



**MANDATORY CONTRIBUTIONS AND MANDATORY INVESTMENTS BY THE
VARIOUS STAKEHOLDERS IN EUROPE**

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**OBSERVATOIRE EUROPÉEN DE L'AUDIOVISUEL
EUROPEAN AUDIOVISUAL OBSERVATORY
EUROPÄISCHE AUDIOVISUELLE INFORMATIONSTELLE**



ORGANIZING THE FINANCING OF FILM AND AUDIOVISUAL PRODUCTION – GENERAL OPTIONS FOR NATIONAL FILM POLICY

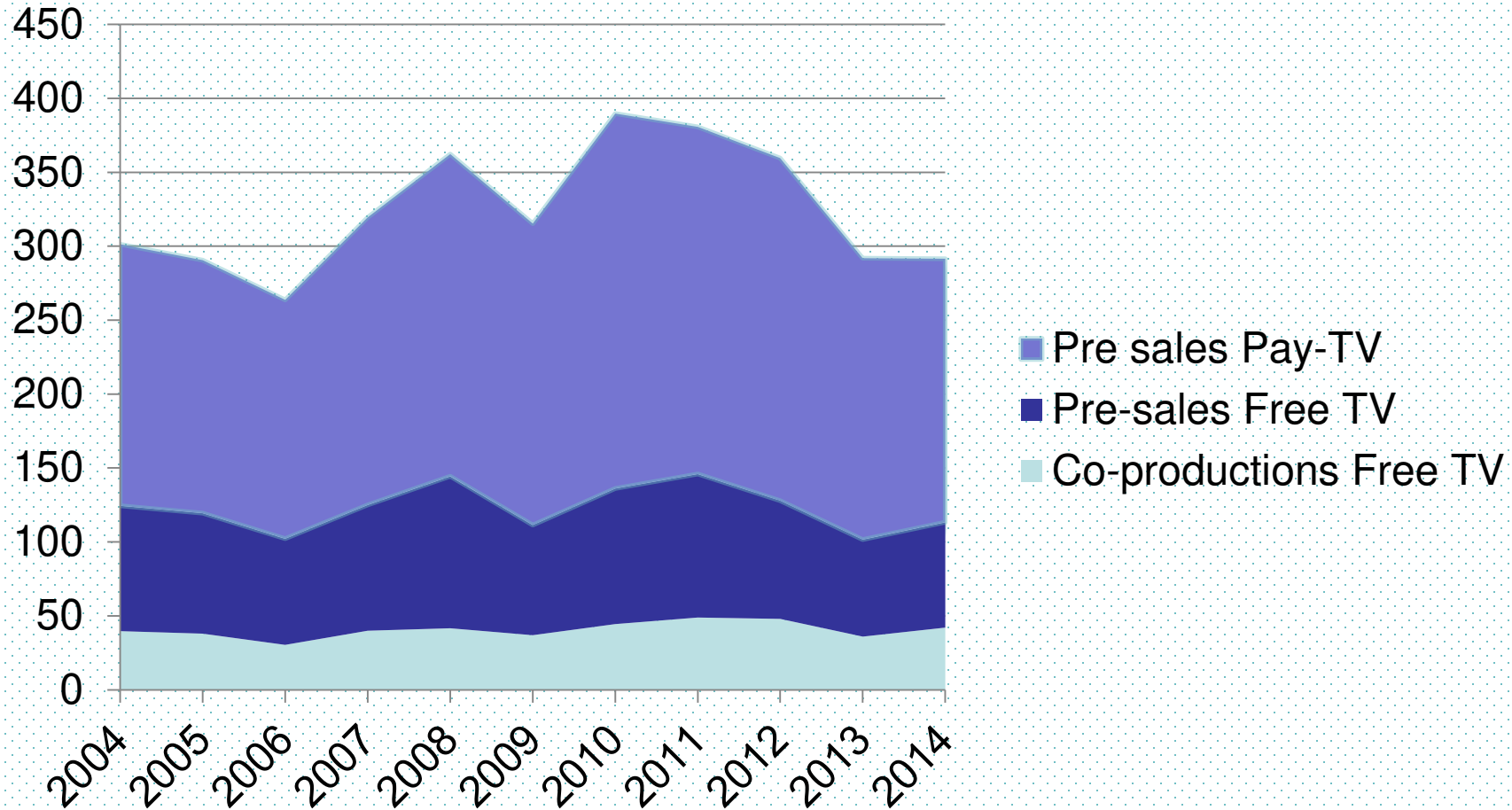
- **Setting-up of public funds financed by**
 - State budget
 - Lottery
 - Tax or levies on stakeholders revenues
- **Regulating investments in production by broadcasters and other stakeholders**
- **Setting-up fiscal incentives**
- **Creating legal framework for co-productions**

INVESTMENTS BY BROADCASTERS IN PRODUCTION (Co-production, pre-sales)

- Definition in the general mission of public broadcasters
- Voluntary investement by public broadcasters : DE, DK, NL
- Negotiated framework : AT, CH, DE
- Quota of independent production : GB (25 %)
- Mandatory investments :
 - BE (CFB) : Contrat de gestion de la RTBF 2013-2017 : 7,2 M EUR
 - ES : 5 % of gross revenues
 - FR : « Cahiers des charges », different for each channel
 - GR : 1,5 % of revenues of public and private broadcasters
 - IT : 10 % of advertising revenues to be spend in independent production

FRANCE – MANDATORY INVESTMENTS BY BROADCASTERS IN FILM PRODUCTION (2004-2014)

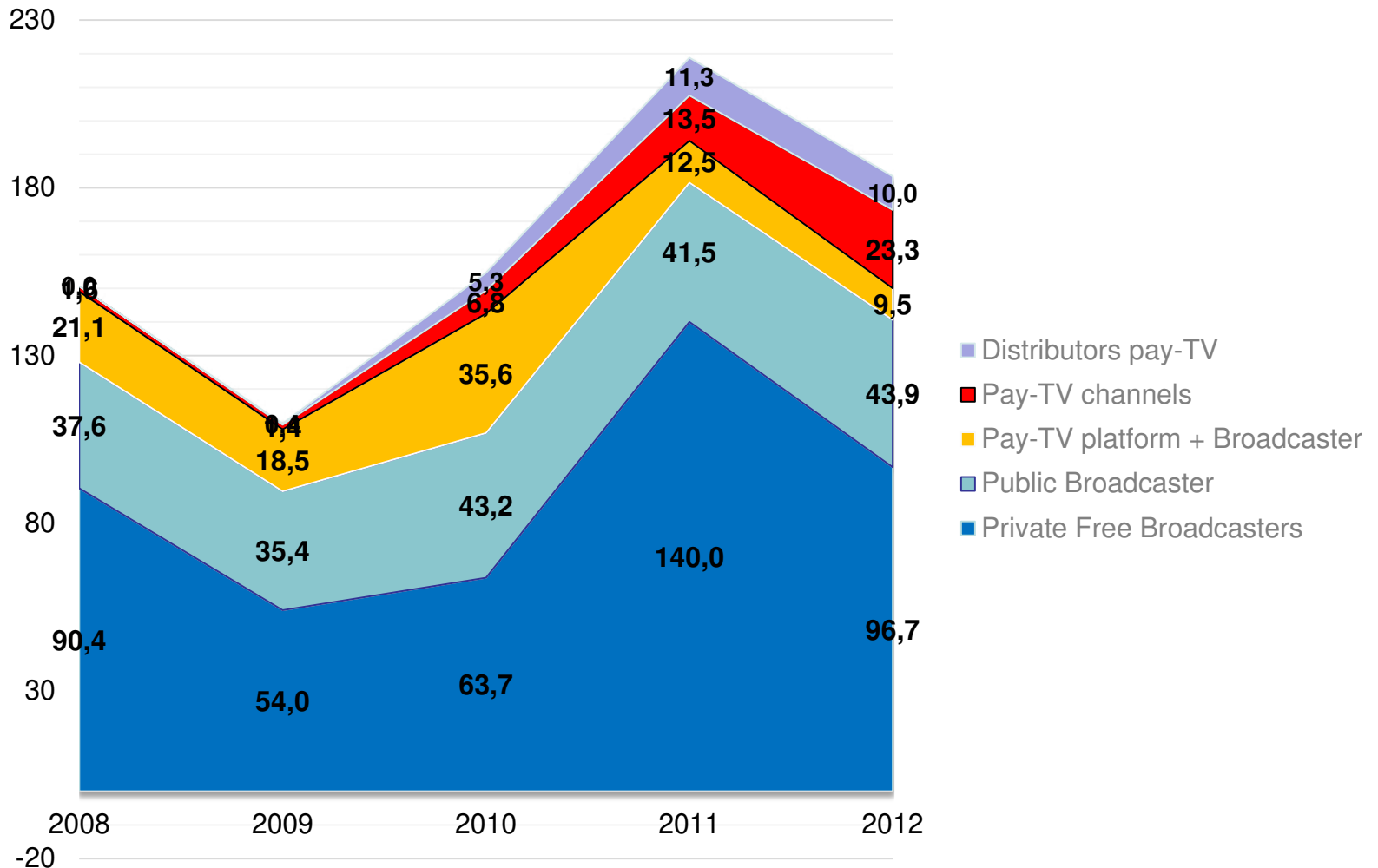
EUR million - Source : CNC



SPAIN – MANDATORY INVESTMENTS IN FILM PRODUCTION BY BROADCASTERS, PAY-TV AND DISTRIBUTORS

(2008-2012) – EUR million

Source : CNMC / OBS



ITALY – MANDATORY INVESTMENTS BY BROADCASTERS IN INDEPENDENT PRODUCTION (2012) – Source : Report AGCOM

In riferimento all'obbligo di destinare almeno il 10% degli introiti alle produzioni realizzate da produttori indipendenti, le risultanze, con riferimento ai principali soggetti operanti nel settore, sono riassunte nella Tabella 3.18, che prende in considerazione i primi cinque gruppi editoriali in termini di ricavi pubblicitari il cui aggregato è pari al 90% del valore totale del settore. Tutti i gruppi indicati raggiungono valori superiori al minimo.

Tabella 3.18. Servizi *media*. Investimenti in opere di produttori indipendenti (2012)

LA7	47%
DE AGOSTINI EDITORI	32%
DISCOVERY ITALIA	18%
SKY	17%
RAI	15%
RTI	12%
SWITHOVER MEDIA	12%
MTV ITALIA	11%
FOX INTERNATIONAL	11%

Fonte: Autorità

FRANCE - MANDATORY INVESTMENTS IN PRODUCTION BY PROVIDERS OF VoD SERVICES IN FRANCE (2011)

Source : CSA

Tableau 5 : dépenses déclarées par les SMAD soumis aux obligations financières pour l'exercice 2011

	<i>Montants déclarés en M€</i>					
	Œuvres audiovisuelles		Œuvres cinématographiques			
<i>services</i>	<i>européennes</i>	<i>dont EOF</i>	<i>européennes</i>	<i>dont EOF</i>	<i>Total œuvres européennes</i>	<i>dont œuvres EOF</i>
Canal Play VOD	0,422	0,377	2,098	1,633	2,520	2,010
SFR Club Vidéo	L'éditeur n'établit pas de distinction entre les types d'œuvres				3,371	2,503
Vidéo à la demande d'Orange	2,661	0,645	7,563	5,745	10,224	6,390
Total					16,115	10,903

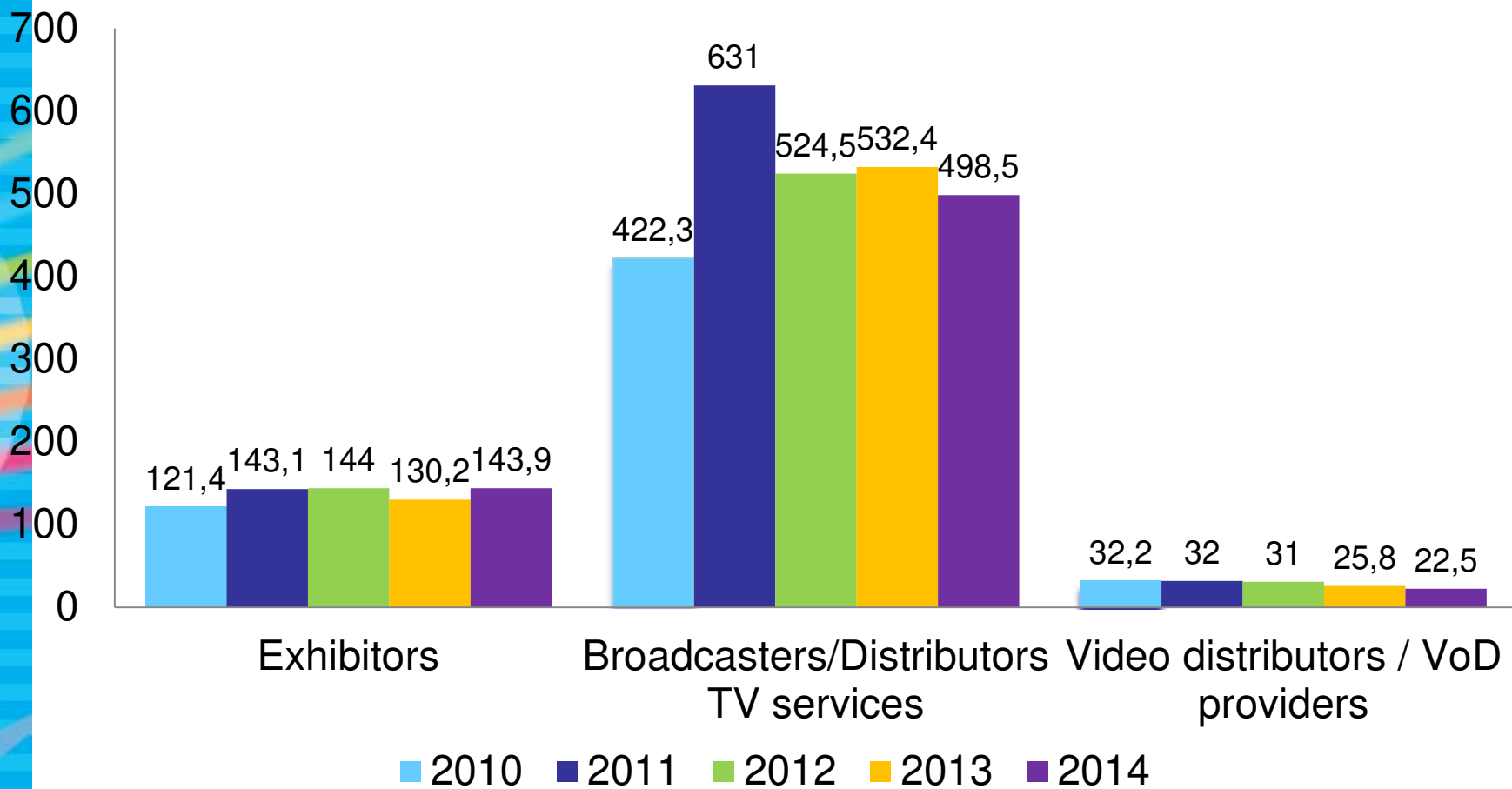
(Source : CSA).

MANDATORY CONTRIBUTIONS TO NATIONAL FILM FUNDS

	Exhibitors	Public broadcasters	Private broadcasters	Services distributors	Distributors video	Providers VoD	Open platforms
BE (CFR)			X (or co-prod invest.)	Cable X (or co-prod invest.)		X (or co-prod invest.)	
CZ			X				
DE	X		X		X	X	
FR	X	X	X	X	X	X	
GR		X	X				
HR	X	X	X	Cable, IPTV (fixed and mobile), ISP	X		
PL	X	X	X	Cable, digital platforms	X		
PT	X	X	X	\	X	X	
RO	X	X	X	X	X		
SI		X	X				
SK			X				

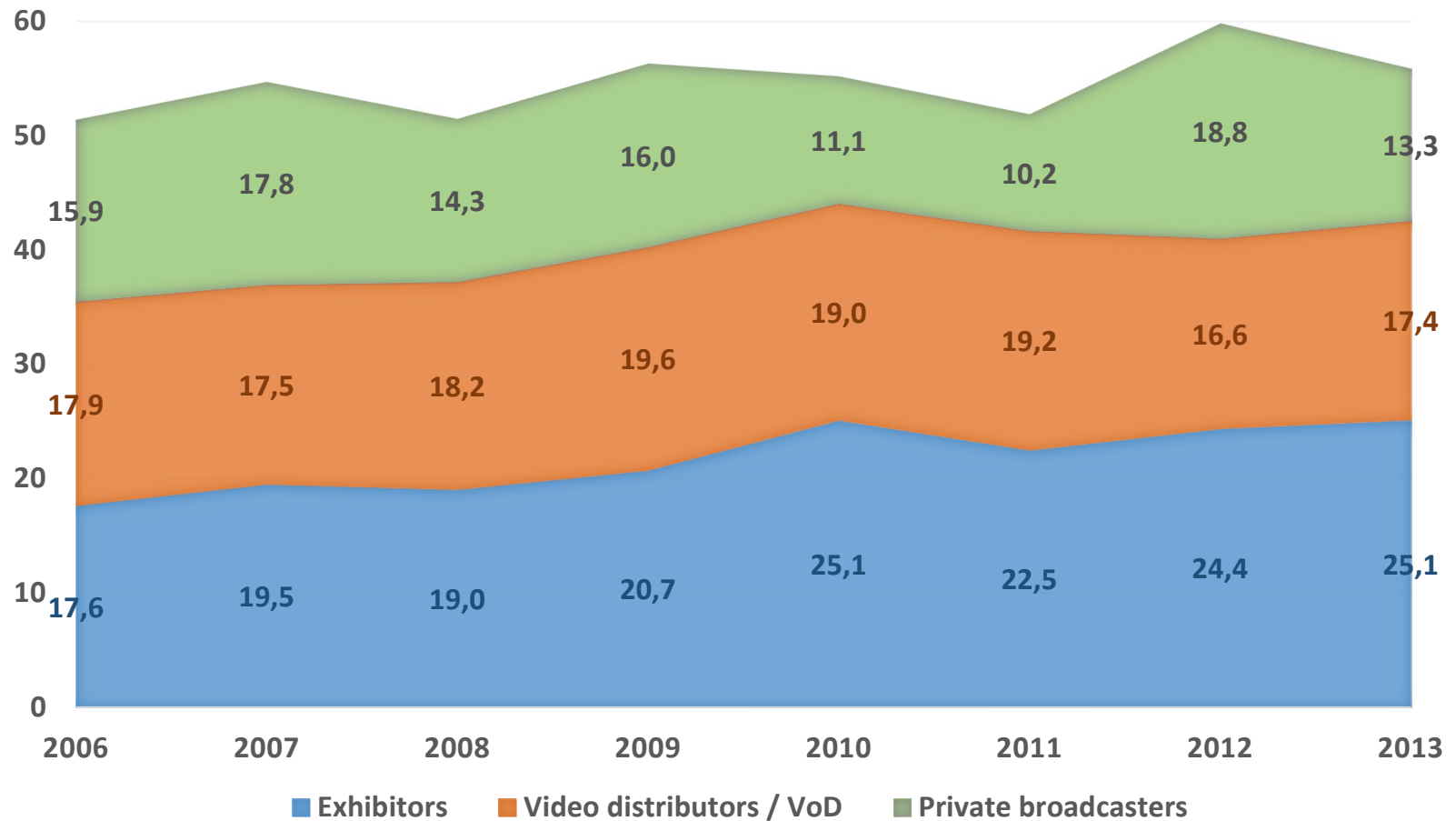
FRANCE – TAX ON THE REVENUES OF THE VARIOUS STAKEHOLDERS FOR THE FINANCING OF THE CNC (2010-2014) - EUR million

Source : CNC / OBS



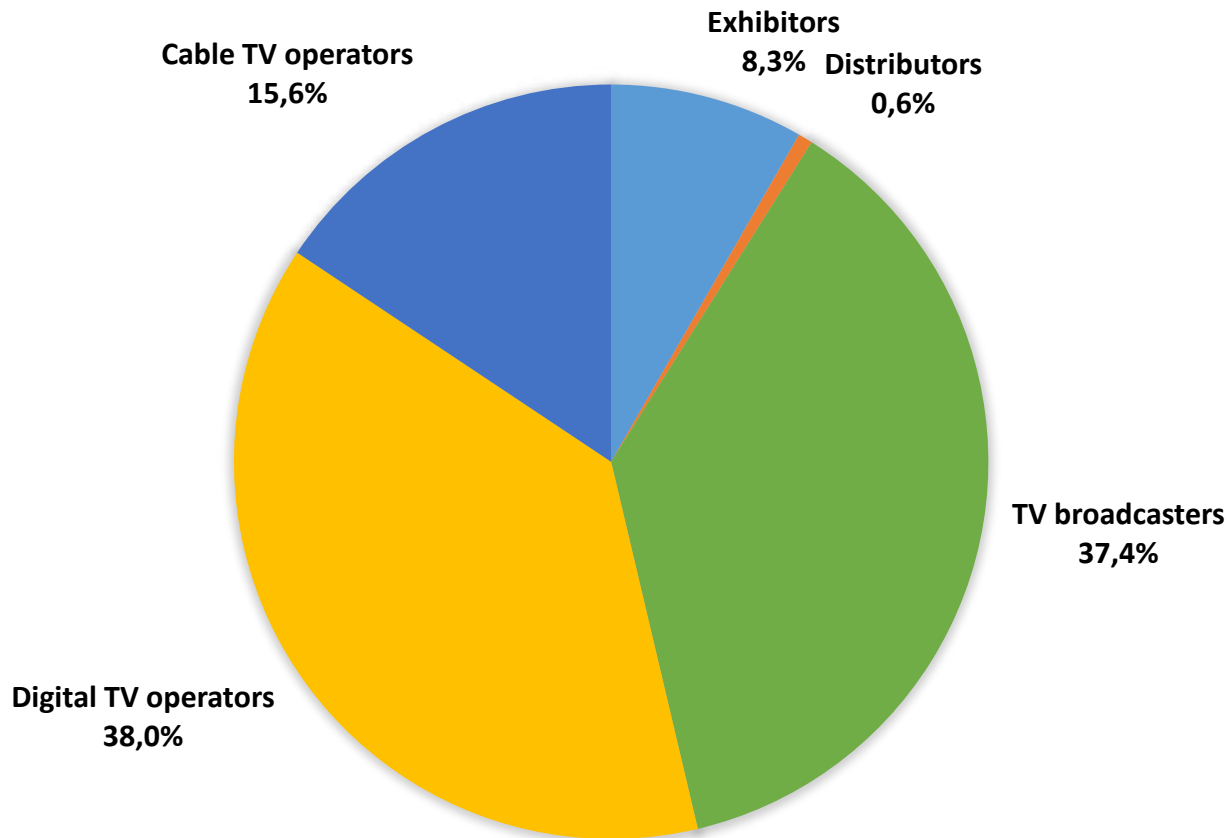
GERMANY – MANDATORY LEVY (« FILMANGABE ») COLLECTED BY THE FEDERAL FILM AGENCY (FFA) (2006-2013) – EUR Million

Source : FFA / OBS



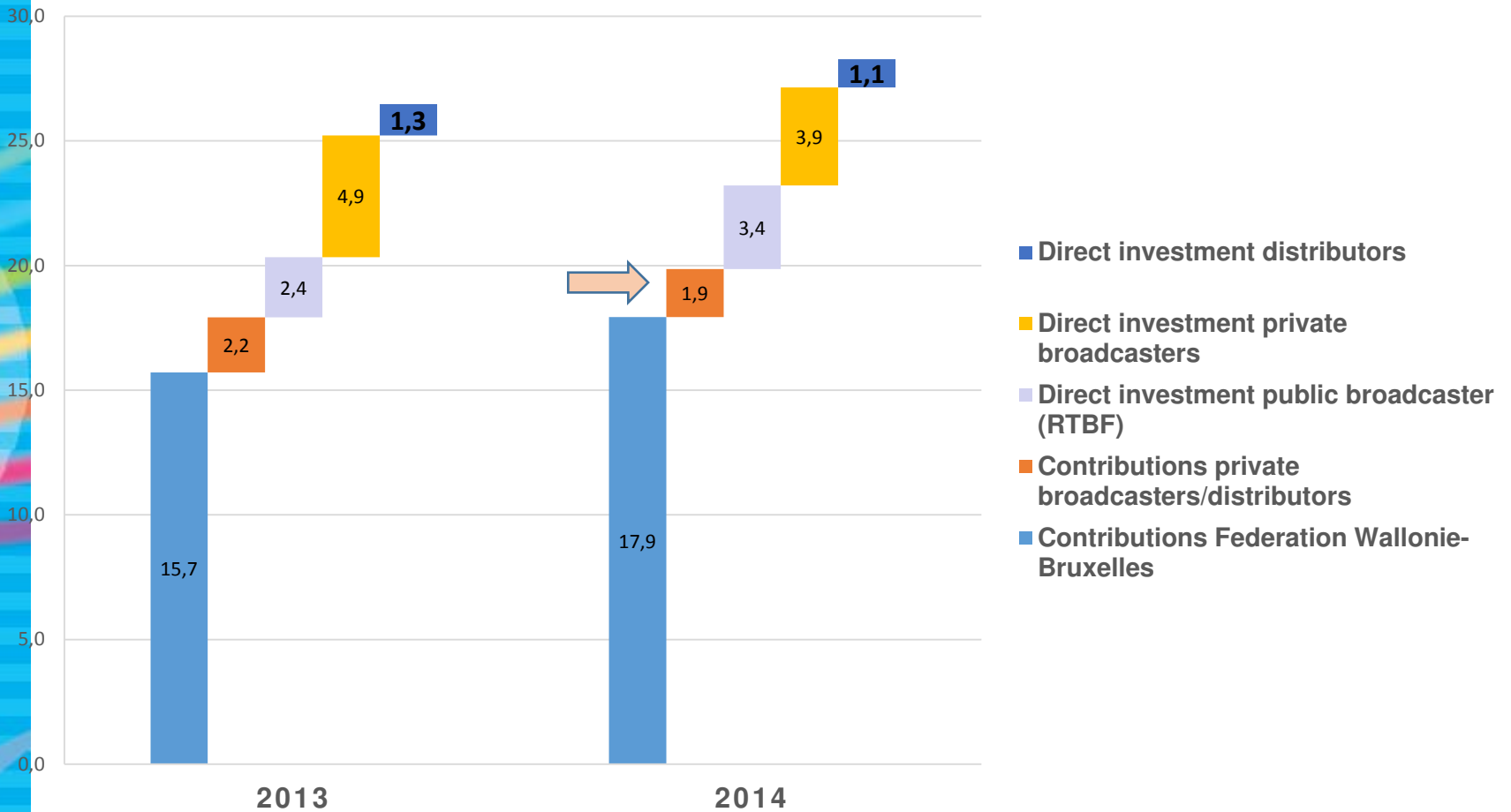
POLAND – BREAKDOWN OF THE MANDATORY CONTRIBUTIONS TO THE POLISH FILM INSTITUTE (2014) – Total : 31,4 EUR million

Source : PFI / OBS



BELGIUM - FINANCING OF THE AUDIOVISUAL PRODUCTION THROUGH THE CENTRE DU CINEMA ET DE L'AUDIOVISUEL (FEDERATION WALLONIE-BRUXELLES) (2013-2014) - EUR million

– Source : CCA / OBS

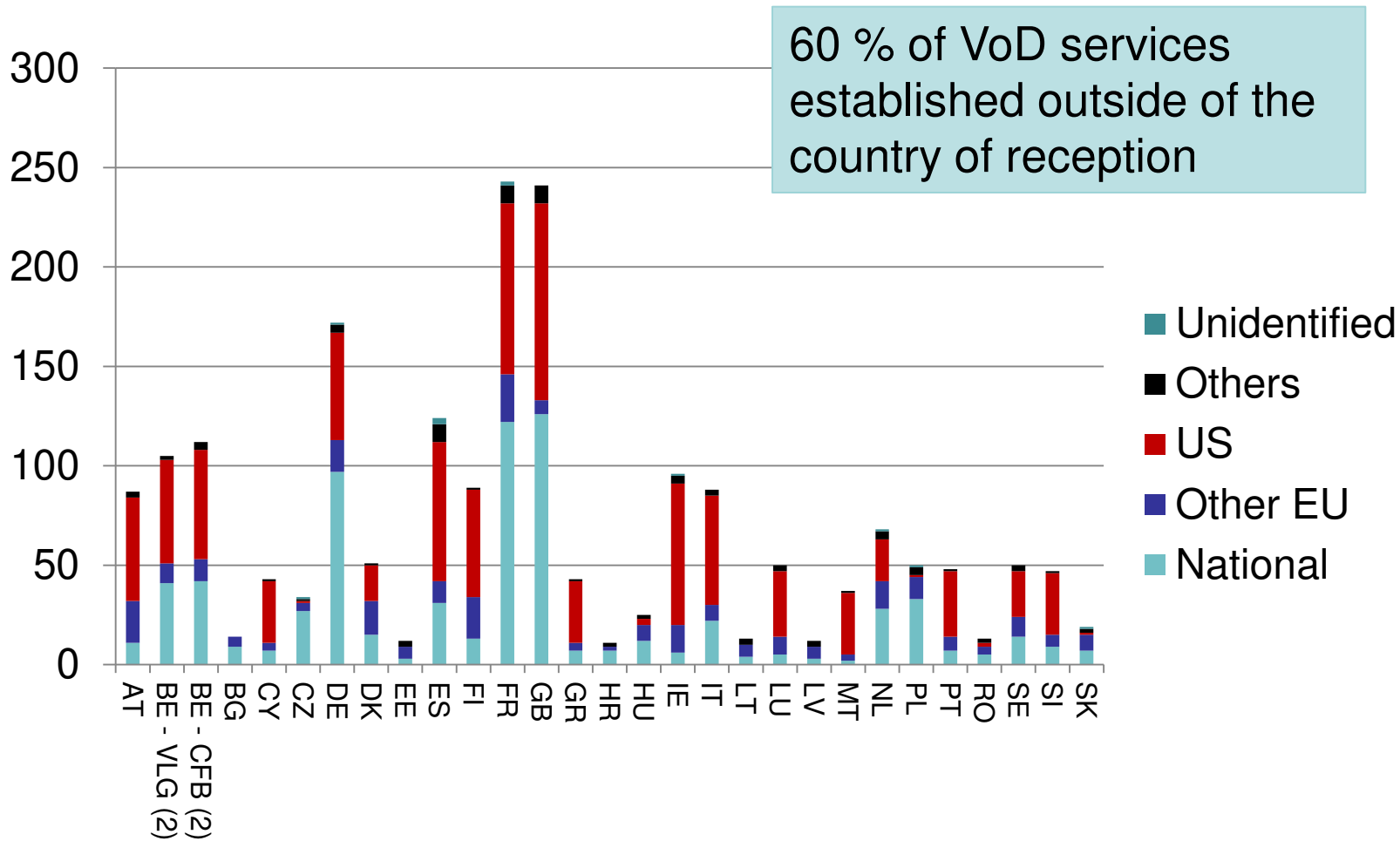


THE ISSUE OF DE-LOCALISATION vs FREE CIRCULATION OF SERVICES

- **TV services : exemple : RTL-Tvi established in LU, but targeting French Community of Belgium**
- **Distribution platforms : ex. Télésat, established in LU, but targeting French Community of Belgium ;**
- **VoD services : iTunes, established in LU ; Netflix established in LU/NL; Google Play Movies and services distributed through XbOX established in US ; Viewster established in CH**

ESTABLISHMENT OF AVAILABLE VoD SERVICES IN EU COUNTRIES (2013)

Source : European Audiovisual Observatory / MAVISE database



THE HYPOTHESIS OF TAXING REVENUES OF FOREIGN SERVICES

- Germany : « Filmangabe » (levy) to be paid by foreign VoD services if not contributing in their country of establishment – Currently under investigation by the EC.
- France : « Loi de finances rectificative 2014 » – Tax to be paid by foreign VoD services operating in the country. Not yet authorised by the EC.

QUESTIONS FOR THE DEBATE

- Will the national systems based on mandatory contributions / investments survive to the international circulation of services?
- How to create / maintain a level playing field at the national and at the EU level ?
- Will the providers of on-demand audiovisual services invest in feature films in Europe ?
 - Netflix/Weinstein output deal in Sept. 2014 ;
 - Amazon Studio announcement in January 2015.
- Is regulation the only way to obtain investments in Europe ?
- How to secure investments in creative films and not only in money-maker products ?
- How to improve the transparency of the overall value chain ?

THANK YOU !

- European Audiovisual Observatory Report *The development of European Market for on-demand audiovisual services* published by the European Commission in April 2015

<http://ec.europa.eu/digital-agenda/en/news/development-european-market-demand-audiovisual-services>

- European Audiovisual Observatory, *Yearbook 2014*