ALAI 2025
Questionnaire

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I. Initial ownership
[Session 2]

A. To whom does your country's law grant initial ownership? (please indicate all that apply)

1. The author (human creator) of the work

a. Does your country's law define who is an author?

Under Section 4(1) of Act No. LXXVI of 1999 on Copyright (hereinafter referred to as the Hungarian Copyright Act or HCA), copyright belongs to the natural person who created the work. The law does not allow for legal persons or any other entities to be considered authors. Even if economic rights are transferred to a legal person in exceptional situations (e.g., an employer or a commissioner), the legal status of "author" remains with the original human creator.

Related Rights: Ownership is granted to the performer, producer, broadcasting organisation, or publisher by virtue of their personal or technical and organisational input.

Furthermore, according to Section 106(1) of HCA, wherever the term author is mentioned in the Act, the legal successor of the author and other right holders under copyright shall be understood as well.

b. For joint works (works on which more than one creator has collaborated), does your law define joint authorship? What is the scope of each co-author's ownership? (may joint authors exploit separately, or only under common accord)?

Yes, Hungarian copyright law defines joint authorship and distinguishes different types of co-authored works. Under Section 5 of the Hungarian Copyright Act, joint authorship arises when a work is created through the collaboration of multiple authors whose contributions are either inseparable or separable, depending on the nature of the work.

In the case of inseparable joint works – where the individual contributions cannot be used independently (e.g., a co-written novel or an orchestral composition) – all co-authors are jointly entitled to the copyright.

According to Section 5(1) of HCA, unless otherwise agreed, they are presumed to hold equal shares of the rights. Exploitation of such a work requires the unanimous consent of all authors.

Nevertheless, in the event of copyright infringement, any co-author may take legal action independently to protect the integrity of the joint work.

By contrast, joint works under Section 5(2) of HCA comprise contributions that can be used independently, such as the lyrics and music of a song. Hungarian copyright law recognises two subtypes within this category:

a) Works created in mutual reference to each other, where authors deliberately collaborate with a shared creative goal (e.g., a lyricist writing for a specific composition). In this case, even though the works can be used separately, they still generally require the consent of both authors for joint exploitation (e.g. in an advertisement or synchronisation).

b) Works created independently and later combined (e.g., an existing instrumental to which lyrics are later added). In such cases, the authors may retain full and independent control over their respective contributions, including the right to adapt or re-use them independently, provided the original combination was not based on a joint intent.

Additionally, Hungarian copyright law recognises a third category, collective works under Article 6, which are characterised by a high degree of integration and the inability to distinguish or attribute individual contributions (Collectively created works). These works are typically produced through a structured, professionally managed creative process initiated and directed by a legal or natural person (e.g., institutional works). In such cases, initial copyright ownership is not granted to the contributing authors, but rather to the person or entity who initiated, directed, and published the work under its own name.

Under Hungarian law, joint performances by multiple performers are recognised. In such cases, the rights listed in Section 73(1) of the Hungarian Copyright Act — such as fixation, broadcasting, reproduction, distribution and making available to the public — are usually exercised by a representative of the performing group (Section 73(2) of HCA).

Performers may not exploit the jointly created performance individually without coordination, unless otherwise agreed. Rights management and remuneration (e.g. for communication to the public or making available use) are generally handled through collective rights management organisations, and licensing or enforcement is exercised jointly or via representation.

Thus, joint exploitation is required for related rights and is normally centralised through a representative or a collective management organisation.

Even if the works can be used separately, their joint exploitation (e.g. in an advertisement or synchronisation) generally still requires the consent of both authors.

2. Employers

a. Under what conditions, e.g., formal employment agreement, in writing and signed? Creation of the work within the scope of employment?

Under Hungarian copyright law, if employees create a work as part of their job duties, the economic rights in the work automatically transfer to the employer upon delivery, unless otherwise agreed in writing. This applies not only to traditional employment contracts but also to a wide range of public service relationships, including civil service, healthcare, education, military, and other public-sector employment structures. The key condition is that the creation of the work must fall within the employee's contractual obligations. Whether this is the case must be assessed in light of the employment contract, job description, internal policies, and any applicable collective agreements.

The timing or location of the work's creation, or whether the employee used company resources, does not in itself determine whether the work qualifies as a work made for hire. The rights only transfer if the work is actually delivered to the employer. Once delivered, the employer acquires all economic rights—without limitation as to time, territory, or usage—and may transfer, license, or otherwise exploit those rights freely.

However, the author retains certain moral rights. These include the right to be named as author and, in limited cases, the right to object to modifications by requesting anonymity. If the employer exercises its right to alter the work and the author disagrees with the changes, the employer must remove the author's name from the work.

The employee is generally not entitled to additional remuneration beyond salary unless the employer licenses the work or transfers the rights to a third party, in which case the employee may be entitled to appropriate compensation. This right to remuneration can be waived in writing.

The parties are free to deviate from the statutory default through a written agreement.

3. Commissioning parties

a. All commissioned works, or limited to certain categories?

Under Hungarian copyright law, commissioned works do not automatically result in a transfer of economic rights to the commissioning party. As a general rule, the author retains all economic and moral rights; the author gives license only.

However, there is a specific provision for works commissioned for advertising purposes. According to Section 63 of the Hungarian Copyright Act, economic rights in works commissioned for advertising may be transferred to the user (commissioning party). For such a transfer to be valid, key terms such as the mode, extent, territory, duration of use, the type of advertising medium, and the author's remuneration must be addressed in the agreement. In these cases, collective rights management does not apply.

Furthermore, a pre-existing work may also be treated as an advertising commission by agreement between the author and user, but this designation only becomes effective against collective rights management organisations if the author notifies the organisation in writing.

b. Under what conditions, e.g., commissioning agreement, in writing and signed by both parties?

As a general rule, economic rights may not be transferred under a contract of commission.

4. The person or entity who takes the initiative of the work's creation (e.g. Producers; publishers) of certain kinds of works, e.g., audiovisual works; collective works

a. Scope of ownership of, e.g. all rights, or rights only as to certain exploitations; what rights do contributors to such works retain?

Under Hungarian copyright law, specific provisions apply to persons or entities initiating the creation of certain types of works, particularly collective works (*Collectively created works*).

Where a work is created at the initiative and under the direction of a natural or legal person, and subsequently published under their own name (e.g., institutional works), copyright in the entire jointly created work is granted to that initiating person or entity as successor in title to the authors (Section 6(1)). This applies only where the contributions of the authors are so interwoven that individual rights cannot be separately identified (Section 6(2)). In such cases, the initiating entity

acquires full copyright of the entire work, and individual contributors do not retain separate exploitation rights.

Under Hungarian copyright law, special provisions apply to film producers, who are defined as the natural or legal persons initiating and organising the creation of a film, including providing the financial and technical means for its production (Section 64(3)).

Although the director, screenwriter, composer, and other creative contributors are recognised as authors of the film (Section 64(2)), the producer is granted broad economic rights. According to Section 66, unless otherwise agreed, contributors (excluding authors of musical works with or without text) transfer to the producer the right to exploit and license the film. This legal presumption facilitates the centralised management and commercialisation of the film.

The scope of the producer's license includes most economic rights, but it does not extend to certain statutory remuneration rights (such as private copying levies and rental remuneration) or moral rights (e.g. the right to be identified as author). Contributors also retain the right to receive fair and separate remuneration for each mode of exploitation (Section 66(3)), including for public funding received by the producer.

The law also ensures that the final version of the film cannot be altered unilaterally after mutual approval by the producer and authors (Section 65), and unless otherwise agreed, the director represents the authors collectively in such decisions.

The film producer also enjoys his own economic rights as a related right holder.

Furthermore, see Answer 3.a.

5. ***Other instances of initial ownership vested in a person or entity other than the actual human creator? (Other than 6, below.)***

Hungarian copyright law does not make it possible to transfer the initial ownership of copyright to persons other than the actual human creator.

6. ***If your country's law recognises copyright in AI-generated works, who is vested with original ownership? (e.g., the person providing the prompts to request an output? The creator of the LLM model and/or training data? someone else?)***

As of the time of writing, Hungarian copyright law does not recognise copyright protection for works generated autonomously by artificial intelligence. The statutory definition of a "work" of the Hungarian Copyright Act presumes human authorship and individual intellectual creation as prerequisites for protection.

There is no legal provision that grants authorship to the person providing prompts to an AI system. As such, AI-generated outputs without human creative input do not qualify as protected works under current Hungarian law, and no person or entity is vested with initial ownership of such outputs.

If AI is used as a tool by a human author who exercises sufficient creative control and individual intellectual input over the final result, then that human may be considered the author. Otherwise, the output remains unprotected by copyright.

The creator of the algorithm can be qualified as the author of the software.

[b. For presumptions of transfers, see II (transfers of ownership, below)]

B. Private international law consequences

1. To what country's law do your country's courts (or legislature) look to determine initial ownership: Country of origin? Country with the greatest connections to the work and the author(s)? Country(ies) for which protection is claimed?

The Berne Convention and the international copyright protection are based on the specific and still essential principle of territoriality. Because of the sovereignty of states, a country can only grant copyright protection within its own territorial borders.

At the European level, it is worth referring here to Jääskinen AG's opinion in Pinckney, in which he explained that the principle of territoriality of copyright is the key to the interaction between the 27 different national regimes which are required to protect the same work in parallel in the European Union. That principle, which provides inspiration for the whole of intellectual property law, may be broken down into the threefold dimension of jurisdiction, applicable law and material right. The analysis of the three dimensions leads to the conclusion that the material right that the idea of territoriality becomes fully effective. From that aspect, it means that the protection of a work by copyright is dependent on national legislation, both from the viewpoint of recognition of that right, which is conditional on compliance with the conditions laid down in the legislation in question, and from the viewpoint of its extent, which is limited to the territory concerned. In other words, copyright is subject, for its existence as well as for its effects, to the frontiers of a legal order.

As far as the national legislation is concerned, Section 2 of HCA incorporates the principle of territoriality as it lays down: “The protection defined by this Act shall extend to works first made public abroad only if the author is a Hungarian national or if the author is entitled to protection on the basis of an international treaty or international reciprocity.” Hence, the Hungarian Copyright Act limits its scope to works first published in Hungary. The country of origin of a work published in a foreign country is the country where the work was first published. In the case of works published for the first time in a foreign country, Hungarian copyright law may be applied only if three alternative conditions are met: 1) the author is a Hungarian national; 2) the author is protected by an international treaty; or 3) the author is protected by reciprocity. If a foreign author publishes his work either in Hungary or foreign countries, there is a foreign element in the facts, in which case the rules of private international law apply.

In Hungarian private international law, the issue of initial ownership of copyright and related rights is governed primarily by Act XXVIII of 2017 on Private International Law (hereinafter referred to as the PIL Act), in conjunction with international treaties such as the Berne Convention, and relevant EU regulations where applicable. The core principle followed by Hungarian courts in this regard is the *lex loci protectionis* doctrine—i.e., the application of the law of the country for which protection is sought.

More specifically, Section 48 of the PIL Act stipulates that the law applicable to copyright and neighbouring rights—including the issue of initial ownership—shall be the law of the state where protection is claimed. This approach aligns with the Berne Convention, which provides that the extent of protection, as well as the means of redress, are determined exclusively by the laws of the country where protection is claimed, and independently of the law of the country of origin.

As a result, Hungarian courts will apply Hungarian copyright law to determine issues such as authorship, initial ownership (e.g., in the case of employment, commissioned, or collectively

authored works), the scope of economic rights, and possible transfers or limitations thereof, whenever protection is sought within Hungary.

The country of origin of the work or the nationality of the author does not determine the applicable law for the purposes of initial ownership in Hungary.

In conclusion, Hungarian courts follow a territorial approach in copyright disputes: the law of the country for which protection is claimed governs the determination of initial ownership. Therefore, for works for which protection is sought in Hungary, the applicable rules regarding the entitlement—whether arising from individual creation, joint authorship, employment, film production, or other scenarios—are derived from Hungarian law, regardless of any foreign element in the creation or dissemination of the work.

In the case of neighbouring rights, full national treatment is applied.

II. Transfers of ownership [Session 3]

A. Inalienability

1. Moral rights

a. Can these be granted to the grantee of economic rights? To a society for the collective management of authors' rights?

Under Hungarian copyright law, moral rights of authors and related rights holders - except for film producers and publishers of press publications, who do not hold moral rights - are fundamentally inalienable and non-transferable. Moral rights remain strictly personal rights that may only be exercised by the rightholder or, in some limited posthumous situations, by close relatives or legal successors to protect the rightholder's reputation.

b. May the author contractually waive moral rights?

Moral rights of authors and related rights holders - except for film producers and publishers of press publications, who do not hold moral rights - cannot be waived or assigned either to a third party – such as the grantee of the economic rights – or to a collective management organisation (CMO). The law does not permit a contractual clause that would result in the blanket transfer or renunciation of moral rights. Even in cases where the author assigns their economic rights, the moral rights remain with the author and must be respected by the assignee or licensee. In practice, while parties may agree on certain uses of the work that implicate moral rights (e.g., how and where the author's name is displayed), any such agreement cannot override the author's inalienable entitlement to moral protection of the work as prescribed by law.

However, the exercise of moral rights must not interfere with the normal exploitation of the work in the cultural market, so the right of withdrawal and the right of modification are specific for example to works created in the course of employment: instead, the author may request that his or her name not be indicated. [HCA Section 30 (5)]. Therefore, the right of withdrawal shall not affect the employer's right to use the work and also, shall not prevent the party who acquired the economic rights through transfer from using the work based upon those rights. (HCA Section 11).

If new manner of use evolves in relation to those known at the time of the conclusion of the contract of use, copyright, including moral rights shall belong to the author even in the cases where economic rights have been transferred (which is possible in the case of film, software, database, advertising work and works created under employment). [HCA Section 43(5), Section 55].

The above therefore shows that only some certain smaller elements of moral rights are shown by the holder of the economic right (we can even include the case under Section 50 of the HCA: if the author has consented to the use of his work, he shall be obliged to carry out any alterations of lesser importance that are indispensable or obviously necessary for its use. Should the author fail or be unable to meet this obligation, the user shall be entitled to make the alterations without the author's consent. Although alterations of lesser importance would probably not affect the moral right to integrity).

However, to protect the author's specific moral rights, the user may also be entitled to take action upon the express consent of the author in the licence contract. (HCA Section 15).

2. Economic rights

a. May economic rights be assigned (as opposed to licensed)? May an author contractually waive economic rights?

When the current Copyright Act was adopted, the view was taken that "the new legislation should be developed on the basis of clear principles and theories, but with priority given to practicality, operability and effectiveness, taking into account the growing role of copyright in the economy and in international economic relations." As a result, the transfer of authors' economic rights - between living persons - is expressly excluded by law; these rights may only be exercised by means of exclusive or non-exclusive licences. ("Subject to the exceptions under paragraphs (4) to (6), economic rights shall not be transferred or otherwise conveyed to another person, and may not be waived." (HCA Section 9(3)) However, for certain types of works and certain legal relationships, the legislation may provide a means of transferring copyright, subject to appropriate safeguards.

"Economic rights shall be subject to inheritance, and the author shall be entitled to dispose of them for the eventuality of his death. Persons acquiring economic rights by way of inheritance shall be entitled to dispose of those rights for the benefit of each other. Upon the events and conditions specified in this Act, economic rights may be subject of transfer or conveyance. Unless otherwise provided in the contract for the transfer of such rights, the person acquiring the rights shall be entitled thereafter to avail himself of the economic rights acquired." HCA Section 9 (4)-(6)). This also means that making a disposition in the event of the death of the author implies that the renunciation of the succession and the refusal of the inheritance constitute an exception to the prohibition of waiving the copyright.

Thus, it is possible in the case of collaborative works (HCA Section 6) and works made under an employment relationship (HCA Section 30) to convey economic rights, and in the case of certain types of works even to transfer economic rights (software HCA Section 58(1), database HCA Section 61(2), work commissioned for advertising HCA Section 63 (1), contract for adaptation for screen HCA Section 66(1)). For works published anonymously or under a pseudonym, the author's rights shall be exercised, until the author takes action, by the person who first published

the work. (HCA Section 8) The economic rights concerning the rights related to copyright may be transferred.

The transfer of copyright, where the law allows it at all, can be split between licensing rights per work, or even per type of use, or between licensing rights and royalty claims, and per area. An example of this is the retention of some economic rights by an author who creates a work as an employee, even after the employer, as the legal successor of the author, acquire the economic rights. “The author shall be entitled to appropriate remuneration if the employer authorises another person to use the work or transfers the economic rights relating to the work to another person. Even after the employer’s acquisition of the rights, the author shall continue to be entitled to the remuneration to which authors are entitled under this Act after the transfer of rights.” HCA Section 30(3)-(4)

b. Limitations on transfers of particular economic rights, e.g., new forms of exploitation unknown at the time of the conclusion of the contract.

There are limitations on transfer also in the Hungarian law, including the case of new forms of exploitation unknown at the time of the conclusion of the contract, mentioned as an example above: “Granting license for a manner of use unknown at the time of the conclusion of the contract shall not be valid. A manner of use that evolves after the conclusion of the contract shall not be considered a manner of use that was unknown at the conclusion of the contract, if it makes the application of a manner that was known at the time of the conclusion of the contract more efficient, favourable or of better quality.” (HCA Section 44(2)).

In many cases, it can be seen that the author retains inalienable remuneration claims, eg.“If the author transferred the right of rental relating to a cinematographic creation or a work included in a phonogram to the producer of the film or phonogram, or granted authorisation to the producers in any other manner to exercise this right, the author shall be entitled to claim from the producer of the film or phonogram an appropriate remuneration for the distribution of the work through rental. The author shall not be entitled to waive this right; however, he may enforce his claim to remuneration only through a collective management organisation.” HCA Section 23(6)

The situation is similar for neighbouring rightholders in some cases, e.g. some remuneration claims remain with the performer even in the case of a transfer of rights: “If the performer has consented to his performance being recorded in a cinematographic creation, by this consent, unless otherwise stipulated, he transfers the economic rights referred to in paragraph (1) to the producer of the film [Section 63(3)]. This provision shall not prejudice performers’ claims to remuneration under sections 20 and 28. Section 23(6) shall apply accordingly to performers as well.” (HCA Section 73(3)).

As mentioned above, moral rights also constitute a kind of limitation, since even in the case of transferred economic rights, the rightholder cannot make substantial changes to the work without the author's permission (HCA Section 50).

Given that the rules of license contracts also apply to transfer contracts as appropriate (HCA Section 55), some additional specific limitations for authors are also imposed, such as the need for express authorisation of the author for the adaptation (HCA Section 47(1)), and the specific grounds for invalidity and one-sided termination and the rights of withdrawal based on those grounds (HCA Sections 49-51), which also apply to transfers, unless in the case of the type of work (e.g. software) an exception is made by the Act itself (HCA Section 60(5)).

B. Transfers by operation of law

1. Presumptions of transfer:

a. to what categories of works do these presumptions apply?

In general, the transfer of rights must be expressly stipulated. The reason for this is that Hungarian law generally prohibits the transfer of rights; only a contract of use may be concluded for use. For this reason, the presumption of transfer of rights is a double exception to the general provisions:

- to any type of work in the case of an employment contract (HCA Section 30). In this case, the long-term nature of the contract makes it necessary to apply the presumption. This is also justified by the fact that it is not necessary to make separate legal provisions for each individual work. It is a cessio legis rule. The transfer of rights is not tied to any specific purpose.
- to use works for the production of a cinematographic work (except for the composer of a musical work with or without lyrics) in the case of a contract for adaptation for screen. In this case, simplifying the exploitation of the film is the reason for the presumption. Each individual exploitation of the film would involve considerable administrative costs in obtaining separate license from all rights holders (HCA Section 66).
- to use performances for the production of a cinematographic work in the case of a contract for adaptation for screen. In this situation, the reason for the regulation is the same as in the contracts for adaptation for screen (HCA Section 73(3)).

In the course of transposing Article 19 of the CDSM Directive, the Hungarian legislator incorporated the transparency obligations concerning contracts for the use of works and performances of authors and performers into Section 50/A of the HCA. According to Section 50/A (10) point a) of the HCA, the transparency obligation does not apply to works or performances created within the framework of an employment relationship or other similar legal relationship, due to the specific nature of such relationships. In the explanatory memorandum to the legislation, the legislator took the position that the rules applicable to works created in the context of employment do not extend to performances. This reasoning is of particular importance, as prior to the enactment of the law, there was a prevailing professional consensus that these rules should also apply to performances created within an employment relationship.

b. are they rebuttable? What must be shown to prove that the presumption applies (or has been rebutted)?

All types of the previously mentioned presumptions are rebuttable: in each case, the presumption applies unless the parties agree otherwise (negative criteria of the presumption). The burden of proof lies with the person who wants to refute the presumption. It must be proven that an agreement with different content was concluded between the parties.

Positive criteria of the presumption are the following:

- valid employment contract, the creation of the work is the duty of the author, delivery of the work;
- protected pre-existing work, valid contract for adaptation for screen;
- protected performance, valid contract for adaptation for screen.

c. Scope of the transfer: all rights? Rights only as to certain forms of exploitation?

d. Conditions for application of the presumption (e.g. a written audiovisual work production contract; provision for fair remuneration for the rights transferred)?

All rights expressly reserved by the author remain with the creator. In general, it can be said that claims for remuneration remain with the original rights holder, even in the event of a transfer of rights and, beyond that, even if presumptions apply.
License agreements and contracts on the transfer of economic rights must be concluded in writing in accordance with the general rules. (HCA Sections 45(1) and 55) This rule shall also follow if the presumption applies.

Employment contract:

The transfer of rights is general in scope; the HCA does not list the transferred rights in detail, but stipulates that it only applies to economic rights. The wage covers the employer's use of the work. For this reason, no additional payment is due even if the work is highly successful – the bestseller clause does not apply to employment contracts.

The author retains the right to claim remuneration after the transfer of rights in cases where the employer grants a license to another party or transfers the economic rights related to the work to a third party. There is no statutory rate for this remuneration; it must essentially be agreed between the parties.

The employer's rights do not extend to claims for remuneration (e.g., reprographic remuneration, blanket media remuneration, cable retransmission, rental and public lending remuneration) whose transfer is prohibited elsewhere by law.

After the transfer of economic rights, moral rights may be exercised to a limited extent:

- If the creation of the work is the author's obligation arising from an employment contract, the transfer of the work shall be deemed to constitute consent to its publication. The employer shall decide on the manner and time of actual publication, unless otherwise expressly provided for in a written contract with the author. This right of the author is also exhausted upon transfer of the work, and even the residual right, the right of revocation (Section 11 of the HCA), ceases to exist.

- In the event of a statement by the author withdrawing the work, the employer shall refrain from indicating the author's name (right to anonymity).

The author's name shall also be omitted at the author's request if the employer exercises its rights arising from the employment relationship to modify the work, but the author does not agree with the modification (as a special rule on ghost writing). The right to modify shall be limited by the principle of the exercise of rights in good faith.

Film adaptation agreement:

Based on the contract for the adaptation for the screen, the author transfers the right to use the film and to authorise its use. (The director and cameraman of the film also transfer the rights to use the film in a contract, but in practice, this is known as a creative or directorial use contract rather than a film contract.)
The scope of this transfer of rights is therefore narrower and does not apply to the use of the works used in the film itself. The copyright in musical works with or without lyrics is excluded from the presumption of transfer of rights (see SZJSZT decision), where the film producer only acquires rights for use in the film, but does not acquire, for example, publishing rights under this contract, unless the parties expressly agree otherwise.

The presumption of unlimited time and territory is essential, since the use of an audiovisual work almost always involves exploitation across national borders, which also guarantees the significant financial investment made by the producer. The producer's rights cover various film-like uses of the film as a new, unique work with multiple authors, as known at the time the contract was signed. According to the case law established under the 1969 Copyright Act, the producer may exercise "merchandising" – i.e. non-film, but secondary – rights may only be exercised by the producer in the event of an express transfer of rights to that effect.

The transfer does not affect the blanket media levy, rental, lending, broadcasting, satellite broadcasting and cable retransmission rights, which remain with the original rightholder and cannot be transferred. The author is entitled to separate remuneration for each type of use.

Financial support received by the producer for the production of the film shall also be considered income related to use. The producer shall be obliged to pay the remuneration.

If the producer does not commence filming within four years of the acceptance of the work, or if they commence filming but do not complete it within a reasonable period of time, the author may terminate the contract and demand payment of a proportionate remuneration. In such a case, the author shall be entitled to the advance payment and shall be free to dispose of the work.

In the case of performers, the presumption also applies generally and extends to all their economic rights. This transfer of rights does not cover moral rights. This provision does not affect performers' claims to blanket media remuneration, rental and cable retransmission.

The presumption of transfer of rights by the performer also applies to dubbing actors.

2. Other transfers by operation of law?

In case of collectively created works Section 6 of the HCA declares that the coypright shall belong to the natural or legal person qualifying as the authors' legal successor, upon whose initiative and under whose management the work was created and who published it in his or its own name. Works in which the contributions of the cooperating authors are combined in the resulting integrated work in a manner that makes it impossible to establish the rights of each individual co-author shall qualify as collectively created works.

For works published anonymously or under a pseudonym, the author's rights shall be exercised, until the author takes action, by the person who first published the work (HCA Section 8).

Economic rights shall be subject to inheritance, and the author shall be entitled to dispose of them for the eventuality of his death (HCA Section 9(4)).

C. Transfers by contractual agreement

Under Hungarian copyright law, the transfer of economic rights by contract is only permitted in cases explicitly defined by the copyright code (HCA Sections 9(3) and (6)). Moral rights, however, are not transferable by contract. (HCA Section 9(2)). Therefore, the exceptional transferability of economic rights does not imply that the transferee may assume the position of the natural person who created the work.

The permitted cases of contractual transfer of economic rights are as follows:

- Software – "Economic rights in software may be transferred" (HCA Section 58(3));
- Databases qualifying as collective works – "Economic rights in such databases may be transferred" (HCA Section 61(2));

- Advertising works – “Economic rights in works commissioned for advertising purposes may be transferred to the user” (HCA Section 63(1));
- Between heirs – “Persons who acquire economic rights through inheritance may transfer such rights among themselves” (HCA Sections 9(4)-(5)).

These cases fall into two categories:

- In the first category, the transfer may be made to any person, but only in relation to specific types of works defined by law (software, databases qualifying as collective works, and advertising works).
- In the second category, transfer is only permitted between heirs, but it may involve economic rights in any type of work.

Due to their legal nature, economic rights in copyright cannot be part of the marital common property; they form part of the spouse’s (author’s) separate property. However, the royalties from use fall to the common property of the married parties.

As previously indicated, in contrast to copyright, the economic rights of neighbouring rightsholders may be freely transferred and may be stipulated in a contract.

1. ***Prerequisites imposed by copyright law to the validity of the transfer, e.g., writing, signed, witnessed, recordation of transfer of title?***

According to Section 55 of HCA, to contracts of transfer of economic rights of authors and performers the formal and substantive validity requirements of the licence agreements apply. other rightholders agree on terms and conditions of licenses without any formal requirement.

Formal Requirements: Such contracts must be concluded in writing, except in cases specifically exempted by law. However, these exceptions either do not apply to or apply only in a very limited scope to contracts involving the transfer of economic rights (e.g., a contract involving the same rights as those covered by a licence agreement for publication in a press product, daily paper, or periodical) (HCA Sections 45 and 55).

According to the terminology of Hungarian civil law, a declaration of intent is considered to be in writing if it is signed by the party making the declaration (i.e., the contracting party). In the absence of specific statutory provisions, this generally means a traditional handwritten signature on paper.

A declaration is also considered to be made in writing if it is communicated in a form that allows for the unaltered reproduction of its content, and the identification of both the declarant and the time of making the declaration. Instruments bearing a qualified electronic signature under the EIDAS Regulation meet this requirement. In contrast, simple email correspondence or declarations made with any other form of digital signature not covered by EIDAS do not meet the written form requirement.

Apart from the requirement of being in writing, the law does not prescribe any additional formalities.

Substantive Requirements: In terms of content—analogous to licence agreements—there are five essential elements that must be included in the contract for it to be valid:

i. the party transferring the rights,
ii. the acquiring party,
iii. the work subject to the transfer (the indirect object),

iv. the specific economic right(s) being transferred, if detailed in the contract (the direct object),
v. the consideration (payment) for the transfer.

In the case of advertising works, the law further requires that the following be considered essential terms for the formation of the contract: "the manner, extent, geographic territory, and duration of the use; the medium of the advertisement; and the remuneration payable to the author." (HCA Section 63(2))

According to Section 55(1) of the HCA the provisions relating to use contracts shall also apply to contracts for the transfer of authors' economic rights and - subject to the exceptions set out in Subsections (2) and (3) - to contractual licenses relating to the rights of performers and to the transfer of the economic rights of performers. According to Section 55(2) of the HCA, if fifty years after the phonogram was lawfully published or, failing such publication, fifty years after it was lawfully communicated to the public, the phonogram producer - or another person by authorization from such phonogram producer - does not offer copies of the phonogram for sale in sufficient quantity or does not make it available to the public, by wire or wireless means, in such a way that members of the public may access it from a place and at a time individually chosen by them, the performer may terminate the contract by which the performer has transferred or assigned his rights in the fixation of his performance to a phonogram producer.
According to Section 55(3) of the HCA, the right to terminate the contract mentioned in Subsection (2) may be exercised if the producer, within a year from the notification by the performer of his intention to terminate the contract, fails to carry out both of the acts of exploitation referred to in Subsection (2).

2. Do these formal requirements include an obligation to specify what rights are transferred and the scope of the transfer?

As a general principle the parties may freely agree on the content of the licence contract. They may derogate from the provisions on licence contracts by mutual consent if derogation is not prohibited by the HCA or another law. If the meaning of the licence contract cannot be clearly established, it shall be construed so as is most favourable for the author.

Interpreting principles are the following:

Section 43

(1) The contract shall provide an exclusive right to use only if this is expressly stipulated therein. On the basis of an exclusive licence to use, it is solely the licensee of the right who shall be entitled to make use of the work; the author may not grant further permission for the use of the work, and the author himself shall remain entitled to the right to make use of his work only if it is stipulated in the contract.

(2) A licence for non-exclusive use given prior to the conclusion of the exclusive licence contract shall remain effective, unless otherwise stipulated in the contract concluded between the author and the user acquiring a non-exclusive right of use.

(3) The licence to use the work may be limited to a specific territory, period of time, manner or extent of use.

(4) Unless otherwise provided for by law or a contract, the licence to use shall cover the territory of Hungary and its term shall follow the term that is customary in contracts concluded on using works similar to the subject matter of the contract.

(5) If the contract does not provide for the manner of use to which the licence applies or does not provide for the licensed extent of use, the licence shall be limited to the manner and extent of use indispensably necessary in order to realise the objectives of the contract.

Section 44

(1) The provision of a licence contract granting licence to the use of an indefinite number of future works of the author shall be null and void.

(2) Granting license for a manner of use unknown at the time of the conclusion of the contract shall not be valid. A manner of use that evolves after the conclusion of the contract shall not be considered a manner of use that was unknown at the conclusion of the contract, if it makes the application of a manner that was known at the time of the conclusion of the contract more efficient, favourable or of better quality.

Section 46

(1) The user may transfer the licence or may grant a sub-licence to a third party for the use of the work only with the express consent of the author. (2) Upon the termination of the economic operator that is the user, or upon its organisational unit becoming the subject of equity carve-out, the licence to use shall be conveyed, without the author's consent, to the legal successor. (3) If the user transfers its rights or grants a sub-licence without having the permission of the author, or the licence to use is conveyed without the author's consent, the user and the acquirer of rights shall be jointly and severally liable for the fulfilment of the licence contract.

Section 47

(1) A licence to use shall extend to the adaptation of the work only if expressly stipulated so.

(2) A licence to reproduce shall authorise the user to record the work in a video recording or phonogram or to copy it by computer or onto an electronic data carrier only if it is expressly stipulated so.

(3) A licence to distribute the work shall authorise the user to import copies of the work into the country in order to place them on the market only if it is expressly stipulated.

(4) A licence to reproduce the work shall, in case of doubt, extend to the distribution of reproduced copies of the work. This shall not cover the importation of copies of the work into the country for the purposes of placing them on the market.

3. ***Does your country's law permit the transfer of all economic rights by means of a general contractual clause?***

For a full transfer of rights to be valid, the agreement must pertain specifically to the transfer of economic rights. Furthermore, the transfer of the right of adaptation must be expressly stipulated.

4. ***Does your country's law permit the assignment of all rights in future works?***

The rules that apply to licence agreements are applicable here.

However, similarly to the prohibition of "life's work" contracts, a clause that grants authorization (or transfer of rights) for the use of **all** future works—i.e., an undefined number—is null and void under Section 44 of the HCA.

So the so-called life ouvre contract is forbidden.

However if, in a licence contract concerning works to be created in the future, works are indicated only by their type or character, either party may terminate the contract with six months' notice after the lapse of five years from the conclusion of the contract and subsequently every five years thereafter (HCA Section 52(1)).

D. Private international law

1. Which law does your country apply to determine the alienability of moral or economic rights and other conditions (e.g. the country of the work's origin? The country with the greatest connections to the work and the author(s)? The country(ies) for which protection is claimed?)

Under the Act XXVIII of 2017 on private international law the establishment, content, termination and enforcement of copyrights shall be assessed in accordance with the law of the state in the territory of which the protection is sought (Section 48).

III. Corrective measures, post-transfer of rights, granted to authors or performers in view of their status as weaker parties [Session 4]

[All the provisions mentioned in the answers are quoted from the HCA]

1. Does your law guarantee remuneration to authors and performers?

a. By requiring payment of proportional remuneration in certain cases (which)?
b. By a general requirement of appropriate and proportionate remuneration?

The general requirement of appropriate and proportionate remuneration of authors is provided in Section 16(4): „[I]n return for the authorisation to use his work, the author shall be entitled to remuneration, which […] shall be proportionate to the revenue earned as the result of the use of the work. The authors may waive their claim to remuneration only by an explicit statement. In the event that the validity of a licence contract is subject to a prescribed form by virtue of an Act, the validity of the waiver of remuneration shall also be valid only in the prescribed form." In Section 16(5), it is added: "In the cases specified by an Act, the author shall be entitled to appropriate remuneration even if he holds no exclusive right to authorise the use. The right to waive such remuneration may be excluded by an Act; the author, even in the absence of such a provision, may only waive the remuneration by an express statement."

According to Section 55(1), the provisions on the general requirement of appropriate and proportionate remuneration are also applicable to the assignment of copyright (where this is allowed under the Act, see the questions and answers concerning Session 3) and to the exercise of performers' rights (Section 74(1)).

It is provided specifically, in Section 26(6), that the recording of works for subsequent broadcasting is subject to the authors' consent, and that they have a right to remuneration for each use of such broadcasting. Section 74(2) extends the application of these provisions to performers rights.

Special provisions apply in Section 30 to the works created by employed authors. In paragraph (1) it is provided that "[i]n the absence of an agreement to the contrary, the employer, as the legal successor of the author, shall acquire the economic rights upon delivery of the work, if the creation of the work is the duty of the author under his contract of employment", but according to

paragraph (3), "[t]he author shall be entitled to appropriate remuneration if the employer authorises another person to use the work or transfers the economic rights relating to the work to another person". Paragraph (3) does not apply to the computer programs (Section 58(4)) and to databases (Section 62(3)) created by employed authors.

Also, special provisions apply to the rights of co-authors of audiovisual works. Under Section 66(1) and (2) – unless otherwise stipulated – with the conclusion of a contract to bring contribution to such a work, they – with the exception of the composers and lyricists of musical works – transfer their economic rights to the producer, except for their rights to remuneration (Sections 20, 23(3) and (6) and the right of retransmission by cable (Section 28). In Section 66(3), this is added: "The author shall be entitled to remuneration with regard to each individual mode of use. The financial support granted to the producer for creating the film shall also be considered as income related to the use. The producer shall be liable for the payment of the remuneration to the author."

c. By adoption of mechanisms of contract reformation (e.g., in cases of disproportionately low remuneration relative to the remuneration of the grantees)?

Section 48 provides as follows: **"**According to the general provisions of civil law, the court may also amend the licence contract if the contract infringes the substantial lawful interest of the author in having a proportional share in the income resulting from the use because, after the conclusion of the contract, the difference in value between the services provided by the parties became strikingly large due to a considerable increase in the demand for the use of the work."

d. By providing for unwaivable rights to remuneration in the form of residual rights?

Section 23(6) provides as follows:

If the author transferred the right of rental relating to a cinematographic creation or a work included in a phonogram to the producer of the film or phonogram, or granted authorisation to the producers in any other manner to exercise this right, the author shall be entitled to claim from the producer of the film or phonogram an appropriate remuneration for the distribution of the work through rental. The authors may not waive this right; however, they may exercise their right to remuneration only through a collective management organization.

Specific residual right is provided for performers in Section 74/A:

(1) If the contract for the recording of the performance with the phonogram producer entitles the performer to non-recurring remuneration, the performer shall be entitled to an additional annual remuneration from the phonogram producer for the placing on the market of the phonogram or – if this is not done – for each full year immediately after the first day of the year following the communication of the phonogram. The performers may not waive their right to remuneration and may only exercise it through a collective management organization.

(2) For the purpose of paying the remuneration specified in subsection (1), the phonogram producer shall, after the fiftieth year, be obliged to reproduce, distribute and make available the phonogram concerned during the year preceding the year in which the remuneration is paid […] to transfer to the collective management organization an amount equal to 20% of its revenue, not reduced by costs. The phonogram producer is obliged to provide the information necessary for the distribution of the additional remuneration to the collective management organisation

(3) If, under a contract with the phonogram producer to record a performance, the performers are entitled to a recurring remuneration commensurate with the revenue from the use of the performance, they become entitled to remuneration after fifty years calculated from the first day

of the year in which the phonogram was put into circulation or – if this is not done – communicated to the public. Any provision to reduce this remuneration by an advance payment or a contractual deduction shall be void.

2. ***Does your law require that the grantee exploit the work?***

   a. ***Does your law impose an obligation of ongoing exploitation? For each mode of exploitation granted?***
   b. ***What remedies if the grantee does not exploit the work?***

There is no general obligation to exploit the work. But to answer the questions, the quotation of the entire text of Section 51 is necessary:

"(1) The author shall be entitled to terminate the contract on exclusive license to use if
a) the user fails to begin using the work within the period determined in the contract or, in the absence of a stipulated period, within a reasonable period of time in the given situation; or
(b) the user exercises his rights acquired by the contract in a manner obviously inappropriate for achieving the goals of the contract or in a manner that is inconsistent with the designated purpose.

(2) If the license is granted for an indefinite term or for a period longer than five years, the author may exercise his right of termination referred to in paragraph only after two years from the date of conclusion of the contract.

(3) The author may exercise the right of termination only after setting an appropriate time limit for the user to fulfil the contract and its expiry without result.

(4) The author may not waive the right of termination referred to in paragraph (1) in advance; such a waiver may be excluded by contract only for a period of five years following the conclusion of the contract or, if it occurs later, following the delivery of the work.

(5) Instead of terminating the contract, the author may terminate the exclusivity of the license along with a proportionate reduction of the remuneration."

For the use of performers' rights in phonograms, Section 55(2) to (4) applies:

"(2) If, within fifty years calculated from the first day following the year of putting the phonogram into circulation or, in it is not done, its communication to the public, the producer of the phonogram or another person authorised by the producer fails to offer copies of the phonogram for placement on the market in sufficient quantities or does not make it available to the public by wire or wireless means or in in such a way that members of the public may access it from a place and at a time individually chosen by them, the performer may terminate the contract on the recording of his performance concluded with the producer of the phonogram.

(3) The right to terminate the contract referred to in paragraph (2) may be exercised if the producer fails to carry out both acts of use specified in paragraph (2) within a year from the performer's notice of his intention to terminate the contract.

(4) The performer may not waive the right to termination referred to in paragraph (2)."

3. ***Does your law impose a transparency obligation on grantees?***

   a. ***What form does such an obligation take (accounting for exploitations? informing authors if the grantee has sub-licensed the work, etc.)***

b. What remedies if the grantee does not give effect to transparency requirements?

This is regulated in Section 50/A:

"(1) Based on the contract authorising the use of the work, the user is obligated to provide detailed information to the author at least once a year

(a) the use of his work,
(b) the method and extent of use,
(c) the revenue from the use of the work separately for each use, and
(d) the remuneration to be paid to the author.

(2) The obligation to provide information under paragraph 1 shall not apply to contracts in which the author has waived remuneration.

(3) In a contract for the use of a film and other audiovisual works, the parties may stipulate that the obligation to provide information under paragraph (1) shall apply only if the author requests the information from the user in writing or electronically

(4) The persons who by means of a contract authorizing use or the transfer of the right […] qualifies as users or their successors in title, at the express request of the author, shall be obligated provide the information mentioned in with paragraph (1) for which the necessary information is not available to the user primarily entitled to use.

(5) The authors may request the information mentioned in paragraph (4) through the persons with whom they have concluded the contract.

(6) Where the obligation to provide information mentioned in paragraph (1) is not agreed upon in the contract, and would impose an administrative burden on the user which is disproportionate to the revenue derived from use, the obligation to provide information shall be fulfilled to the extent that, in the given case it generally may be expected.

(7) Paragraphs (1) to (6) shall apply in the event of termination of the contract, with the difference that the obligation to provide information shall be fulfilled within thirty days of the termination of the contract.

(8) The obligation to provide information under paragraph (1) shall not apply if the author's contribution to the entire work is not significant, unless the author confirms that the requested information is necessary to enforce the claim provided for in Section 48 (1).

(9) A collective agreement may lay down rules on information, provided that its provisions comply with the requirements laid down in paragraphs (1) to (8). A collective agreement is a contract concluded between organisations representing the authors on the one hand and the users concerned on the other […]

(10) Paragraphs (1) – (9) shall not apply

a) to contracts concerning works created under employment […] and
b) contracts concluded with users by collective management organisations and independent management entities […]."

4. Does your law give authors or performers the right unilaterally (without judicial intervention) to terminate their grants? Under what circumstances?
I) After the lapse of a particular number of years?
II) In response to the grantee's failure to fulfil certain obligations, under what conditions?

See the provisions of Sections 51(1), 55(2) and (3) quoted in the answer to Question 2(a) and (b).

Special provisions apply, in Section 52, to the contracts on works to be created in the future:

"(1) If, in a contract concerning works to be created in the future, the works are indicated only by their type or character, either party may terminate the agreement with six months' notice after the lapse of five years from the conclusion of the contract and subsequently every five years thereafter.
(2) The author may not waive his right of termination referred to in paragraph in advance."

III) As an exercise of the moral right of "repentance"?

Sections 11 and 53 apply:

Section 11

"On a reasonable ground, the authors shall be entitled to withdraw in writing their consent to the publication of their works and to prohibit the further use of their published works; however, the authors shall be liable for the reimbursement of the damage having arisen until the withdrawal of their consent. This shall not affect the employers' right to use the works and shall not prevent the parties who acquired the economic rights through transfer from using the works based upon those rights."

Section 53

"(1) The authors may terminate the contracts authorising the use of their works if, for reasonable grounds, they withdraw their permissions to publish their works or forbid the further use of their works already published.
(2) The exercise of the right of termination shall be subject to the authors' providing security to compensate for the damage that occurred before the termination of the contracts.
(3) If, following the termination of a contract as provided in paragraph (1), the authors intend to give their consent for their works to be published or to be further used again, the previous users shall have a priority right for this."

IV. Streaming, transfer of rights, and the management of large catalogues [Session 5]

1. Applicable statutory right

a) What specific statutory right applies to licensing the streaming of works and performances?

Hungarian copyright law does not contain a specific statutory definition or dedicated regulation on streaming. The term itself is not included in the Hungarian Copyright Act.

Streaming, as a data transmission audio and multimedia system —depending on its technical structure and user interaction—can be divided into two categories: interactive and non-interactive streaming.

Hungarian copyright law covers both interactive and non-interactive streaming with a much broader property right: the right of communication to the public as defined in Section 26 of the

HCA. This is a comprehensive property right, which, in addition to public performance, is considered the basic case of non-material uses. The right of communication to the public is a kind of collective concept ("umbrella-solution"), encompassing several acts of use, the essential difference of which lies in the method by which access is provided.

Interactive streaming refers to the classic streaming offered by service providers, where the user is free to choose where, when and what they want to watch or listen to. It is regulated under Section 26(8) of the HCA, which grants authors and neighbouring rightsholders the exclusive right to make works and performances available to the public at a time and place individually chosen by the user. This provision implements Article 8 of the WCT, which guarantees authors the exclusive right of communication to the public, including on-demand access, and Articles 10 and 14 of the WPPT, which extend the making available right to performers and phonogram producers.

Non-interactive streaming refers to online radio or television services, where the content delivery is linear, and the user only has access to the content that the service provider publishes at that moment. Non-interactive streaming is a type of "online broadcasting" or "webcasting". It is regulated under Section 26(7) of the HCA, which grants the right to communicate the work to the public by wire or other means.

Hungarian law thus treats streaming as engaging two complementary exclusive rights:

1. The right of communication to the public, which includes traditional broadcasting and linear webcasting (Section 26(7) of the HCA); and
2. The right of making available to the public, which refers specifically to on-demand, user-controlled access (Section 26(8) of the HCA).

It is worth mentioning that a regulation issued by the National Media and Infocommunications Authority (in Hungarian: Nemzeti Média- és Hírközlési Hatóság, abbreviated as NMHH), namely NMHH Decree 7/2015. (XI.13.) on the national frequency allocation and the rules for the use of frequency bands contains the term streaming in a technical context. It defines wireless streaming as a continuous data transmission service used for private multimedia communication, combining audio, video, and synchronisation signals. However, this technical classification:

- does not concern copyright law, and
- has no interpretive or normative effect on the application of the Copyright Act.

i. Is it the right of communication to the public modelled after Article 8 of the WCT for authors, and the right of making available modelled after Articles 10 and 14 of the WPPT for performers and phonogram producers?

Yes. The HCA implements the international obligations under Article 8 of the WCT and Articles 10 and 14 of the WPPT.

These provisions were transposed into Hungarian law via Section 26(8) of the HCA (for authors), and Sections 73 and 76 of the HCA (for performers and producers).

ii. Another right or a combination of rights?

Streaming involves a combination of rights: communication to the public (for linear streaming) and making available (for on-demand streaming). In the case of interactive streaming, authors and performers exercise their exclusive rights under an extended collective management system that

allows for opting out, whereas in the case of phonogram producers, film producers, broadcasting organisations, and press publishers, the licence must be obtained directly from the neighbouring rights holder. For non-interactive uses involving the right of communication to the public, licensing rights and remuneration claims are typically enforced through collective rights management.

b) For authors, does this right cover both musical and audiovisual works? For performers, does this right cover both performances fixed in phonograms and audiovisual fixations?

Yes. Section 26(8) of the HCA grants authors the exclusive right to make their works available to the public on demand. This right applies to all categories of protected works, including both musical works and audiovisual works.

For performers and other holders of neighbouring rights, the right of making available is provided through:
- Section 73(1) of the HCA – for performers' recorded performances, whether fixed in phonograms or audiovisual recordings;
- Section 76 of the HCA – for phonogram producers;
- Section 82(1) HCA – for film producers.

In practice, this means that if a stream (e.g. a live videogame stream) contains both original game music and third-party licensed music, the platform or streamer must obtain permissions not only from the game developer (as rightsholder of the original content), but also from the composers, performers, and phonogram producers of any embedded third-party music.
Section 26(8) of the HCA defines the right of on-demand communication to the public, i.e. the making available right, as the act of offering access to a work in such a way that members of the public can choose the time and place of access. Importantly, under Hungarian law (in line with EU and international norms), the right is already triggered by the act of making the work available, even if no user streams or plays the content. The user's active access is not a prerequisite; what matters is the legal offering of access.

2. Transfer of rights

a) Are there any regulations in your country's law that limit the scope of a transfer or license to the forms of use already known at the time of the transfer or license?

Yes. Section 44(2) of the HCA states that a licence granted for an unknown form of exploitation is invalid. The license must specify the forms of use envisaged at the time of contracting; the parties cannot license "future unknown uses". However, it is also clarified that technical improvements or enhancements of already known forms of use (e.g., higher-resolution or more efficient streaming technologies) do not constitute new forms of exploitation and do not trigger the invalidity rule. In such cases, the original licence remains effective unless explicitly limited.

b) If there are such regulations, when the statutory right referred to in section 1 was introduced into your law, was it considered a new form of use to which the limitation in subsection 2a. above applies?

No. When Hungary implemented the EU Information Society Directive (2001/29/EC in 2004, it amended the Hungarian Copyright Act to include Section 26(8), which introduced the exclusive

right of making works available to the public on demand. The legislator did not treat this as a new form of exploitation falling under the limitation set out in Section 44(2) of the HCA. Instead, on-demand streaming was regarded as a technological development and functional extension of the already existing right of communication to the public.

As a result, rightholders were not required to sign new contracts or relicense their works for this specific form of use, unless existing contracts explicitly limited the scope of rights. In practice, licensing of the making available right has often been handled through collective rights management organisations, particularly for musical works and performances.

c) Are there any cases in your country's law when the statutory right referred to in section 1 is presumed to have been transferred to the producer of a phonogram or audiovisual fixation?

Yes, for films – but not for phonograms.

According to Section 66(1) of the HCA, unless otherwise agreed in the contract, the authors and performers contributing to a film are deemed to have transferred to the film producer the right to use and to authorize the use of the film as a whole. However, this presumption excludes three specific rights:

- remuneration for the use of the film on a blank carrier (private copying levy);
- remuneration for lending or renting the film to the public;
- and remuneration for cable retransmission.

These three remain with the individual rightsholders and require separate remuneration under Section 66(2) of the HCA.

Furthermore, Section 82(1) of the HCA provides that the film producer's consent is required to reproduce, distribute, or make the film available on demand. Although the law does not explicitly refer to a legal presumption, the combined effect of Sections 66 and 82 has been interpreted in practice as creating a rebuttable presumption that the film producer acquires, through the production contract, the economic rights necessary for the exploitation of the film, including on-demand streaming.
In contrast, no such statutory presumption applies to phonograms. Under Section 73(1) of the HCA, performers retain their rights in recorded performances and must grant explicit licences for acts of exploitation, including streaming.

See the relevant case-law in IV.3.a).

3. Remuneration

a) Are authors/performers entitled to remuneration for licensing the streaming of their works/performances?

Yes, generally.

Under Hungarian law, the default rule is that authors and performers are entitled to remuneration for the streaming of their works or performances. This is expressly provided by Section 26 (8) of the HCA (for authors), Section 74(2) (for performers), Section 76(2) (for phonogram producers) and Section 82(2) (for film producers).

Unless the rightsholder expressly waives remuneration, a licence must be granted under fair and equitable conditions, reflecting the economic value of the exploitation.
This was confirmed in the Deezer case, where the Budapest Court of Appeal held that streaming recorded performances qualifies as making available to the public on demand, requiring performers' explicit permission and royalty payments, regardless of any agreements between the platform and the phonogram producer.
In practice, licensing models vary. For example, in the video game industry, developers typically acquire licences from composers and phonogram producers for distribution. However, where pre-existing commercial music is embedded in games, streamers, or platforms, streamers or platforms may need to obtain additional licences and pay separate royalties to the relevant authors, performers, and producers.

To avoid legal uncertainty, many developers choose to avoid licensed music altogether, or they include a "streamer mode" that mutes third-party content. However, this may raise issues under moral rights, particularly the author's right to the integrity of the audiovisual work.

In terms of royalty calculation, Hungarian collective management organisations apply differentiated tariffs:

- ARTISJUS, representing music authors, sets detailed royalty schemes based on (i) whether the music is downloadable or streaming-only, (ii) whether access is free or subscription-based, and (iii) the specific context of use—such as website use, podcasting, IPTV, or online concerts. Remuneration is typically calculated per track or by usage time.
- EJI, representing performers, applies a scheme that distinguishes between commercial and non-commercial uses. In certain cases, if the conditions set out in the tariff are met, no royalty payment is required in connection with non-commercial use. Similar to Artisjus, the EJI tariff also takes into account whether the use allows downloads or is streaming only, as well as whether the content service is subscription-based.
- MAHASZ, representing phonogram producers. In contrast to the extended management regime for performers, licences for phonogram producers must be obtained individually for each use. In the case of non-interactive online uses (which affect the right of communication to the public, but not the right of making available), such as non-interactive webcasting, MAHASZ and EJI jointly administer, under a joint tariff, the remunerations of performers and producers.

b) Do authors and/or performers retain a residual right to remuneration for streaming even after licensing or transferring the statutory right referred to in section 1?

No.

4. Collective management

a. In your country's law, is collective management prescribed for managing the right referred to in section 1? If so, what form of collective management is prescribed (e.g. mandatory or extended)?

Collective management for the right referred to in section 1 is required only for specific works and other subject matters, and only for particular groups of rightholders.

1. *Group of rightholders*: composers and lyricists

The scope of collective management covers the right to authorise the making of previously published non-theatrical musical works and their lyrics, other than dramatico-musical works or scenes and segments from them, and excerpts from such theatrical musical works available to the public in such a way that members of the public can individually choose the place and time of access.

Type of collective management: extended. The rightholder may object to the use of their work under collective management and may choose to exercise their right individually.

2. *Group of rightholders*: authors of audiovisual works (film directors, directors of photography, and film writers)

The scope of collective management covers the right to authorise the making of audiovisual works available to the public in such a way that members of the public can individually choose the place and time of access.

Type of collective management: extended. The rightholder may object to the use of their work under collective management and may choose to exercise their right individually.

Note: Collective management covers only films or parts thereof produced by a film production company based in Hungary.

3. *Group of rightholders*: authors of works of fine art, applied art, photography and industrial design

The scope of collective management covers the right to authorise the making of previously published works of fine art, applied art, photography and industrial design available to the public in such a way that members of the public can individually choose the place and time of access.

Type of collective management: extended. The rightholder may object to the use of their work under collective management and may choose to exercise their right individually.

4. *Group of rightholders*: performers

The scope of collective management covers the right to authorise the making of fixed performances available to the public in such a way that members of the public can individually choose the place and time of access.
Type of collective management: extended. The rightholder may object to the use of their work under collective management and may choose to exercise their right individually.

Note: Hungary transposed the provisions of the WIPO Copyright Treaty and Performances and Phonograms Treaty into its national law in 1999, two years before the adoption of the EU InfoSoc Directive (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 related rights in the information society). In 1999, a very similar protection regime was established for authors and performers concerning the right mentioned in section 1, including the approach of enabling the exercise of the exclusive right to make available through collective management. Lawmakers believed that communication through interactive networks would fundamentally change the way creative content was consumed. It was assumed that mass use of films and sound recordings would become the norm, which cannot be monitored and controlled by the individual author or performer. The current protection regime was tried and tested in two major lawsuits the performers' CMO launched against global music streaming service providers, both of which ended in settlement, as the courts have resolved that service providers must pay performers through their CMOs.

5. *Group of rightholders*: publishers of press publications

The scope of collective management covers the right to authorise the making of press publications available to the public in such a way that members of the public can individually choose the place and time of access, and reproducing it electronically for this purpose, provided that the use is carried out by a natural or legal person or an organization without legal personality providing information society services within the meaning of Section 2(k) of the Act CVIII of 2001 on Electronic Commerce.

Type of collective management: extended. The rightholder may object to the use of their work under collective management and may choose to exercise their right individually.

Note: The Hungarian press publishers' CMO has not yet been able to issue tariffs. Supervisory authorities rejected its draft tariffs, claiming it failed to comply with the regulations of the CMO Act regarding tariff-setting.

All other groups of rightholders for all other works and other subject matters exercise the right referred to in section 1 individually.

b. If authors and/or performers retain a residual right to remuneration (ss 3 b.), is collective management prescribed for managing this residual right to remuneration? If so, what form of collective management is prescribed (e.g. mandatory or extended)?

N/A – see the answer to Q IV.3.b.

5. Transparency and the management of large catalogues

a. Does your law (or, in the absence of statutory regulations, industry-wide collective agreements) guarantee that authors and performers regularly receive information on the exploitation of their works and performances from those to whom they have licensed or transferred their rights? If yes, what is the guaranteed periodicity and content of such information?

Transposing Article 19 of the CDSM Directive **(**Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC), section 50/A subsections (1) to (9), sections 50/B, and 55 of the Copyright Act provide for the following rules of transparency.

Section 50/A

"(1) Under the usage agreement, the user shall supply the author with detailed information at least once a year.
a) on the use of the work,
b) on the manner and extent of use,
c) the income derived from the use of the work, separately for each type of use, and
d) the remuneration payable to the author.
(2) The obligation to provide information under paragraph (1) shall not apply to usage agreements where the author has waived remuneration.
(3) In a usage agreement concerning films and audiovisual works, the parties may specify that the information obligation under paragraph (1) will only apply if the author requests the information from the user in writing or by electronic means.
(4) A user who has obtained the right of use through transfer [Section 46 (1)] or succession [Section 46 (2)] must, upon the explicit request of the author, provide the information specified in paragraph (1) that is not available to the user primarily authorised to use the work.
(5) The author may request the information referred to in paragraph (4) from the transferee or the successor in title.

(6) If the information obligation set out in paragraph (1) and not provided for in the license agreement would impose an administrative burden on the user that is disproportionate to the income derived from the use, the information obligation shall be fulfilled to the extent that can generally be expected in the given situation.
(7) Subsections (1) to (6) shall apply in the event of termination of the usage agreement, with the exception that the information obligation must be fulfilled within thirty days of the termination.
(8) The information obligation under paragraph (1) shall not apply if the author's contribution to the work as a whole is insignificant, unless the author demonstrates that the requested information is necessary to enforce the right to the contract adjustment mechanism provided for in Section 48(1).
(9) A collective license agreement may lay down rules on information, provided that its provisions comply with the requirements set out in subsections (1) to (8). A collective license agreement is an agreement concluded between, on the one hand, the authors and, on the other hand, the interest groups authorised in the document establishing the license agreement to conclude license agreements between the authors and the users concerned, on the general terms and conditions for the use of the works of the authors involved.
(10) Subsections (1) to (9) shall not apply
a) to works created in the course of employment or other similar legal relationships (Section 30) or to performances made in the course of employment or other similar legal relationships, and
b) to contracts concluded by collective management organisations and independent management organisations with users, as well as to agreements concluded by collective management organisations with persons liable to pay remuneration, in the context of exercising their rights to remuneration."

Section 50/B

"Any contractual provision that becomes part of the agreement between the user and the author and deviates from Section […] 50/A […] shall be null and void. In the event of a null and void provision or the choice of foreign law, Section 50/A (1)–(9) shall apply instead of the different foreign law. Nullity may only be invoked in favour of the author."

Section 55(1)

"[…] (P)rovisions relating to usage agreements shall apply to agreements on the transfer of copyright and […] to agreements on the use of performances and the transfer of performers' rights."

b. Are you aware of any case law where the complex chains of copyright titles, typical of large streaming catalogues, have made the management of works or performances non-transparent or otherwise challenging, such as, for example, the case of Eight Mile Style, LLC v. Spotify U.S. Inc. (https://casetext.com/case/eight-mile-style-llc-v-spotify-us-inc-1)?

No.