cover acts performed by users of their services when they send the copyright works and/or subject-matter to such intermediaries, as long as these users are not acting in a professional capacity.<sup>28</sup>

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<sup>25</sup> High Council For Literary and Artistic Property, *Mission to link Directives 2000/31 and 2001/29 – Report and proposals*, cit, 5.

<sup>26</sup> It is unclear whether the notion of ‘copyright works’ in the French proposal encompasses all works or only certain types, as at one point it is stated – without elaborating further as to why this is the case – that “the specific nature of *literary and artistic property rights* provides a solid basis for the rejection of Article 14 of the E-Commerce Directive when copyright and related rights are applied by certain service providers” (High Council For Literary and Artistic Property, *Mission to link Directives 2000/31 and 2001/29 – Report and proposals*, cit, 8-9, emphasis added).

<sup>27</sup> Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonisation of certain aspects of copyright and neighbouring rights in the information society, OJ L 167, 10-19.

<sup>28</sup> High Council For Literary and Artistic Property, *Mission to link Directives 2000/31 and 2001/29 – Report and proposals*, cit, 11: “Article 9a: Linking of Directives 2000/31 and 2001/29 - Without prejudice to Articles 12 and 13 of the Directive on electronic commerce, information society service providers that give access to the public to copyright works and/or subject-matter, including through the use of automated tools, do not benefit from the limitation of liability set out by Article 14 of said Directive. These service providers must obtain permission from the relevant rightholders as they, either alone or with the participation of users of their services, are implementing the rights set out by Articles 2 and 3. Such permission covers acts performed by users of their services when they send the copyright works and/or subject-matter to the aforementioned service providers in order to allow the access set out by sub-paragraph one, as long as these users are not acting in a professional capacity.”

Besides criticisms of the proposal focusing on – among other things – the risk of chilling effects on creativity and technological evolution<sup>29</sup>, it is submitted that this ‘clarification’ is unnecessary and possibly incorrect. This is so for a number of reasons. First, there is neither a substantial nor practical distinction between the notion of ‘exemption’ from and ‘limitation’ of liability in Recitals 42 and 46 in the preamble to the Ecommerce Directive. Secondly, the approach taken in *Google France* has been clarified further and correctly applied in relation to hosting providers in the later (2011) decision in *L’Oréal v eBay*<sup>30</sup> (*L’Oréal*). Thirdly, under the current understanding of exclusive rights – notably the right of communication to the public – passive hosting providers could not be in principle held primarily or jointly liable with users of their services for the unauthorised doing of acts restricted by copyright. This would be so even assuming that these intermediaries do not enjoy protection under Article 14 of the Ecommerce Directive.

## **II. The ‘exemption’ for hosting**

Recital 46 in the preamble to the Ecommerce Directive refers to a ‘limitation’ of liability rather than an ‘exemption’ as is instead under Recital 42. Although this approach is in line with the original Commission’s proposal for a directive on ecommerce<sup>31</sup>, the way in which the relevant articles in the directive (as eventually adopted) are drafted suggests that – in this context and having regard to the different conditions applicable to mere conduit, caching and hosting – there is no substantial or practical difference between the notions of ‘exemption’ from and ‘limitation’ of liability. In this sense, Articles 12 to 14 of the

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29 Commentaires des organismes professionnels membres du CSPLA sur le rapport relatif à l’articulation des directives 2000/31 et 2001/29 – Commentaires de l’Association des Services Internet Communautaires (ASIC), available at <http://www.culturecommunication.gouv.fr/content/download/130609/1420309/version/1/file/Commentaires%20des%20organisations%20membres%20-%20rapport%20articulation%20directives.pdf>, 3-4.

<sup>30</sup> *L’Oréal SA and Others v eBay International AG and Others*, C-324/09, EU:C:2011:474.

<sup>31</sup> Proposal for a European Parliament and Council Directive on certain legal aspects of electronic commerce in the internal market, COM/98/0586 final - COD 98/0325, on which see European Commission, *Electronic commerce: Commission proposes legal framework*, IP/98/999. In the same sense, see also European Commission, *Commissioner Bolkestein welcomes political agreement on electronic commerce Directive*, IP/99/952; and European Commission, *Electronic commerce: Commission welcomes final adoption of legal framework Directive*, IP/00/442.

Ecommerce Directive grant service providers an immunity from claims for damages caused by third-party users of their services.<sup>32</sup> Overall harmonisation of the rules on intermediaries' accessory liability was linked to the need of addressing existing and emerging disparities in Member States' legislation and case law that – as a result – were deemed to prevent the smooth functioning of the internal market.<sup>33</sup> The principal rationale of safe harbours is arguably the same for the three types of service providers regulated by the Ecommerce Directive, ie to “ensur[e] both the provision of basic services which safeguard the continued free flow of information in the network and the provision of a framework which allows the internet and e-commerce to develop.”<sup>34</sup> Overall it was believed that “[d]ifferent approaches in the legislation and case law emerging from Member States and the resulting legal uncertainty for cross-border activities gave rise to the risk of obstacles to the free provision of cross-border services.”<sup>35</sup>

Furthermore, relevant CJEU case law shows that employment of different terms in Recitals 42 and 46 of the Ecommerce Directive should not be intended as referring to distinct concepts. In relation to Article 14, in fact, in *Google France* both Advocate General (AG) Poiares Maduro in his Opinion<sup>36</sup> and the CJEU<sup>37</sup> referred to Article 14 as envisaging an ‘exemption’ from liability, rather than a ‘limitation’. Similarly, and possibly in even stronger terms, in *L’Oréal* both AG Jääskinen in his Opinion<sup>38</sup> and the CJEU<sup>39</sup> referred consistently (and *solely*) to this provision as providing hosting providers with an ‘exemption’ from

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<sup>32</sup> C Angelopolous, *European intermediary liability in copyright: A tort-based analysis* (2016) PhD thesis defended on 22 April 2016 at the Instituut voor Informatierecht (IViR) – University of Amsterdam, available at <http://dare.uva.nl/document/2/17229943>, 43.

<sup>33</sup> Directive 2000/31/EC, *cit*, Recital 40. In the same sense, also Recital 16 in the Proposal for a European Parliament and Council Directive on certain legal aspects of electronic commerce in the internal market, COM/98/586 final - COD 98/0325.

<sup>34</sup> Report from the Commission to the European Parliament, the Council and the European Economic and Social Committee - First Report on the application of Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market (Directive on electronic commerce), COM/2003/0702 final, §65.

<sup>35</sup> *Ibid.*

<sup>36</sup> Opinion of Advocate General Miguel Poiares Maduro in *Google France SARL and Google Inc v Louis Vuitton Malletier SA* (C-236/08), *Google France SARL v Viaticum SA and Luteciel SARL* (C-237/08) and *Google France SARL v Centre national de recherche en relations humaines (CNRRH) SARL and Others* (C-238/08), EU:C:2009:569, particularly [128] and [135] (but *see* [127]).

<sup>37</sup> *Google France SARL and Google Inc v Louis Vuitton Malletier SA* (C-236/08), *Google France SARL v Viaticum SA and Luteciel SARL* (C-237/08) and *Google France SARL v Centre national de recherche en relations humaines (CNRRH) SARL and Others* (C-238/08), *cit*, [113] and [116].

<sup>38</sup> Opinion of Advocate General Niilo Jääskinen in *L’Oréal SA and Others v eBay International AG and Others*, C-324/09, EU:C:2010:757, §IX.

<sup>39</sup> *L’Oréal SA and Others v eBay International AG and Others*, *cit*, [108], [115], [116], [118]-[120], [122], [124].

liability, rather than a ‘limitation’. In relation to mere conduit providers, instead of referring to their ‘exemption’ from liability, in his recent Opinion in *Tobias Mc Fadden v Sony (Mc Fadden)*, AG Szpunar spoke of ‘limitation’<sup>40</sup> and ‘delimitation’<sup>41</sup> of liability.

While the substantial and practical implications of referring to intermediary immunities and limitations of or exemptions from (secondary/accessory) liability do not appear relevant, it should be recalled that in any case the so called ‘safe harbours’ do not shield intermediaries from injunctions.<sup>42</sup> These are available – in copyright cases – under Article 8(3) of the InfoSoc Directive and – in relation to IP rights other than copyright – the third sentence in Article 11 of Directive 2004/48/EC<sup>43</sup> (the Enforcement Directive).<sup>44</sup> In addition, as recalled above the various types of safe harbours are subject to different conditions depending on the type of service provider (mere conduit, caching, hosting) at hand, and Member States have transposed relevant provisions of the Ecommerce Directive differently into their own legal systems.<sup>45</sup> In particular, while Articles 12 and 13 have been transposed verbatim into several national laws, the same has not always occurred in relation to Article 14: some Member States have deviated from the wording of the directive, and this has resulted in inconsistent approaches at the level of national case law. In this sense, it appears that – rather than the wording of provisions in the Ecommerce Directive – a different scope of intermediaries’ immunities and the conditions for injunctions against them depends more on relevant provisions in Member States’ legislations and their interpretation at the judicial level. For instance, both UK (s97A of the Copyright, Designs and Patents Act) and Swedish (§53B of the Act on Copyright in Literary and Artistic Works) laws envisage a

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<sup>40</sup> Opinion of Advocate General Maciej Szpunar in *Tobias Mc Fadden v Sony Music Entertainment Germany GmbH*, [64], [65], [74], [83], [97], [99].

<sup>41</sup> *Ibid.*, [70].

<sup>42</sup> Opinion of Advocate General Maciej Szpunar in *Tobias Mc Fadden v Sony Music Entertainment Germany GmbH*, C-484/14, EU:C:2016:170, [68].

<sup>43</sup> Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights, L 195, 16-25.

<sup>44</sup> Further to Recital 59 in the preamble to the InfoSoc Directive, Member States also enjoy significant freedom in establishing relevant requirements for the injunctions available under national law: see M Husovec, ‘Injunctions against innocent third parties: the case of website blocking’ (2013) 4(2) JIPITEC 116, 118.

<sup>45</sup> T Verbiest – G Spindler – GM Riccio – A Van der Perre, *Study on the liability of internet intermediaries* (2007) Markt/2006/09/E – Service Contract ETD/2006/IM/E2/69, 33 ff.

‘knowledge’ requirement in their respective laws in relation to injunctions available against intermediaries in copyright cases. However, the interpretation of what ‘knowledge’ entails has diverged in these countries. On the one hand, in its landmark *Newzbin 2* decision the High Court of England and Wales clarified that ‘actual knowledge’ under s97A of the Copyright, Designs and Patents Act is to be intended as “knowledge of the *use of the service* to infringe, rather than upon the infringements committed thereby.”<sup>46</sup> On the other hand, the Stockholm District Court (Stockholms Tingsrätt) has recently interpreted ‘knowledge’ as requiring aiding and abetting third-party infringements in a criminal law sense.<sup>47</sup>

### **III. L’Oréal v eBay: the intermediary’s active role**

The CJEU clarified and elaborated upon the implications of *Google France* in its subsequent decision in *L’Oréal*. This was a reference for a preliminary ruling from the High Court of Justice of England and Wales, and had been made in the context of litigation between L’Oréal and online marketplace eBay over sale of counterfeit products over the latter’s platform. Among other things, the referring court had sought clarification regarding the scope of safe harbour protection pursuant to Article 14 of the Ecommerce Directive. More specifically, it had asked whether the service provided by the operator of an online marketplace is covered by Article 14 of the Ecommerce Directive, and, if so, in what circumstances it may be concluded that the operator of an online marketplace has ‘awareness’ within the meaning of that provision.<sup>48</sup>

The CJEU recalled the earlier decision in *Google France*, in which it held that to fall within the scope of Article 14 of the Ecommerce Directive it is essential that the provider at

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<sup>46</sup> *Twentieth Century Fox Film Corp and Others v British Telecommunications Plc* [2011] EWHC 1981 (Ch), [147] (emphasis in the original text).

<sup>47</sup> *Bredbandsbolaget v The Pirate Bay*, T15142-14 (27 November 2015) as commented in N Malovic, ‘Stockholm District Court refuses to issue blocking injunction against access provider’ (4 March 2016) The IPKat, available at <http://ipkitten.blogspot.co.uk/2016/03/stockholm-district-court-refuses-to.html>.

<sup>48</sup> *L’Oréal SA and Others v eBay International AG and Others*, cit [106].

hand is an intermediary provider within the meaning intended by EU legislature in the context of the Ecommerce Directive.<sup>49</sup> According to the Court,

“That is not the case where the service provider, instead of confining itself to providing that service neutrally by a merely technical and automatic processing of the data provided by its customers, plays an active role of such a kind as to give it knowledge of, or control over, those data”.<sup>50</sup>

By ‘active role’ in a case like the one at hand it is intended to provide “assistance which entails, in particular, optimising the presentation of the offers for sale in question or promoting them.”<sup>51</sup> It follows that it is not knowledge or its lack thereof that presupposes or denies an active role of the provider at hand, but rather the contrary: the application of Article 14 depends on whether the intermediary in question has played an active role, which is such as to give it knowledge or control over third-party activities.<sup>52</sup> Thus, the safe harbour for hosting providers is trumped by awareness of facts or circumstances on the basis of which a diligent economic operator should have realised that the relevant third-party content was unlawful and, in the event of it being so aware, failed to act expeditiously in accordance with Article 14(1)(b) of the Ecommerce Directive.<sup>53</sup> Lacking such active role, the ‘exemption’ from liability pursuant to Article 14 of the Ecommerce Directive should then in principle apply, subject to the conditions provided for in that provision. This conclusion is in line with the wording of the Ecommerce Directive, and is further confirmed by paragraphs 118 and 119 of the *L’Oréal* decision, in which the CJEU held that, should the referring court conclude that eBay has not played an active role, it would then be “for it to ascertain whether, in the

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<sup>49</sup> *Ibid*, [112], referring to *Google France SARL and Google Inc v Louis Vuitton Malletier SA* (C-236/08), *Google France SARL v Viaticum SA and Luteciel SARL* (C-237/08) and *Google France SARL v Centre national de recherche en relations humaines (CNRRH) SARL and Others* (C-238/08), *cit*, [112].

<sup>50</sup> *Ibid*, [113], referring to *Google France SARL and Google Inc v Louis Vuitton Malletier SA* (C-236/08), *Google France SARL v Viaticum SA and Luteciel SARL* (C-237/08) and *Google France SARL v Centre national de recherche en relations humaines (CNRRH) SARL and Others* (C-238/08), *cit*, [114] and [120].

<sup>51</sup> *Ibid*, [123]

<sup>52</sup> In the same sense, *see* E Bonadio, ‘Trade marks in online marketplaces: the CJEU’s stance in *L’Oréal v eBay*’ (2012) 18(2) *CTLR* 37, 40; D Lievens, ‘*L’Oréal v. eBay* – welcomed in France, resented in England’ (2012) 43(1) *IIC* 68, 71, submitting that “[i]f ... n online marketplace exercises a more active role in promoting offers for sale, their knowledge of, or control over, the content of those offers, including its trade mark infringing character, will be presumed.”

<sup>53</sup> *L’Oréal SA and Others v eBay International AG and Others*, *cit*, [124].

circumstances of the case before it, eBay met the conditions to which entitlement to the exemption from liability is subject under points (a) and (b) of Article 14(1) of Directive 2000/31”.<sup>54</sup> This means that:

“In situations in which that provider has confined itself to a merely technical and automatic processing of data and in which, as a consequence, the rule stated in Article 14(1) of Directive 2000/31 applies to it, it may none the less only be exempt, under paragraph 1, from any liability for unlawful data that it has stored on condition that it has not had ‘actual knowledge of illegal activity or information’ and, as regards claims for damages, has not been ‘aware of facts or circumstances from which the illegal activity or information is apparent’ or that, having obtained such knowledge or awareness, it has acted expeditiously to remove, or disable access to, the information.”<sup>55</sup>

The *L’Oréal* decision clarifies and reconciles *Google France* with the wording and aim of the Ecommerce Directive, and suggests a correct application of the principles embodied in the latter.

#### **IV. The removal of Article 14 safe harbour and intermediaries’ primary liability**

In addition to the points discussed above, even by removing the immunity pursuant to Article 14 of the Ecommerce Directive, any proposal to consider passive hosting providers as responsible for reproducing and communicating copyright works to the public would be hardly compatible with EU law and CJEU understanding of exclusive rights. This would be so in relation to a possible configuration of any authorised reproduction/communication to the public as source of – as it would appear from Sirinelli’s proposal – primary liability. This

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<sup>54</sup> *Ibid*, [118].

<sup>55</sup> *Ibid*, [119].



type of liability arises when one engages in tortious activity by his own acts or omissions.<sup>56</sup>

In light of recent CJEU case law it does not appear possible to hold passive hosting providers primarily liable for copyright infringement for copyright content provided by third-parties and made available through their services.

With particular regard to the right of communication to the public, this conclusion (applicable by analogy to other exclusive rights) appears supported by relevant CJEU case law, including the recent decision in *Reha Training v GEMA*<sup>57</sup> (*Reha Training*). This was a reference for a preliminary ruling from the Regional Court of Cologne seeking clarification on – among other things – the notion of communication to the public under Article 3(1) of the InfoSoc Directive as applied in the context of TV broadcasts made available by means of TV sets on the premises of a rehabilitation centre. This reference was made in the context of litigation between Reha Training (which operates a rehabilitation centre) and German collective management organisation GEMA, and concerned Reha Training's refusal to pay a licence fee in connection with the making available of protected works (TV broadcasts) on its premises.

The CJEU decided this case in a Grand Chamber composition. The reason for this was also (as AG Bot explained in his Opinion<sup>58</sup>) to allow the Court to clarify its case law in the area of communication to the public. The CJEU held that, in assessing the existence of an act of communication to the public, several criteria – each of which non-autonomous but rather interdependent in nature – should be taken into account.<sup>59</sup> These criteria may come into consideration differently in different scenarios.<sup>60</sup> This said, the concept of

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<sup>56</sup> With specific regard to the primary liability of intermediaries, see the discussion in J Riordan, *The liability of internet intermediaries* (2016:OUP), §5.06.

<sup>57</sup> *Reha Training Gesellschaft für Sport- und Unfallrehabilitation mbH v Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte (GEMA)*, C-117/15, EU:C:2016:379.

<sup>58</sup> Opinion of Advocate General Yves Bot in *Reha Training Gesellschaft für Sport- und Unfallrehabilitation mbH v Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte (GEMA)*, C-117/15, EU:C:2016:109, [4].

<sup>59</sup> *Reha Training Gesellschaft für Sport- und Unfallrehabilitation mbH v Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte (GEMA)*, *cit.*, [35].

<sup>60</sup> *Ibid.*

'communication to the public' combines two cumulative elements: (1) an 'act of communication' that is (2) directed to a 'public'.<sup>61</sup>

The first criterion, ie an 'act of communication', includes any transmission of a copyright work, irrespective of the medium used or the technical means employed.<sup>62</sup> Each transmission or retransmission of a work that uses a specific technical means should be in principle individually authorised by the relevant rightholder.<sup>63</sup>

Turning to the second criterion (that the communication at issue be directed to a 'public'), the term 'public' refers to an indeterminate number of potential recipients, and also implies a fairly large number of people<sup>64</sup> (ie above *de minimis*<sup>65</sup>). In addition, to fall within the concept of 'communication to the public' a work must be directed to a 'new public', ie an audience that was not taken into account by the relevant rightholder when he authorised the initial communication of the work.<sup>66</sup> In this context, it is necessary to take into consideration the *indispensable* role of the user without whom the 'new public' would not have access to the copyright work in question. More specifically,

“in order for there to be a communication to the public, that user must, in full knowledge of the consequences of its actions, give access to the ... protected work to an additional public and that it appears thereby that, in the absence of that intervention those 'new' viewers are unable to enjoy the ... works”.<sup>67</sup>

Although to have an act of communication to the public several criteria should be considered, it appears that the indispensable role of the user may be a *conditio sine qua non*

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<sup>61</sup> *Ibid*, [37], referring to *SBS Belgium NV v Belgische Vereniging van Auteurs, Componisten en Uitgevers (SABAM)*, C-325/14, EU:C:2015:764, [15] and case law cited therein.

<sup>62</sup> *Ibid*, [38] referring to *SBS Belgium NV v Belgische Vereniging van Auteurs, Componisten en Uitgevers (SABAM)*, [16] and case law cited therein.

<sup>63</sup> *Ibid*, [39], referring to *SBS Belgium NV v Belgische Vereniging van Auteurs, Componisten en Uitgevers (SABAM)*, [17] and case law cited therein.

<sup>64</sup> *Ibid*, [41], referring to *Sociedad General de Autores y Editores de España (SGAE) v Rafael Hoteles SA*, C-306/05, EU:C:2006:764, [37]-[38] and case law cited therein.

<sup>65</sup> *Ibid*, [43], referring to *Società Consortile Fonografici (SCF) v Marco Del Corso*, C-135/10, EU:C:2012:140, [86].

<sup>66</sup> *Ibid*, [45], referring to *Sociedad General de Autores y Editores de España (SGAE) v Rafael Hoteles SA*, *cit*, [40] and [42]; and *Football Association Premier League Ltd and Others v QC Leisure and Others* (C-403/08) and *Karen Murphy v Media Protection Services Ltd* (C-429/08), EU:C:2011:631, [197].

<sup>67</sup> *Ibid*, [46], referring to *Sociedad General de Autores y Editores de España (SGAE) v Rafael Hoteles SA*, *cit*, [42]; and *Football Association Premier League Ltd and Others v QC Leisure and Others* and *Karen Murphy v Media Protection Services Ltd*, *cit*, [195].

for Article 3(1) of the InfoSoc Directive to apply, at least in the interpretation of Article 3(1) recently provided by AG Wathelet in *GS Media v Sanoma (GS Media)*.<sup>68</sup>

*GS Media*<sup>69</sup> is a reference for a preliminary ruling from the Dutch Supreme Court. It was made in the context of proceedings between Sanoma (the publisher of *Playboy* magazine) and GS Media, concerning the publication by the latter on a website (GeenSijl) that it operates of hyperlinks to other websites hosting unpublished photographs taken for a forthcoming issue of *Playboy*. Sanoma succeeded in its actions before the Amsterdam District Court and the Amsterdam Court of Appeal, although these courts considered different aspects. The former held that by posting those hyperlinks, GS Media's conduct amounted to an infringement because it encouraged visitors to GeenStijl to view the photographs unlawfully posted elsewhere and which, without those hyperlinks, would have not been easy to find. In contrast, the Court of Appeal held that, on the one hand, GS Media had infringed copyright by posting a cut-out of one of the photographs on the GeenStijl website but, on the other hand, had not made the photographs available to the public by posting the hyperlinks on its website. The decision of the Court of Appeal was appealed before the Supreme Court, which decided to stay the proceedings and seek guidance from the CJEU.

In his Opinion AG Wathelet reviewed the two relevant cumulative criteria under Article 3(1) of the InfoSoc Directive: (1) an 'act of communication' of a work, (2) directed to a 'public'. In relation to the former in particular, according to the AG in order to establish an act of communication, "the intervention of the 'hyperlinker' must be vital or indispensable in order to benefit from or enjoy works."<sup>70</sup> Hyperlinks posted on a website that direct to copyright works freely accessible on another website cannot be classified as an 'act of

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<sup>68</sup> Opinion of Advocate General Melchior Wathelet in *GS Media BV v Sanoma Media Netherlands BV, Playboy Enterprises International Inc, and Britt Geertruida Dekker*, C-160/15, EU:C:2016:221.

<sup>69</sup> *GS Media BV v Sanoma Media Netherlands BV, Playboy Enterprises International Inc, and Britt Geertruida Dekker*, C-160/15 (in progress: the CJEU decision in this case is due on 8 September 2016).

<sup>70</sup> Opinion of Advocate General Melchior Wathelet in *GS Media BV v Sanoma Media Netherlands BV, Playboy Enterprises International Inc, and Britt Geertruida Dekker*, *cit.*, [57].

communication’: the intervention of the operator of the website that posts the hyperlinks is not indispensable to the making available of the works in question to users.<sup>71</sup> It is rather the intervention of the operator of the website that posts the protected works that is indispensable within Article 3(1) of the InfoSoc Directive.

Further to the decision in *Reha Training* and the AG Opinion in *GS Media*, it is arguable that – in the case of a copyright work made available through the service of a passive online intermediary (host) – the latter would not commit an act of (unauthorised) communication to the public (potentially giving rise to primary liability for copyright infringement), because the role that is ‘indispensable’ in the whole process is the one of the third-party/uploader, rather than that of the hosting provider. A passive hosting provider does not do any of the acts restricted by copyright *per se*, nor does it usually authorise others to do so. This conclusion is in line with relevant case law at the level of individual Member States.<sup>72</sup>

The situation would be different if: (i) the provider at hand authorised – contrary to current practices and content of most terms of service<sup>73</sup> – users to upload and share content

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<sup>71</sup> *Ibid.*, [60].

<sup>72</sup> In two recent decisions concerning YouTube’s liability for third-party copyright infringements, both the District Court of Munich (Landgericht (District Court) Munich I, 30 June 2015, 33 O 9639/14) and the Court of Appeal of Hamburg (Oberlandesgericht (Court of Appeal) Hamburg, 1 July 2015, 5 U 87/12) ruled out that YouTube could be considered liable, whether for primary or secondary copyright infringement, although liability was established under the German concept of ‘Stoererhaftung’ (see JB Nordemann, ‘YouTube is a hosting provider, but one with extensive duties of care, say two German Courts’ (6 November 2015) Kluwer Copyright Blog, available at <http://kluwercopyrightblog.com/2015/11/06/youtube-is-a-hosting-provider-but-one-with-extensive-duties-of-care-say-two-german-courts/>). In a case concerning YouTube’s liability for third-party copyright infringements, the Court of Appeal of Madrid held that an intermediary could only lose its safe harbour protection for hosting when it has acquired actual knowledge of third-party infringing content made available through its service or exerts control over third-party content (Audiencia Provincial Civil de Madrid, sentencia 11/2014, 14 January 2014). In case concerning Yahoo!’s liability the Court of Appeal of Milan reversed the first instance decision and held that a provider that hosts third-party content and also offers additional services would remain neutral if its intervention is limited to the commercial exploitation of third-party content made available on its platform (Corte d’Appello di Milano, 7 January 2015; but see Tribunale di Roma, 27 April 2016 (commented in E Rosati, ‘Italian court says that rightholders do NOT have to indicate URLs when submitting takedown requests’ (9 May 2016) The IPKat, available at <http://ipkitten.blogspot.co.uk/2016/05/italian-court-says-that-rightholders-do.html>) and Tribunale di Roma, 15 July 2016 (commented in E Rosati, ‘Rome Court of First Instance confirms once again that takedown requests do not need to include URLs’ (18 July 2016) The IPKat, available at <http://ipkitten.blogspot.co.uk/2016/07/rome-court-of-first-instances-confirms.html>) for a diverging approach.

<sup>73</sup> See for instance §5.1. of Facebook’s Terms, available at <https://www.facebook.com/terms>; : “You will not post content or take any action on Facebook that infringes or violates someone else’s rights or otherwise violates the law.”; §7.7. of YouTube’s Terms of Service, available at <https://www.youtube.com/static?gl=GB&template=terms>: “You agree that Content you submit to the Service will not contain any third party copyright material, or material that is subject to other third party proprietary rights (including rights of privacy or rights of publicity), unless you have a formal licence or permission from the rightful owner, or are otherwise legally entitled, to post the material in question and to grant YouTube the licence referred to in paragraph 8.1 below.”; §5 of Twitter’s Terms of Service, available at <https://twitter.com/tos?lang=en#twitterrights>: “You are responsible for your use of the Services, for any Content you provide, and for any consequences thereof, including the use of your Content by other users and our third party partners. You understand that your Content may be syndicated, broadcast, distributed, or published by our partners and if you do not have the right to submit Content for such use, it may subject you to liability. Twitter will not be responsible or liable for any use of your Content by Twitter in accordance with these Terms. You

independently from whether these acts would infringe third-party rights; (ii) the provider was aware of the infringing nature of the content uploaded; or (iii) the provider played an ‘active role’ in the *L’Oréal* sense. These scenarios would however lead to situations similar to the ones envisaged – and sanctioned – by the current wording of Article 14 of the Ecommerce Directive.

In relation to (i) and (ii), in fact, the provider at hand would be arguably considered as authorising third-party infringements and thus possess knowledge of third-party infringing activities within Article 14(1)(a) of the Ecommerce Directive. As regards (iii), the intermediary at hand would not limit its role to a merely passive one and, as such, would not be protected by the safe harbour for hosting providers.<sup>74</sup> If the provider intervened in a highly material way to make copyright works available to users without the relevant rightholders’ permission, eg by providing a cataloguing and indexing system that allows them to download all the component message of the film of their choice, then the provider would arguably commit an act of primary infringement.<sup>75</sup> Similarly, if the provider itself made generally available certain content through its service that could not be otherwise accessed, the provider would likely exert a role that is ‘indispensable’. As long as the other conditions required under Article 3(1) are fulfilled, then it is arguable that the provider at hand would directly communicate copyright works. It follows that, for instance, the provision by a service provider of hyperlinks that would allow one to access a work by circumventing technological protection measures, or a work otherwise not freely accessible on a certain website would amount to an act of communication to the public. While this very issue is currently being considered by the CJEU in the pending reference in *Stichting Brein v Filmspeler*<sup>76</sup>, the

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represent and warrant that you have all the rights, power and authority necessary to grant the rights granted herein to any Content that you submit.”

<sup>74</sup> In this sense, see the UK decisions in *Twentieth Century Fox and Others v Newzbin* [2010] EWHC 608 (Ch); *Paramount Home Entertainment International Ltd and Others v BSKyB and Others*; *Football Association Premier League v BskyB and Others* [2013] EWHC 2058 (Ch); *Twentieth Century Fox Film Corp and Others v Sky UK Ltd and Others* [2015] EWHC 1082 (Ch).

<sup>75</sup> This was indeed the conclusion of Kitchin J (as he then was) in *Twentieth Century Fox and Others v Newzbin*, *cit.*, [125].

<sup>76</sup> *Stichting Brein v Jack Frederik Wullems (currently trading under the name Filmspeler)*, C-527/15 (in progress). The questions referred are the following:

conclusion advanced above appears in line with earlier CJEU decisions<sup>77</sup>, the Opinion of AG Wathelet in *GS Media*, and relevant national case law.<sup>78</sup>

## **Conclusion**

The preceding discussion has focused on certain specific aspects of a recent proposal released in France advocating a ‘clarification’ at the EU level that hosting providers that make available copyright works uploaded by third parties do not benefit from the immunity in Article 14 of the Ecommerce Directive. This would be necessary – among other things – because of the allegedly incorrect interpretation by the CJEU of relevant principles contained in this piece of EU legislation.

This contribution has instead highlighted how the CJEU has correctly applied relevant provisions in the Ecommerce Directive and, above all, how the removal of Article 14 immunity for this type of hosting providers would not provide rightholders with significantly greater protection than the one already enjoyed under the existing legislative framework, at least as far as their primary liability is concerned. This is also because the current understanding of the right of communication to the public does not seem to suggest that

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- 1) Must Article 3(1) of the Copyright Directive be interpreted as meaning that there is ‘a communication to the public’ within the meaning of that provision, when someone sells a product (mediaplayer) in which he has installed add-ons containing hyperlinks to websites on which copyright-protected works, such as films, series and live broadcasts are made directly accessible, without the authorisation of the right holders?
  - 2) Does it make any difference
    - whether the copyright-protected works as a whole have not previously been published on the internet or have only been published through subscriptions with the authorisation of the right holder?
    - whether the add-ons containing hyperlinks to websites on which copyright-protected works are made directly accessible without the authorisation of the right holders are freely available and can also be installed in the mediaplayer by the users themselves?
    - whether the websites and thus the copyright-protected works made accessible thereon — without the authorisation of the right holders — can also be accessed by the public without the mediaplayer?
  - 3) Should Article 5 of the Copyright Directive (Directive 2001/29/EC) be interpreted as meaning that there is no ‘lawful use’ within the meaning of Article 5(1)(b) of that Directive if a temporary reproduction is made by an end user during the streaming of a copyright-protected work from a third-party website where that copyright-protected work is offered without the authorisation of the right holder(s)?
  - 4) If the answer to question 1) is in the negative, is the making of a temporary reproduction by an end user during the streaming of a copyright-protected work from a website where that copyright-protected work is offered without the authorisation of the right holder(s) then contrary to the ‘three-step test’ referred to in Article 5(5) of the Copyright Directive (Directive 2001/29/EC)?

<sup>77</sup> In particular *Nils Svensson and Others v Retriever Sverige AB*, C-466/12, EU:C:2014:76; and *BestWater International GmbH v Michael Mebes and Stefan Potsch*, C-348/13, EU:C:2014:2315.

<sup>78</sup> See for instance, in France, the decision of the Tribunal de Grande Instance de Paris in *SACEM and Others v APP/DM* (6 April 2015), that held that the provision by an intermediary of links to online storage sites and servers to circumvent technological protection measures is a copyright infringement.

intermediaries otherwise protected by the Article 14 safe harbour could be held primarily liable for the doing of unauthorised acts of communication to the public.

Article 14 of the Ecommerce Directive provides a balance of different interests (both of rightholders and intermediaries) and, if applied correctly, already grants protection against infringements committed by ‘false’ hosting providers. As such, a revision of Article 14 of the Ecommerce Directive would not serve to expose passive hosting providers to the risk of primary liability for making available copyright works provided by third-party users of their services. Things could differ in relation to secondary liability, but intervention in this area would mean carrying out an extensive harmonisation effort that – so far – has substantially eluded EU legislature.



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