



The European audiovisual sector in the time of COVID-19

ERGA Action Group on Economic Conditions
of media service providers in the current COVID-19 crisis
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Overview

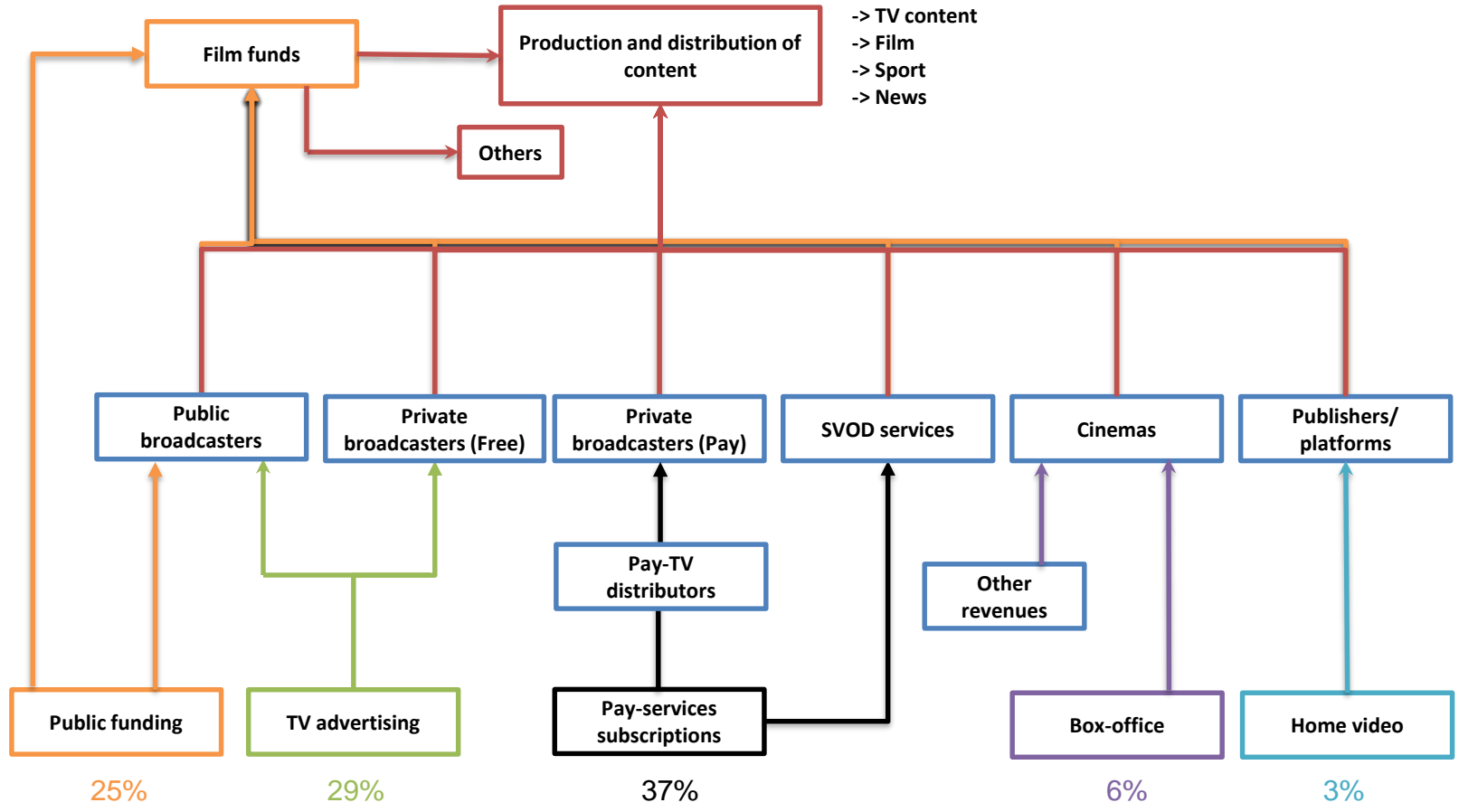
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- 2. The EAO COVID-19 Measures Tracker**
- 3. National approaches**
- 4. Measures by media regulators**

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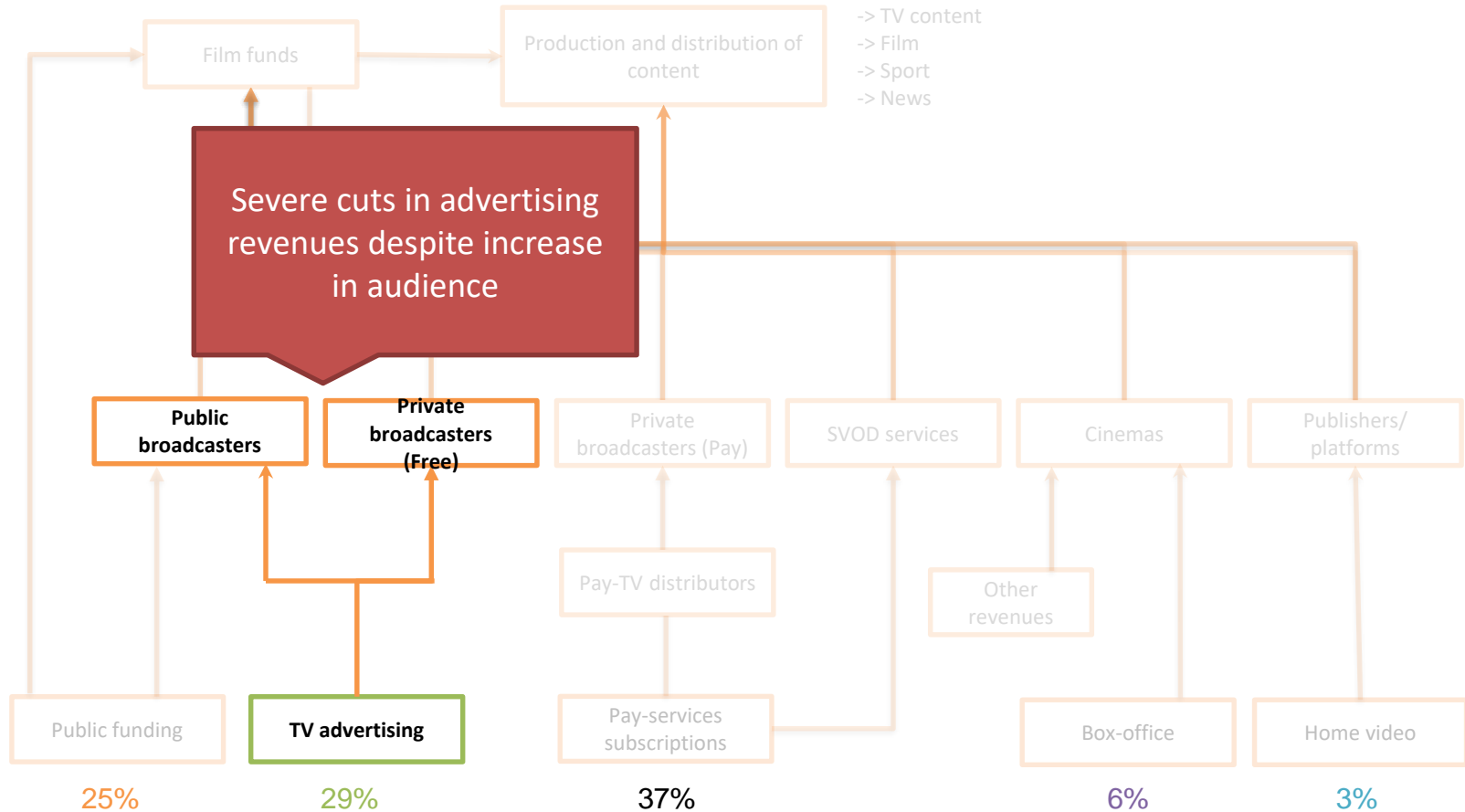
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Punctual crisis or long-lasting impacts?

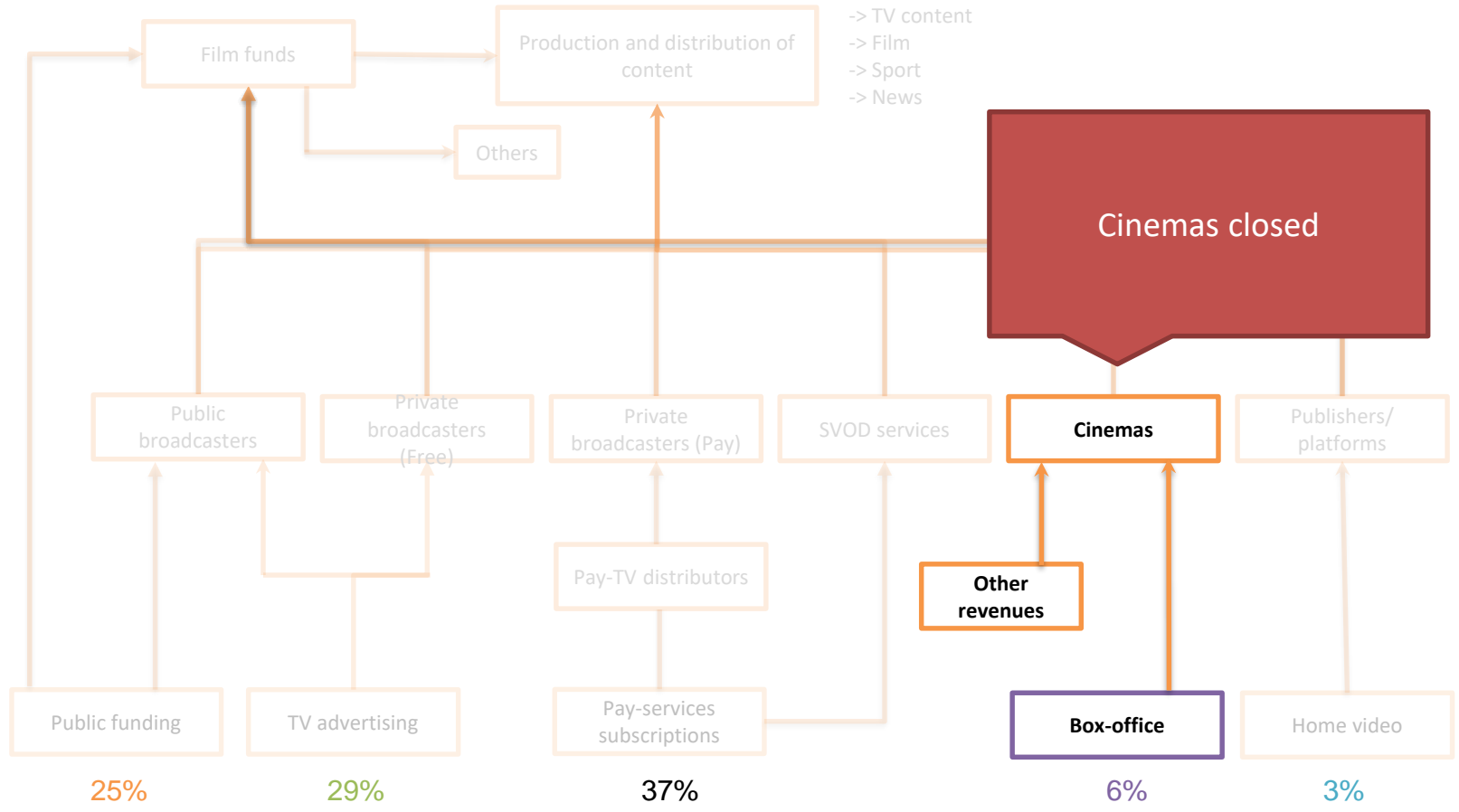
Financial flows in the audiovisual sector: *now*



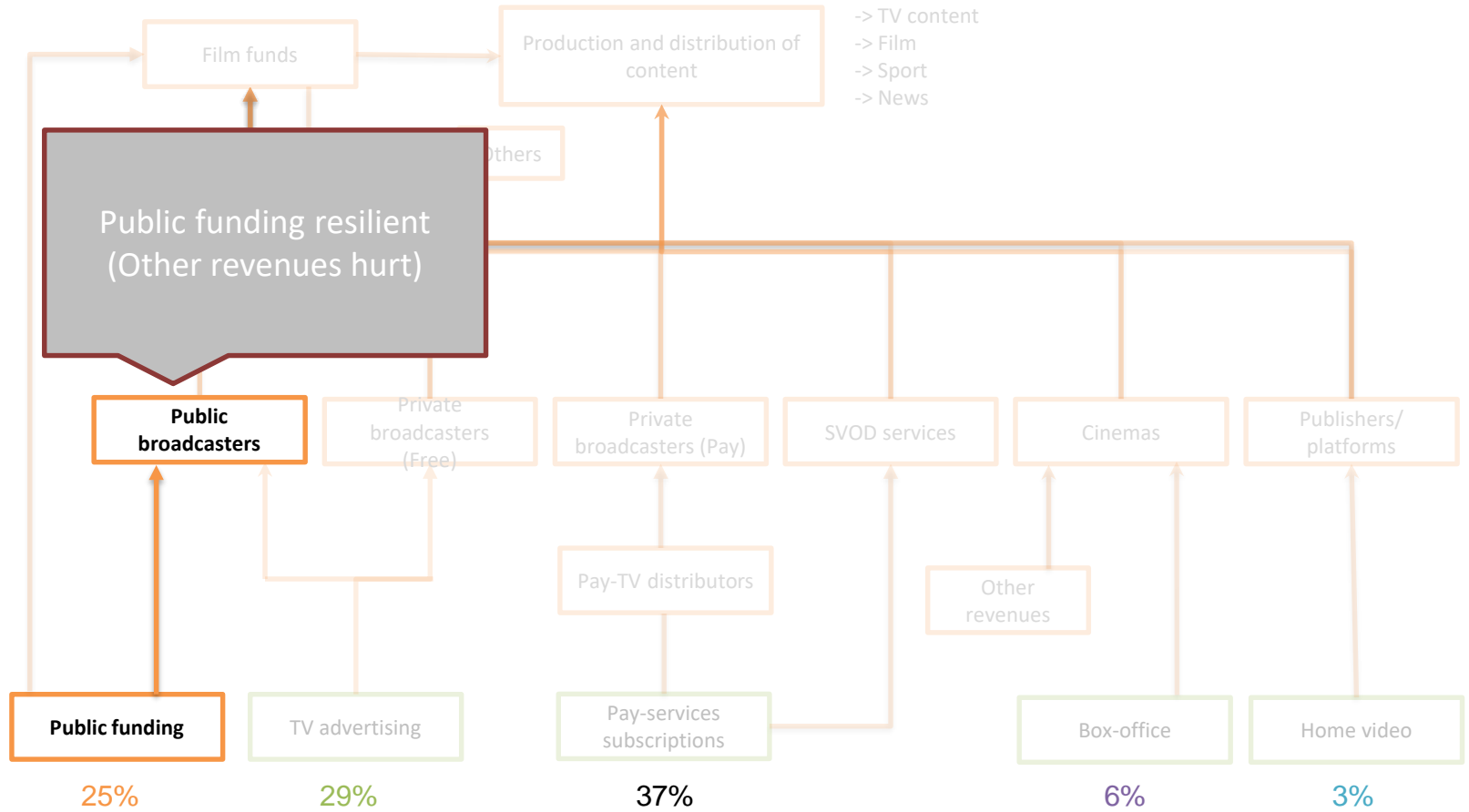
Financial flows in the audiovisual sector: Now



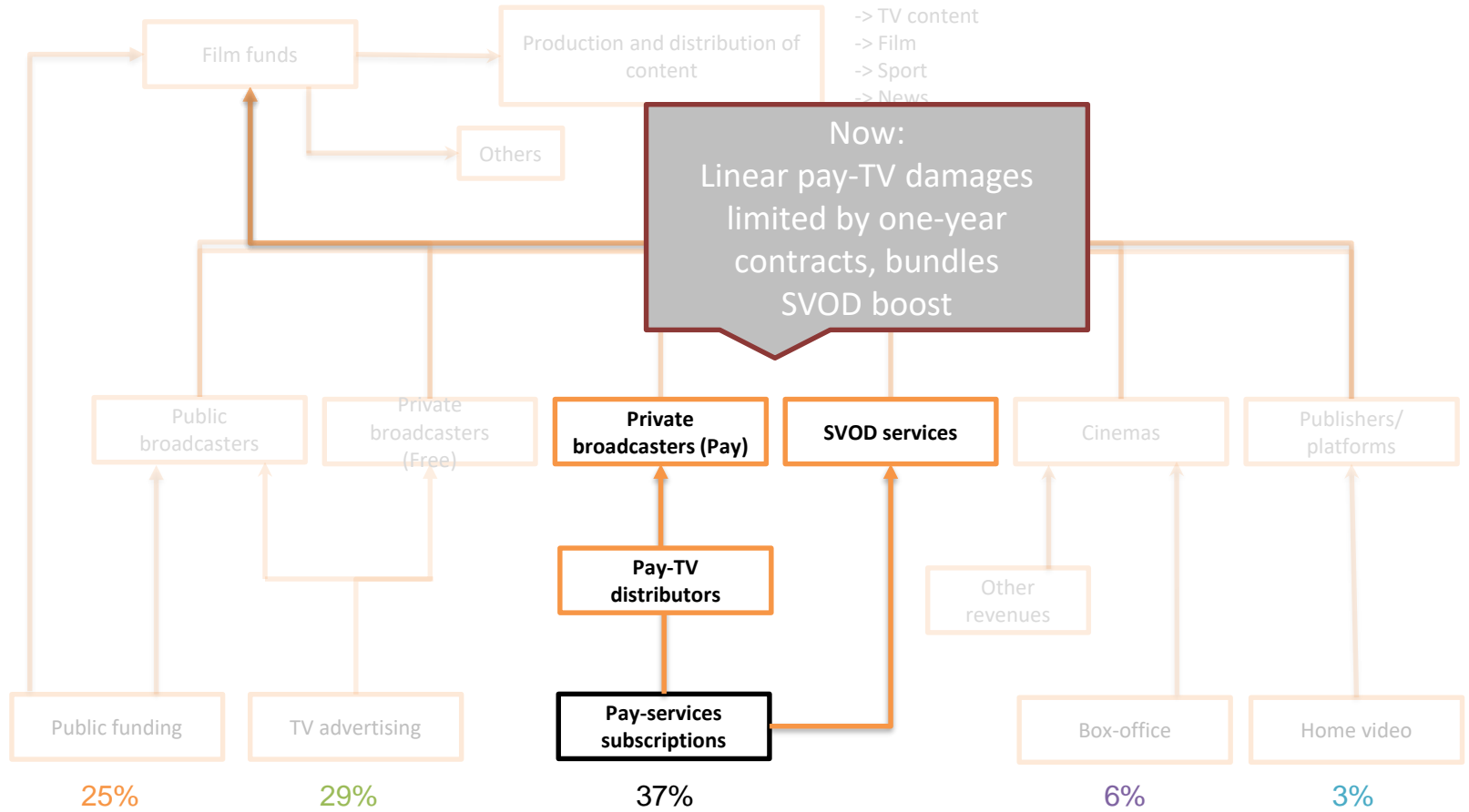
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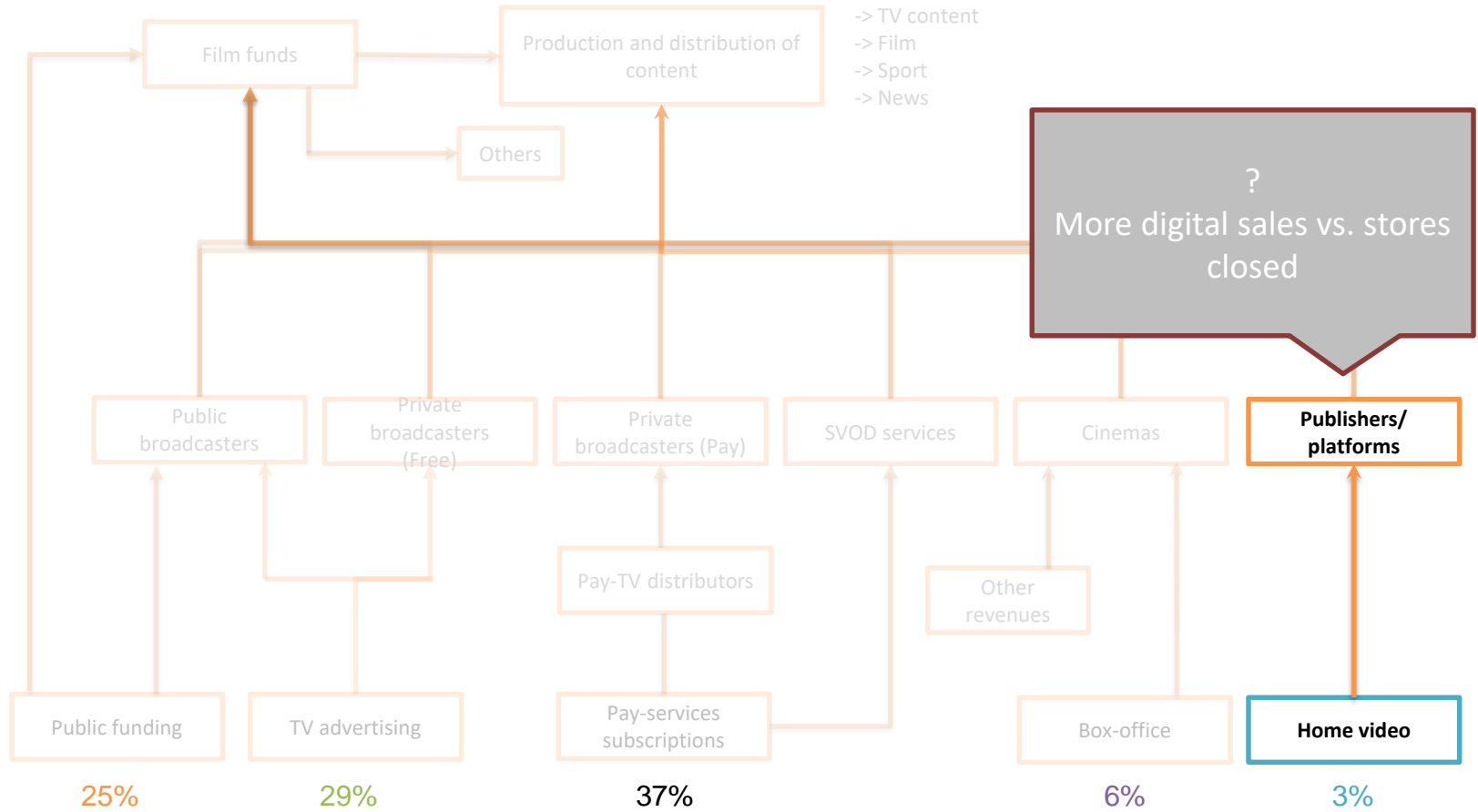
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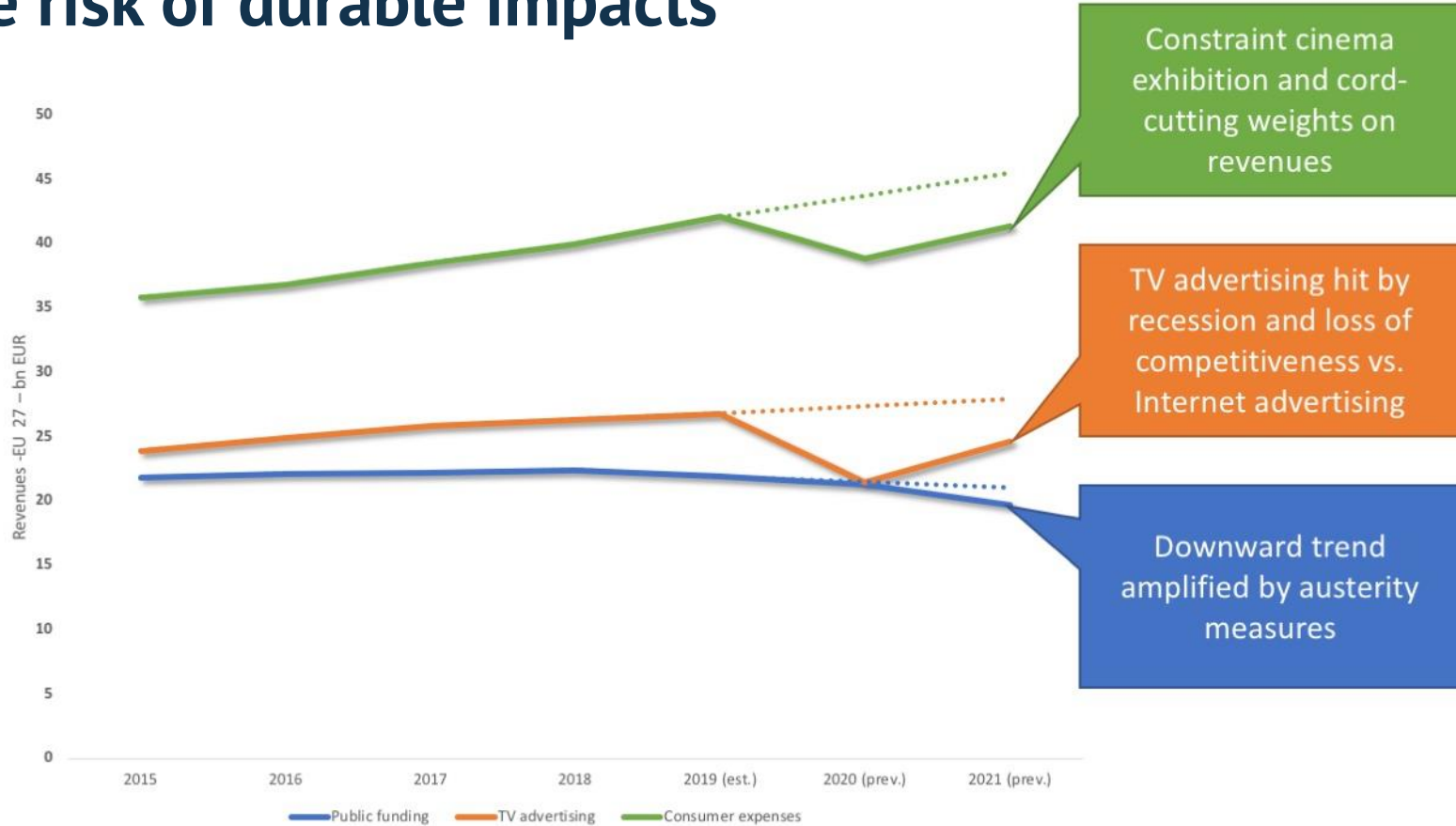
Risks for the European audiovisual sector

- **Public & private broadcasters**
 - ✓ Severe cuts in TV advertising revenue and risk of recession
- **Cinema & box-office**
 - ✓ Cinemas closed during lockdown and progressive reopening and risk of persistent sanitary rules and failure of small cinemas and distributors
- **Public funding**
 - ✓ Resilient now but risk of austerity measures
- **Pay-service subscriptions**
 - ✓ Risk of shortage of 'cinema' films for linear pay-TV and cord-cutting impact on total revenues

To sum up...

- **COVID-19 is expected to have long-lasting impacts**
- **COVID-19 may accelerate and amplify pre-existing trends**
 - ✓ All resources of legacy players at stake:
 - TV advertising is in absolute value the highest risk for the sector
 - Public funding (mainly of public service broadcasters) will be key to the resilience of the sector
 - Cord-cutting is likely to accelerate
 - ✓ SVOD reinforced but not likely to compensate for losses from legacy players
 - ✓ Risk of decrease of European high-end production

The risk of durable impacts



EAO Documentary and live after-talk with the industry at the Cannes film market



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Background of the project

- **Launching:** mid-March 2020
- **Goal:** Tracking information on COVID-19-related measures to support and guide the audiovisual sector
 - ✓ National: EU27 + other European countries (41 EAO member states)
 - ✓ Supranational: intergovernmental organisations (EU, CoE, UN..) / industry associations
- **Sources:**
 - ✓ 41 EAO Executive Council (NRAs, Ministries of Culture, Film funds..)
 - ✓ 38 European industry associations (EAO Advisory Committee)
 - ✓ European Film Agency Research Network (EFARN) / European Platform of Regulatory Authorities (EPRA)

Description of the COVID-19 Measures Tracker

- **More than 800 measures:**
 - ✓ Regulation, guidelines, initiatives, policy statement) / Updated twice a week
- **Measures by:**
 - ✓ Governments; media regulators (NRAs); film agencies; collective management organisations (CMOs); industry branches; European and financial institutions..
- **Main sectors concerned:**
 - ✓ Cross-sector – all industries (e.g. SMEs, workers, freelancers..)
 - ✓ Cultural & creative industries (e.g. support to artists and events)
 - ✓ Film/AV sector: broadcasting, production, distribution, exhibition, festivals, VOD services
- **Included in a sortable database**
 - ✓ By country, organization, sector, area impacted, type of measure) + link

Free download of the COVID-19 measures Tracker

<https://www.obs.coe.int/en/web/observatoire/covid-19-audiovisual-sector-measures>

The screenshot displays the homepage of the European Audiovisual Observatory. At the top, the logo and name of the organization are visible in three languages: French, English, and German. A navigation menu includes links for HOME, ABOUT US, LEGAL, MARKETS, COUNTRIES, ONLINE SERVICES, A-Z, PRESS, and PAID-FOR SERVICES. A dark blue banner below the menu reads: "Welcome to the official website of the European Audiovisual Observatory. The reference for market and legal information on film, television and VoD in Europe." The main content area features a "NEWS" section with a vertical list of social media icons (Twitter, Facebook, LinkedIn, Email) on the left. The first news item is titled "European Audiovisual Observatory announces COVID-19 documentary and live expert chat at this year's Cannes Marché du Film online", dated 11 JUNE 2020 in STRASBOURG, FRANCE. The article text asks about the effects of COVID-19 on the film, TV, and VOD industries and invites users to join an online event on Tuesday 23 June from 17:00 to 18:00 (CET). A second news item is partially visible, titled "How does Europe define the nationality of a film or TV programme?". On the right side, a yellow sidebar highlights "TRACKING COVID-19 MEASURES IN THE AUDIOVISUAL SECTOR". It states: "We are tracking measures in our Member States and on a European level to support the audiovisual sector during and after the COVID-19 crisis." Below this text are two links: "Link to EXCEL data tracker" and "Link to the project description", accompanied by a circular icon representing COVID-19.

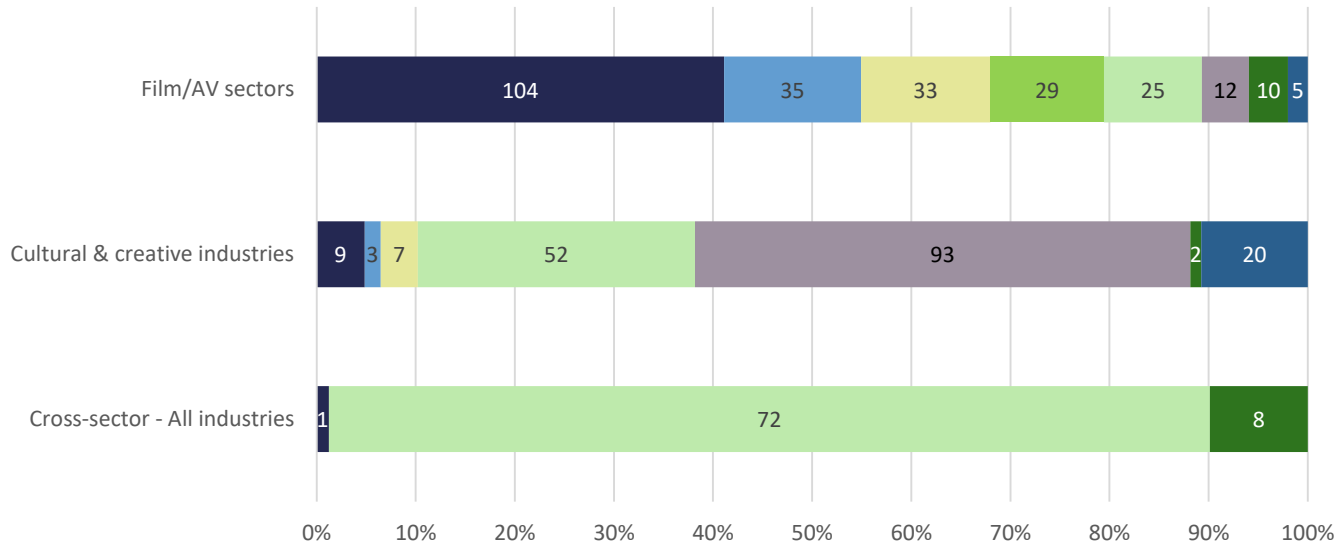
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General overview

- **Diversity of approaches**, depending on:
 - The type of issuing organization
 - The form of the intervention (regulation, initiative, guidelines..)
 - The scope (cross-sectoral or sector-targeted) and amounts concerned
- **Cross-sectoral economic measures in most countries**
 - Support to enterprises and workers (incl. SMEs, self-employed/freelancers)
 - Eligibility most often specified by Ministries of culture
- **Sector-targeted measures in many countries**
 - For the cultural & creative sector, and/or
 - For the film & AV sector: production, distribution, exhibition, festivals, broadcasters, VOD..)

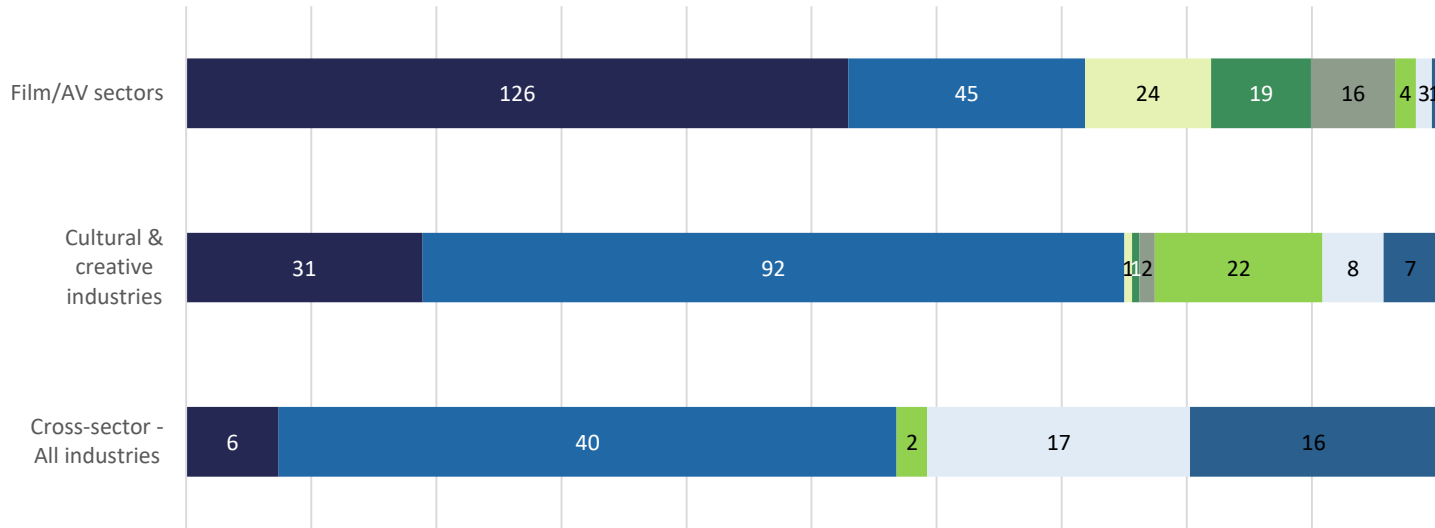
Breakdown of the main area concerned per sector



- Direct public funding & production incentives
- Journalism/freedom of expression & information
- Content & programming
- Public service mission
- Support to enterprises (incl. SMEs and self-employed)
- Support to artists/creators
- Support to workers
- Copyright and related rights

(in number of measures and as a percentage)

Breakdown of main type of measure per sector



- Relaxing requirements/deadlines
- New emergency funds/grants
- Promoting standards & good practices
- Operational guidelines
- Advancement of support payments
- Creating hotline assistance & FAQ
- Offering loans & guarantees
- Changing taxes/social security payments

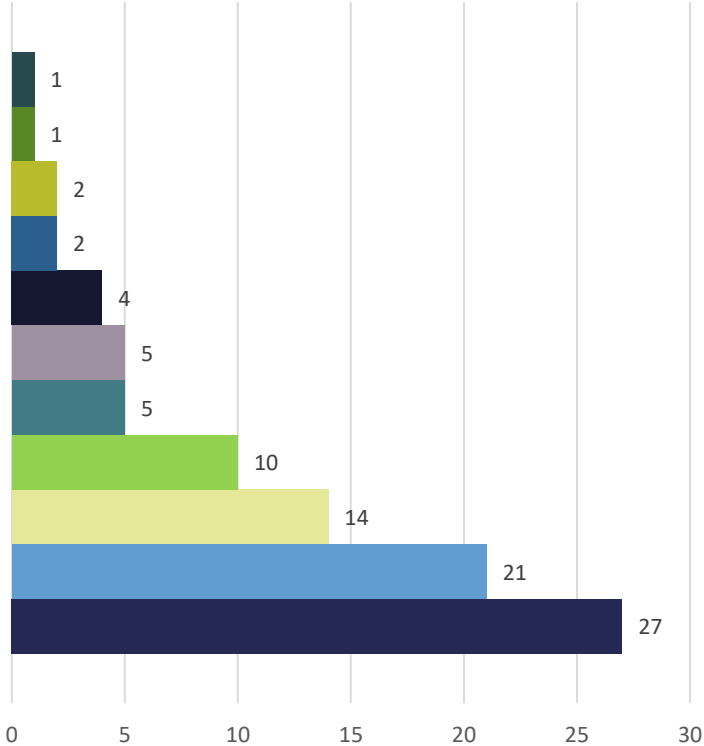
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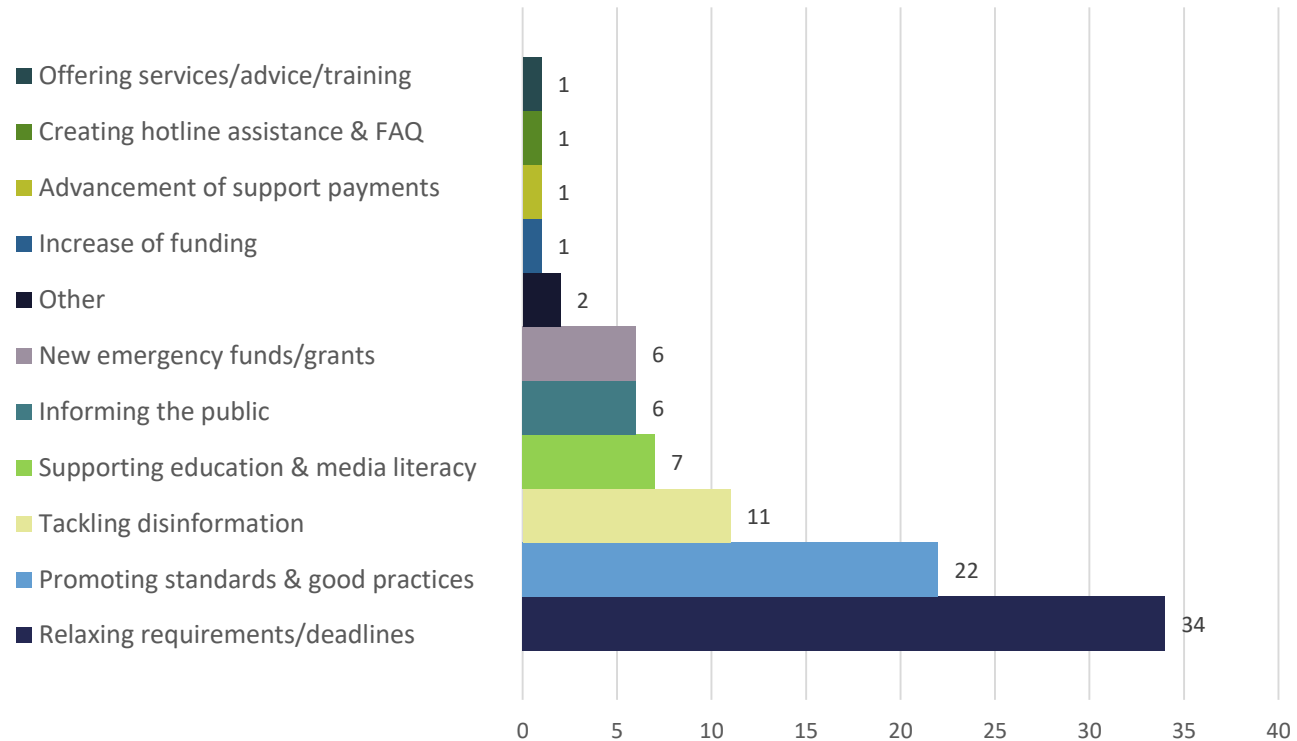
Breakdown of NRA's measures per area concerned

- Financial obligations
- Competition law
- Connectivity & networks
- Other
- Advertising rules
- Direct public funding & production incentives
- Support to enterprises (incl. SMEs and self-employed)
- Licensing & fees
- Content & programming
- Public service mission
- Journalism/freedom of expression & information



(per number of measures)

Breakdown per type of measure by NRAs



(in number of measures)

Relaxation of requirements/deadlines - examples of measures by NRAs

- **Relaxing obligations on broadcasters related to content and programming:**
 - ✓ Production quotas
 - ✓ Relaxation of programming quotas
- **Relaxing conditions related to licences and fees**
 - ✓ Deferring payment of licences for certain companies (low turnover)
 - ✓ Temporary suspension of fees payments for public and commercial broadcasters
 - ✓ Derogations of administrative rules

Promoting standards and good practices - examples of measures by NRAs

- **Recommendation**
 - ✓ on how to inform the public through sanitary crisis: guidelines for safe and professional reporting on COVID19
- **Ensuring financial capacity**
 - ✓ To ensure the media continue its operations and to ensure quality journalism
- **Mobilising public and private broadcasters**
 - ✓ To communicate and raise awareness

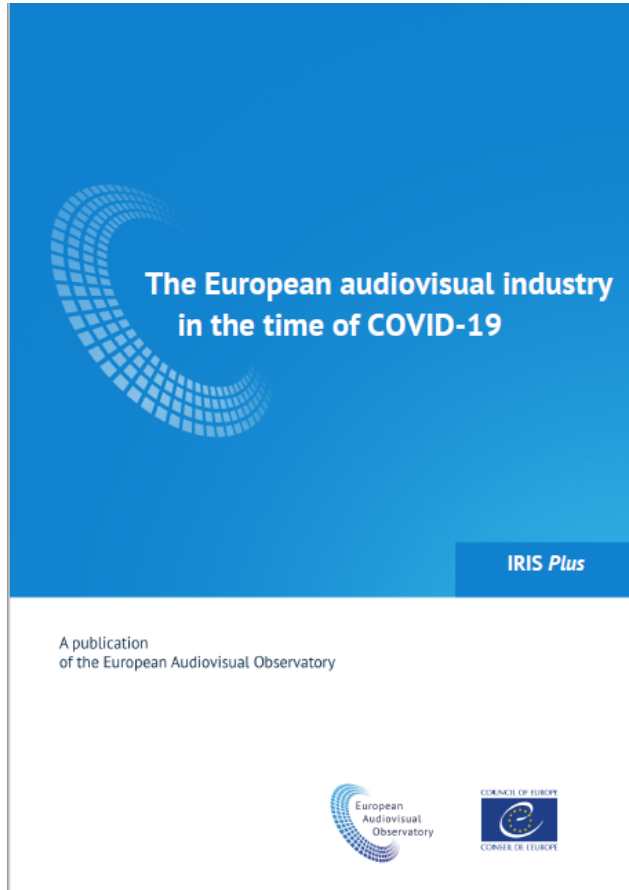
Tackling disinformation: examples of measures by NRAs

- **General call for caution and accuracy** in reporting the crisis to all operators
- **Reminder of the role of journalists** in times of crisis
- **Non-binding recommendation** to broadcasters on how to convey information in an accurate and inclusive way
- **Binding rules and/or individual sanctions** on broadcasters for disseminating false information
- **Prevention/ information campaigns** against misinformation / how to detect fake news: collaboration with national newspaper, Facebook re. sanitary crisis
- **Monitoring through studies and reports** on how broadcasters provide information, how audience receive it..

Supporting education & media literacy: examples of measures by NRAs

- **Making available online resources for parents and teachers:**
 - ✓ Pedagogic kits for teachers and parents; creation of Facebook groups / interactive platforms / webpages to support teachers and families
- **Highlighting positive contents:**
 - ✓ Information and cultural content selected from national and local media
- **Recalling broadcasters about their role to convey information:**
 - ✓ Audiovisual spots by Health Ministries, information campaigns..

Free download of the EAO latest legal report



<https://rm.coe.int/the-european-audiovisual-industry-in-the-time-of-covid-19/16809ec9cb>

Need for more measures for the media sector?

- Time for assessment of the measures taken
- Need for regional/EU responses?



Thank You!

For any queries:

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www.obs.coe.int



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