

# The European Audiovisual Observatory's Financial Resources and Output

## Budget

The European Audiovisual Observatory's yearly budget is financing the activities planned during the year in the annual "Action Plan". For 2019, this budget amounts to **EUR 3 673 600**.

The Budget is mainly funded by members' contributions (currently 41 states and the European Union are members). Contribution rates are based on a formula which takes into account population and Gross Domestic Product. Major contributors to the budget (France, Germany, Italy, the Russian Federation, the United Kingdom and the European Union) all pay the same rate.

The second most important financial resource of the European Audiovisual Observatory is income generated through payments for services provided by the Observatory (including co-financed projects). In practice this happens through reports and information tools, such as databases, commissioned by third parties against financing (or co-financing) as well as by hosting services for third parties and by sharing our data, expertise and methodology.

Another established part of the Observatory yearly budget consists of the credit balance of the last closed and approved financial year. Around EUR 150 000 is considered a healthy outcome of a budget implementation.

The adopted budget for 2019 is as follows:

<b>Total budget (EUR)</b>	<b>Receipts</b>
1a. Credit balance	134 275,77
1b. Fund extension of premises	131 700,00
2a. Income from products and services	133 000,00
2b. Co-financed agreements	730 900,00
2c. Hosting of services	186 100,00
3. Bank interest	10 000,00
4. Contributions of Member states	2 347 624,23
<b>Total</b>	<b>3 673 600,00</b>

## **Expenditure**

The work of the Observatory consists predominantly in the gathering and processing of data and information. This core activity of the Observatory is extremely labour intensive and depends on the knowledge and expertise of highly specialised staff. Accordingly, a significant amount of expenditure relates to staff cost (see the corresponding category).

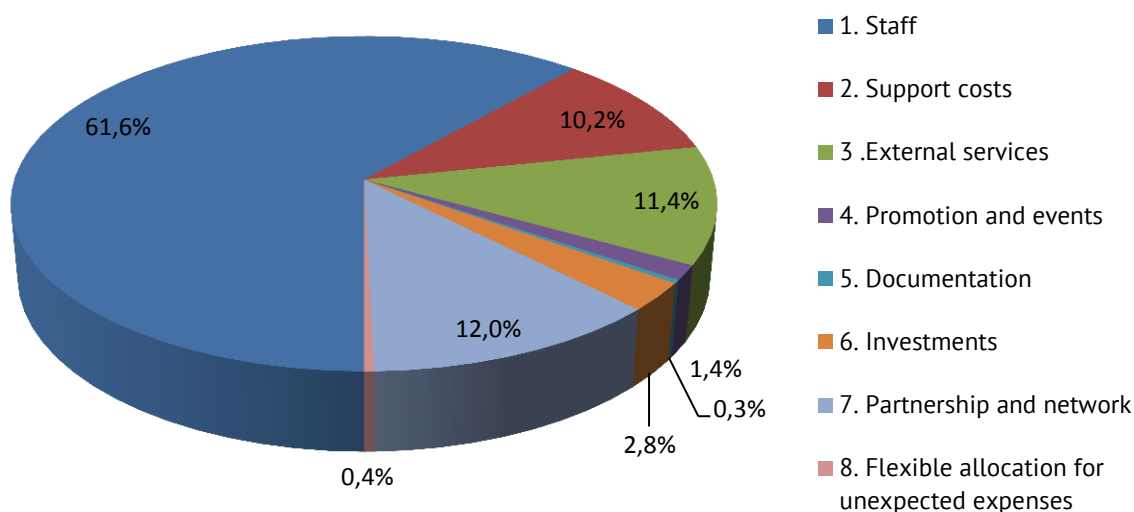
Translation and proofreading of the Observatory's production, grouped in the category "external services", are another big item of the expenditure and reflect the cost for having three working languages (English, French and German).

Data purchases supplement the in-house information gathering and make for a significant part of the costs listed under the category "partnership and network".

The Observatory's investment in IT services and IT development, reflected in the category "external services" and "investments" has been a steadily increasing cost factor in the past decade.

The events expenditure finance the well-established four yearly Observatory Conferences: during the Cannes Film Market, in the country of the Observatory Presidency, in Brussels and in the Russian Federation.

## Expenditure budget for 2019 (EUR)



### Related Procedures

The Secretariat of the Observatory elaborates the yearly Action Plan in consultation with its [Advisory Committee](#) and proposes a first draft supplemented by a budget forecast for discussion to the [Executive Council](#). Considering the comments and wishes of the Executive Council, it submits a second draft and detailed budget to the Executive Council for adoption and approval. The Executive Council must adopt the Action Plan, and approve the Budget. The decision on the Budget must be taken unanimously. Furthermore, the approved Budget needs to be adopted (again unanimously) by the Financial Committee of the Observatory. The Financial Committee corresponds to the Council of Europe's Committee of Ministers, but its composition is restricted to representatives of Observatory Member States.

## Prospects for 2019

Almost all information and information services are made available free of charge on the Observatory's (trilingual) website. The following main activities are fully (or in few indicated cases partially) covered by the 2019 Action Plan and Budget:

Publications of the Department of Market Information:

- five reports related to production and circulation of audiovisual works,
- two reports on the circulation and ownership of audiovisual services
- a note on the implementation of the portability regulation by free video online services.
- a thematic report on the Russian media industry
- a new edition of its Key trends
- three short summary reports brochure on video-on-demand, the distribution of films on VOD and theatrical film windows.
- A new edition of the Cannes market focus on World Film Trends

Publications of the Department of Legal Information:

- Ten issues of the IRIS electronic newsletter on legal developments across Europe
- Three issue of the IRIS Plus-series on issues at stage in the future reforms of the relevant European legal framework
- Two issues of IRIS Special with in-depth information and the most detailed analysis of major topics
- One IRIS Extra on a topical issue of relevance in the Russian landscape.
- Mapping of national rules for the promotion of European works (project started in 2018)
- Mapping of film and audiovisual public funding criteria in the EU (project started in 2018)
- Mapping of the regulatory framework for the assessment of the nationality of European audiovisual works (release in 2020)

Online services and databases of the Department of Market Information:

- Yearbook - Television, VOD, cinema and video in 40 European States: markets and players, services and usage
- MAVISE – on TV channels, on-demand services and licences in Europe (launch of a new expanded version)
- LUMIERE - on admissions of films released in Europe

- LUMIERE VOD - directory of European films available on on-demand services in Europe
- The EFARN research library - studies and data from the European film agencies

Databases of the Department of legal Information:

- IRIS MERLIN – articles on laws, court and administrative authority decisions and policy documents from over 50 countries of relevance to the audiovisual industry  
(launch of new version)
- AVMSDatabase – national laws transposing the Audiovisual Media Services Directive (in parallel preparation of a new version to reflect the adoption of the revised Directive)

The Department will also work on an interactive tool that shall allow exploitation of a recent mapping on the national rules on the promotion of European works.

Transversal activities:

- Big picture book on Fiction Film Finance in Europe
- Cannes Film Market Conference on Film Financing
- Presidency Conference in Rome on Cinema Windows Across Europe
- Conference in Russia on the Pay-TV Sector
- Conference in Brussels on Independent Productions

As every year, the Observatory staff will contribute information to conferences and events organised by third parties (on average 60 contributions per year) and engage in assisting with smaller projects and with specific requests of its members. The Observatory will also continue its engagement in helping develop a European-wide methodology in the areas of its expertise.