

The European and national framework on AVMS obligations

Workshop on “The financial ecosystem of the European audiovisual production”

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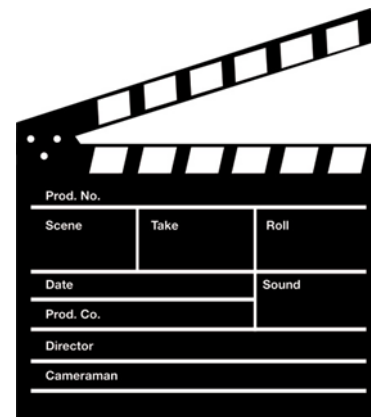


Overview

- 1. Legal obligations of broadcasting services**
- 2. Legal obligations of on-demand AV services**
- 3. Looking forward: The revision of EU rules**

The money: three different concepts

1. Direct funding
 2. Fiscal incentives
- State Aid**



3. Legal obligations of broadcasters and on-demand AV services

The money: three different concepts

1. Direct funding

2. Fiscal incentives

3. Legal obligations of broadcasting
and on-demand services



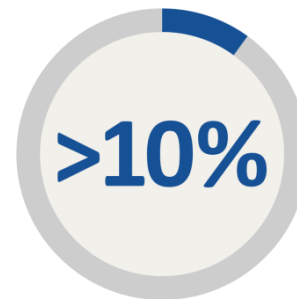
Overview

- 1. Legal obligations of broadcasting services**
2. Legal obligations of on-demand AV services
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Broadcasting services (Art. 16 and 17 AVMSD)



of transmission time to
EU works



of transmission time/programming
budget to independent EU works

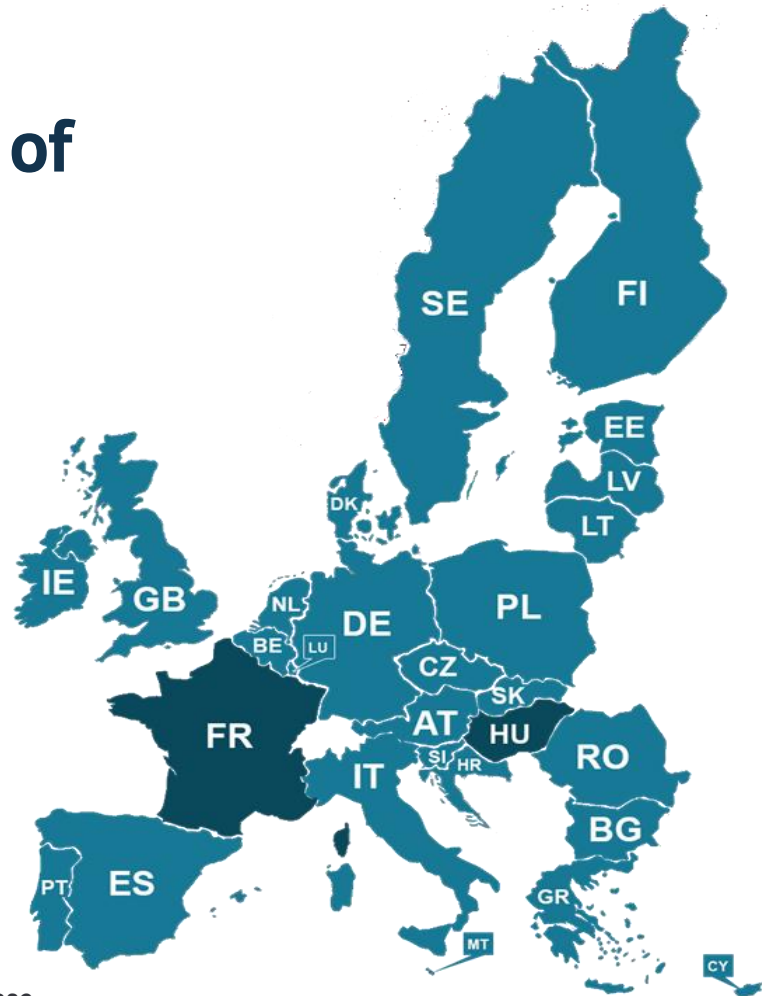
“...where practicable and by appropriate means”

Art. 16 AVMSD

Minimum proportion of broadcasting time of European works

 >50% (as in AVMSD)

 60%

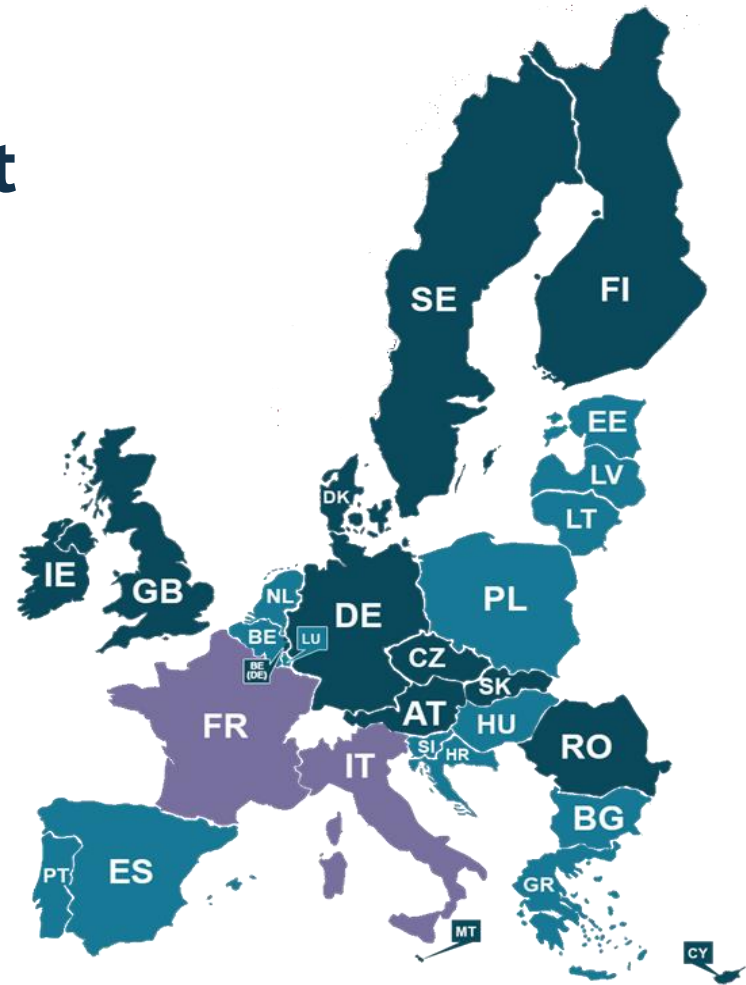


Source: European Audiovisual Observatory's AVMSDatabase

Art. 17 AVMSD

Support of independent European works

- Transmission time
- Transmission time OR financial contribution
- Financial contribution



Source: European Audiovisual Observatory's AVMSDatabase

Mandatory financial contribution from broadcasters

France:

- At least 15% of net annual revenue to EU and FR-language AV works

Italy:

- At least 12% (15% for PSB) of net annual revenue to EU works of independent producers

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On demand services (ODAVMS) (Art. 13 AVMSD)

Financial contribution




Share in the catalogues

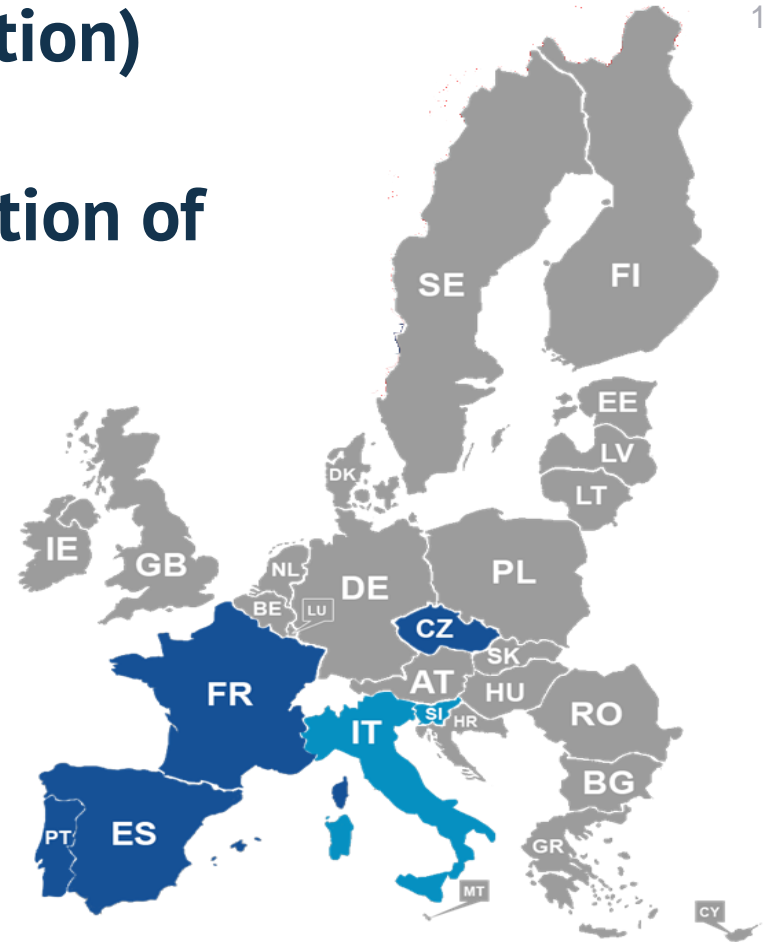


Prominence



Art. 13 (financial obligation) Direct contribution to production or acquisition of rights

-  Mandatory
-  Optional
-  No obligation



Mandatory contribution of ODAVMS to production or acquisition of rights (Art. 13)

France

- At least 15% of annual revenue to EU and FR-language AV works (12%)

Spain

- 5% annual revenue (6% PSB) (60% cinema film / 40% tv film and series)

Czech Rep.

- At least 1% of total revenues in the production or acquisition of rights

Portugal

- At least 1% of revenues in the production of European cinematographic works

Optional contribution of ODAVMS to production¹³ or acquisition of rights (Art. 13)



Italy

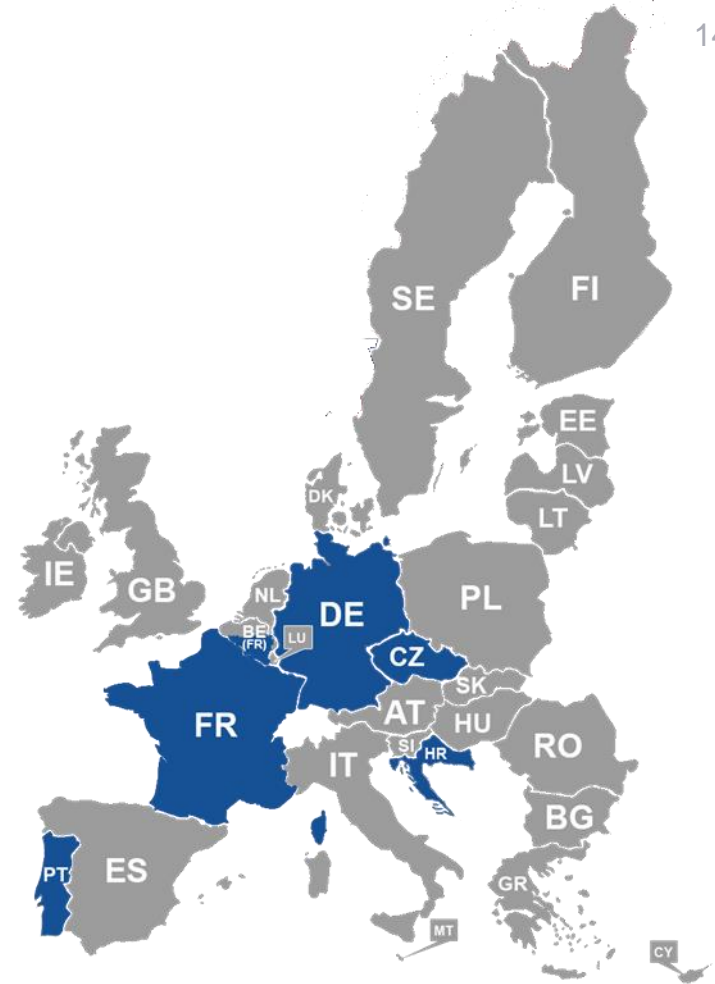
- 5% of annual revenues from audiovisual content for the production of European works, or acquisition of rights (transitional period 2011-2015)

Slovenia

- at least 1% of annual revenues for the production of or acquisition of the rights

Additional to AVMSD implementation: Contribution to support funds for on-demand services

-  Obligation
-  No obligation



Source: European Audiovisual Observatory's AVMSDatabase

Contribution of ODAVMS to support funds (additional to Art. 13 AVMSD)

Belgium (Fr. C)

- Co-production or pre-purchase rights or contribution to film and AV fund (minimum amount fixed based on the operator's annual turnover)

Czech Republic

- Mandatory 0,5% fee on price paid by end-user in a calendar year to be paid to the State Cinema Fund

Croatia

- 2% of ODAVMS' annual gross income to the Croatian AV Centre

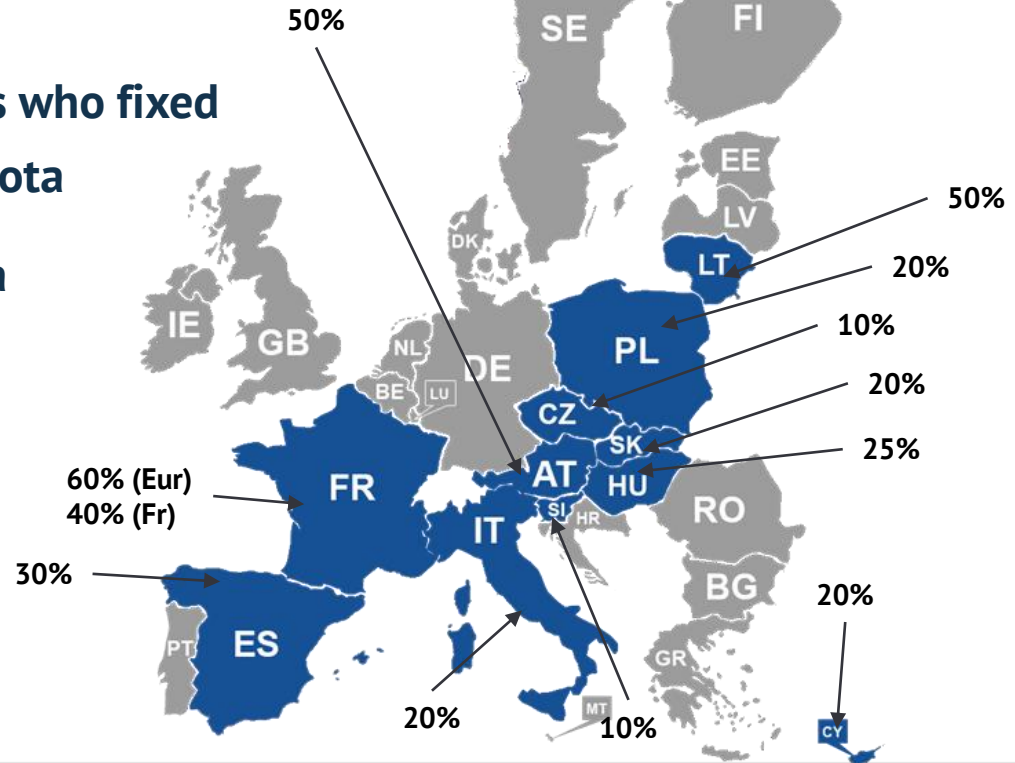
Portugal

- When 1% of direct investment not attained, unspent investment amounts go to the Institute of Cinema and Audiovisual (ICA).

Art. 13 AVMSD

Share of European works in the catalogues

- Member states who fixed a minimum quota
- No fixed quota



Proportion of share in catalogue allocated to works of national expression in the EU28

considerable share



Source: European Audiovisual Observatory's AVMSDatabase

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On demand services (NEW Art. 13 AVMSD)

Share in the catalogues



Prominence



Financial contribution
→ also for targeting services



Art. 13 (1) of the Proposal

Share in catalogue and prominence

*Member States shall ensure that providers of on-demand audiovisual media services under their jurisdiction secure **at least a 30% share** of European works in their catalogue and ensure **prominence** of these works.*



- share in catalogue
- prominence

Art. 13 (2) of the Proposal

Financial obligation

*Member States may require providers of on-demand audiovisual media services under their jurisdiction to **contribute financially** to the production of European works, including via direct investment in content and contributions to national funds.*



- production
- direct investments
- national funds

Art. 13 (2) of the Proposal targeting services

*Member States may require providers of on-demand audiovisual media services, **targeting audiences** in their territories, but established in other Member States to make such financial contributions.*



- production
- direct investments
- national funds

Contribution to support funds on targeting services

France

- 2% tax on advertising revenues of VOD providers (the “YouTube Tax”): extended to services targeting France

Germany

- VOD providers with annual turnover above EUR 500.000 are subject to a levy (Filmabgabe) to the German film fund (1,8 to 2,3% of their turnover): extended to services targeting Germany

Thank you!

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