The new AVMS directive and the promotion of European works

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Overview

1. The new AVMS directive in a nutshell
2. Focus on the promotion of European works
3. The EAO study for the EFADs

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Key dates

- **Proposal EU Commission:** 25 May 2016
- **Final adoption:** 6 November 2018
- **Entry into force:** 19 December 2018

Audiovisual Media Services Directive (AVMSD)

a REVISED media framework for the 21st century

#AVMSD #DigitalSingleMarket

Traditional TV broadcasters + Video on Demand (VOD) providers + Video-sharing platforms = **New rules for a level playing field**

NEW RULES

Video-sharing platforms and social media used for sharing video content will now need to **protect minors from harmful content**, protect citizens from incitement to violence and hatred and from illegal content.

They will also need to respect certain advertising rules and to indicate when user generated videos have an advertising purpose. Video-sharing platforms will also be encouraged to **reduce the exposure of children to ads** for unhealthy foods.

Strengthened **rules against hate speech and terrorist content** across the EU: on TV, VOD and now also on video-sharing platforms.

Independence of audiovisual regulators will be reinforced so that their work is not influenced by their governments or industry.

European works will be **better promoted** on VOD services - at least 30% share of their catalogues will need to be devoted to European content.

Broadcasters will be given **more flexibility** as to when ads can be shown, but these still cannot make more than 20% of broadcast time during the day (6:00 – 18:00) and during prime time (18:00 – 24:00).

At the same time the rules seeking to **protect the most vulnerable** are reinforced, in particular to protect children from advertising for alcohol or unhealthy foods.

Next steps

- **Implementation** by 19 September 2020
- **Reporting** 2 years after the implementation and then every 3 years
- **Evaluation** 19 December 2026

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2.

Focus on the promotion of European works

Linear services (Art. 16-17)

Obligations of broadcasters remain unchanged from the AVMS Directive of 2010.

of transmission time to European works

of transmission time/programming budget to independent European works

2.

Focus on the promotion of European works

VoD services (Art. 13)

Minimum share in catalogues

Including prominence

Financial contribution:

- Production
- Direct investments
- National funds

Including targeting services

Under the previous Directive of 2010

- The three obligations were alternative to each other

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Genesis and purpose of the mapping

Project launched upon request from

An inventory of the different initiatives and obligations to support and promote European works

Full report available at https://bit.ly/2T3B4MC

Methodology and background

1.

National experts
An expert for each of the EU-28, Iceland, Norway and Switzerland

2.

A questionnaire
filled in by national experts

3.

National factsheets
cross-checked by the EFADs

4.

Comparative analysis
with an expert selected by the EAO

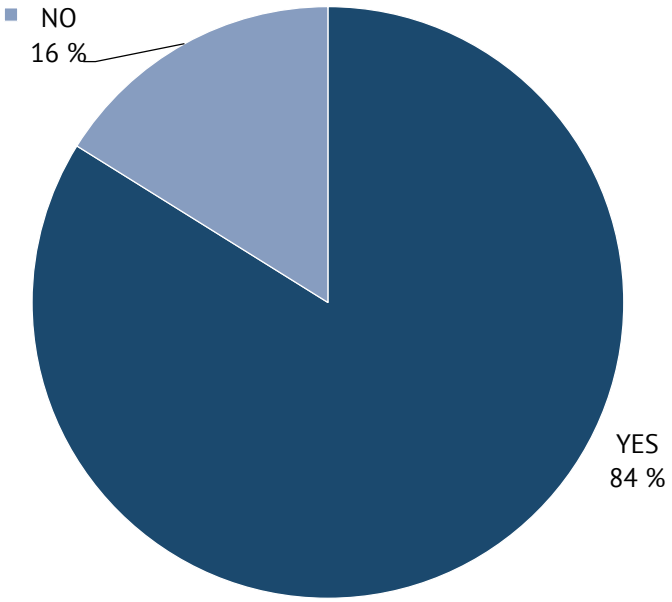
Results

1. Financial obligations
2. Levies and taxes
3. Quotas
4. Prominence

3. Results

3.1. Financial obligations imposed on AVMS

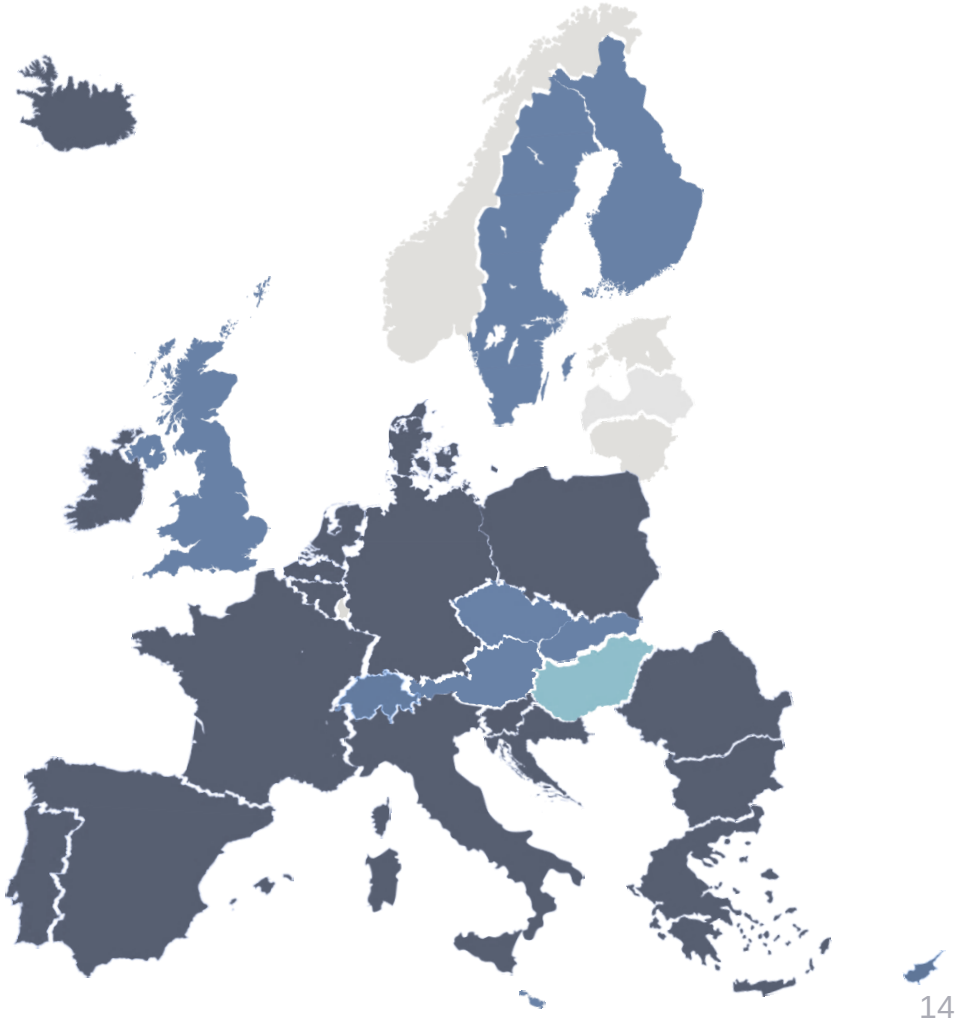
Financial obligations on broadcasters



EAO "*Mapping of national rules for the promotion of European works in Europe*" for the EFADs, 2019

Financial investment by public service broadcasters in independent European works

- Mandatory
- Optional (or quota)
- Optional (or levy)
- No obligation



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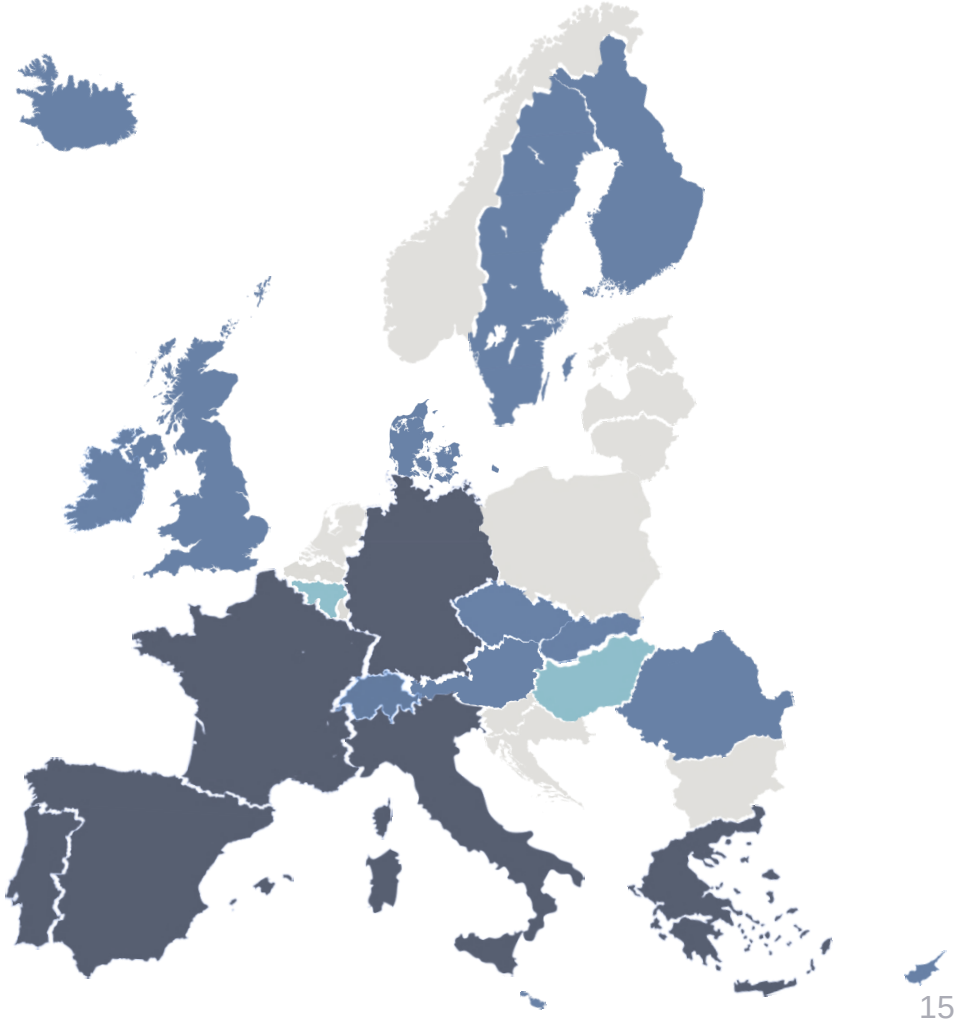
Financial investment by commercial broadcasters in independent European works

- Mandatory
- Optional (quota)
- Optional (levy)
- No obligation



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Investment by broadcasters in independent European works

Usually calculated as a share of yearly turnover or of the advertising revenues

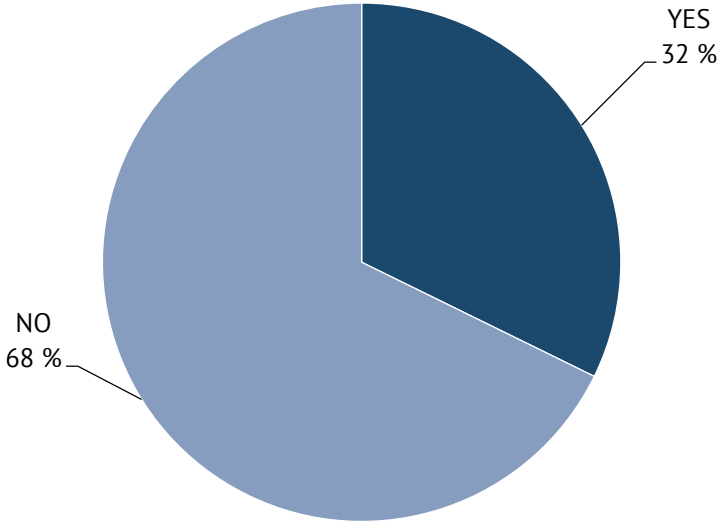
Examples:

- Spain: 6% of yearly turnover for PBS (5% for private broadcasters)
- Grece: 1,5% of yearly turnover for PBS and 1,5% of advertising revenues for commercial broadcasters

3. Results

3.1. Financial obligations imposed on AVMS

Financial obligations on VOD services



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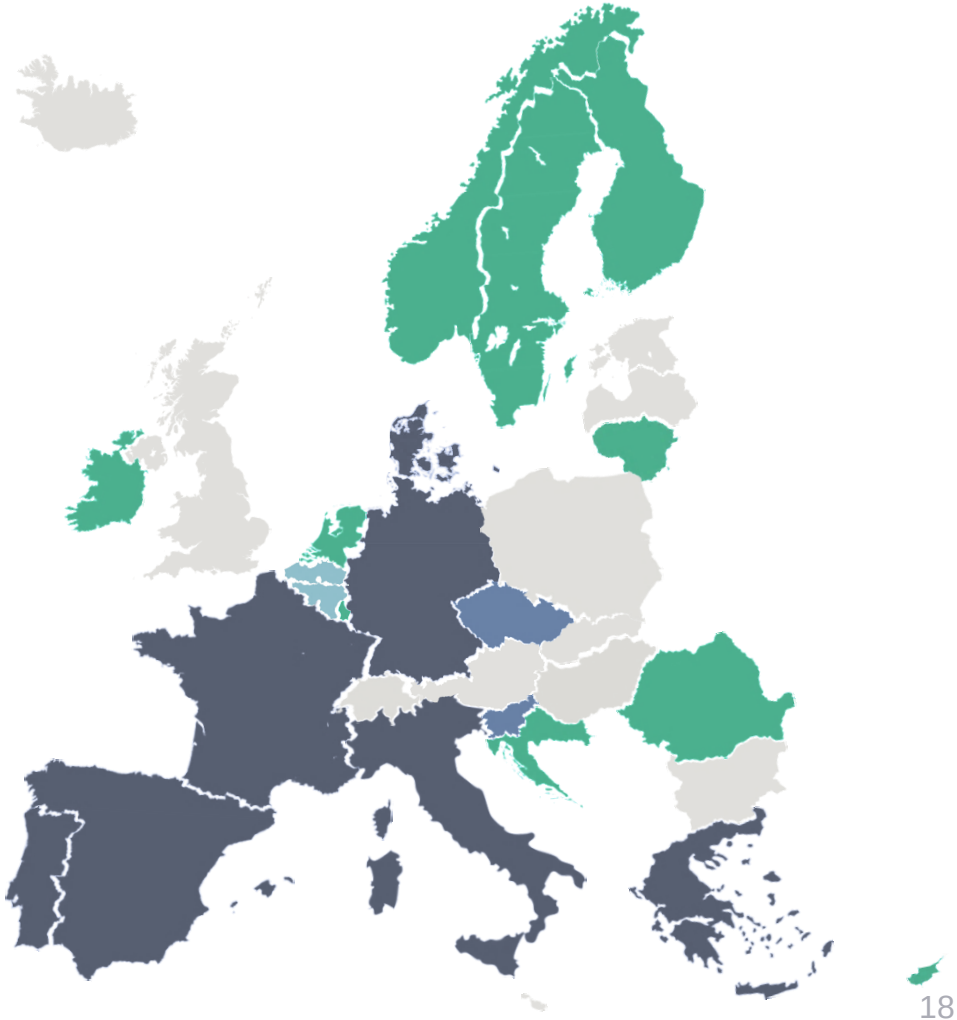
Financial investment by VOD services in European works

- Mandatory Investment
- Optional (quota)
- Optional (levy)
- General obligation
- No obligation



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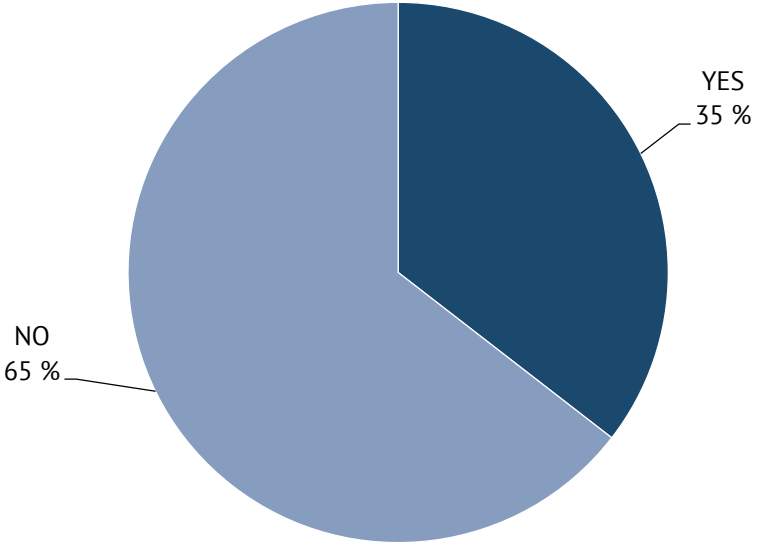
Investment by VOD services in European works

Usually calculated as a share of yearly turnover or revenues generated by film services

Examples:

- Portugal: 1% of revenues raised by their services from national cinematographic works.
- Slovenia: 1% of yearly turnover (or a 10% quota on the share of the catalogue).

Levies on broadcasters



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Levies on public service broadcasters

- Mandatory
- Optional
- No obligation

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Levies on public service broadcasters

Usually calculated as a share of yearly turnover advertising revenues or cost of broadcasting feature films

Examples:

- Austria: 5% of advertising revenues.
- France: 5.65% of their yearly turnover.

Levies on commercial broadcasters

- Mandatory
- Optional
- No obligation

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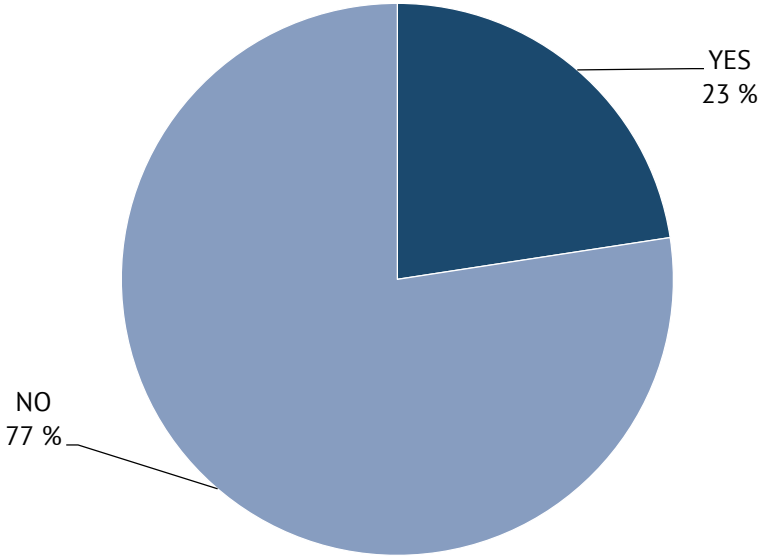
Levies on commercial broadcasters

Usually calculated as a share of yearly turnover or advertising revenues

Examples:

- Czech Republic: 2% of the advertising revenues.
- Croatia: 0.8% of yearly turnover

Levies on VOD services



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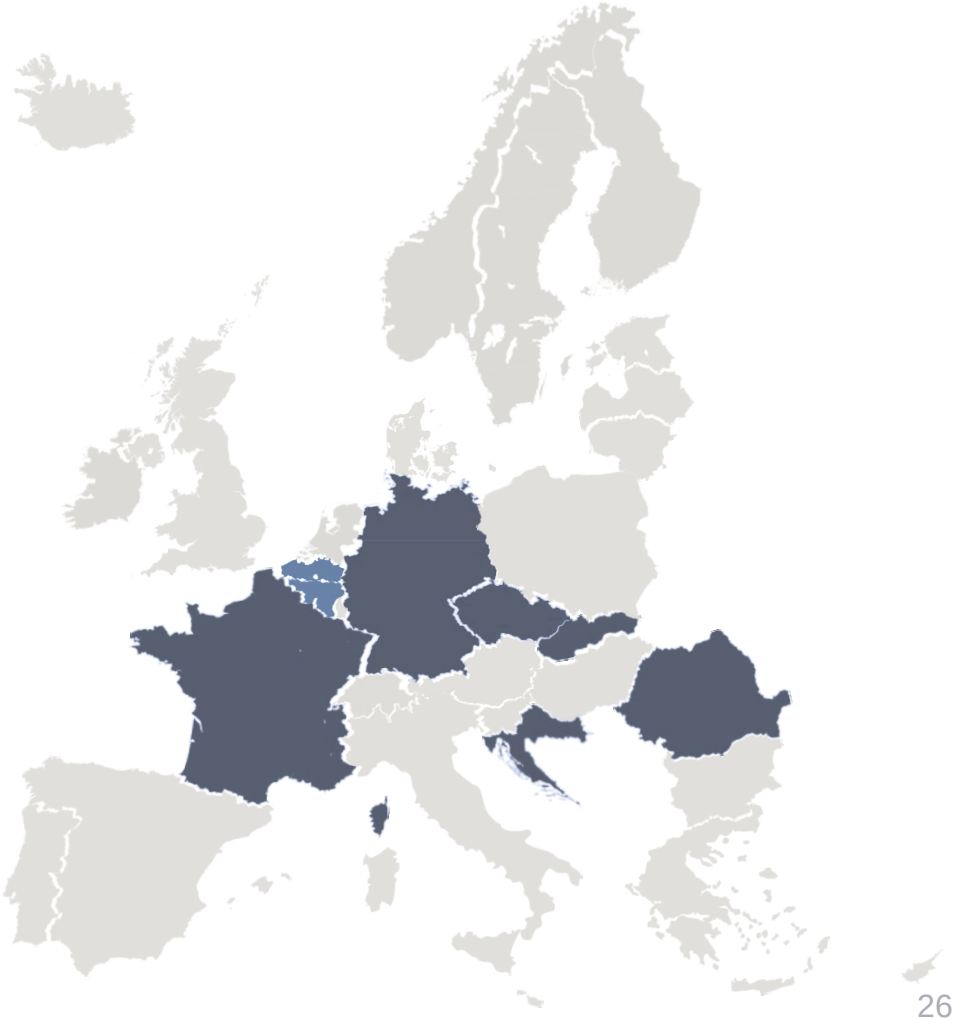
Levies on VOD services

- Mandatory
- Optional (or investment for private)
- No obligation



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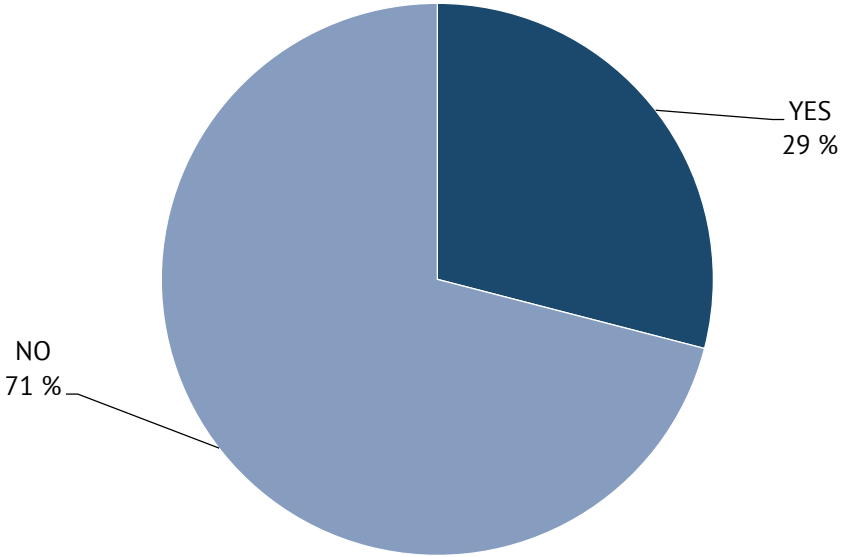
Levies on VOD services

Usually calculated as a share of yearly turnover or subscription/sales revenues

Examples:

- Germany: 1.8% of their yearly turnover (2.5% if their turnover exceeds EUR 20 million)
- Romania: 3% of the price of downloaded films

Levies on theaters



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Taxes on cinema tickets

Yes

No obligation

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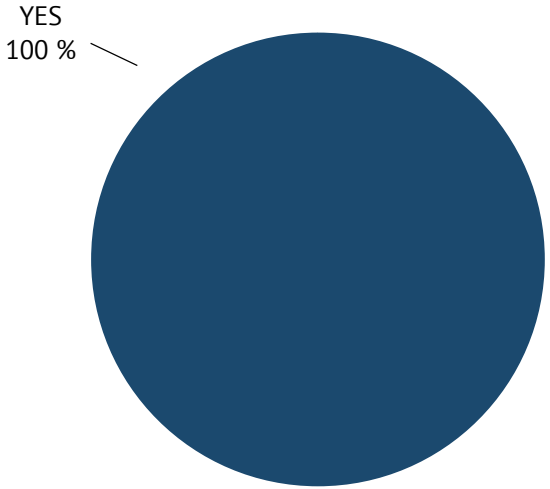
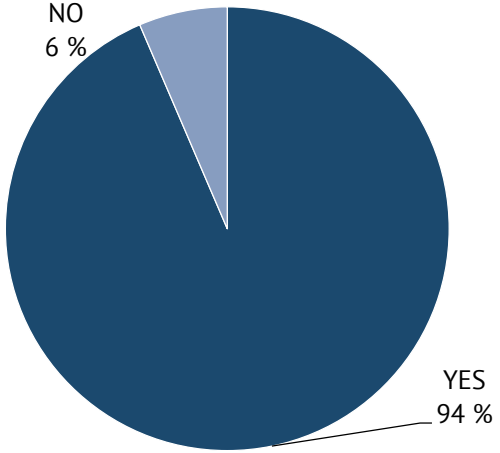
3. Results

3.3. Quotas

Quotas on broadcasters - EU works



Quotas on broadcasters - independent works



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Share of broadcasting time for European works

Majority of time

Higher quota for PSB

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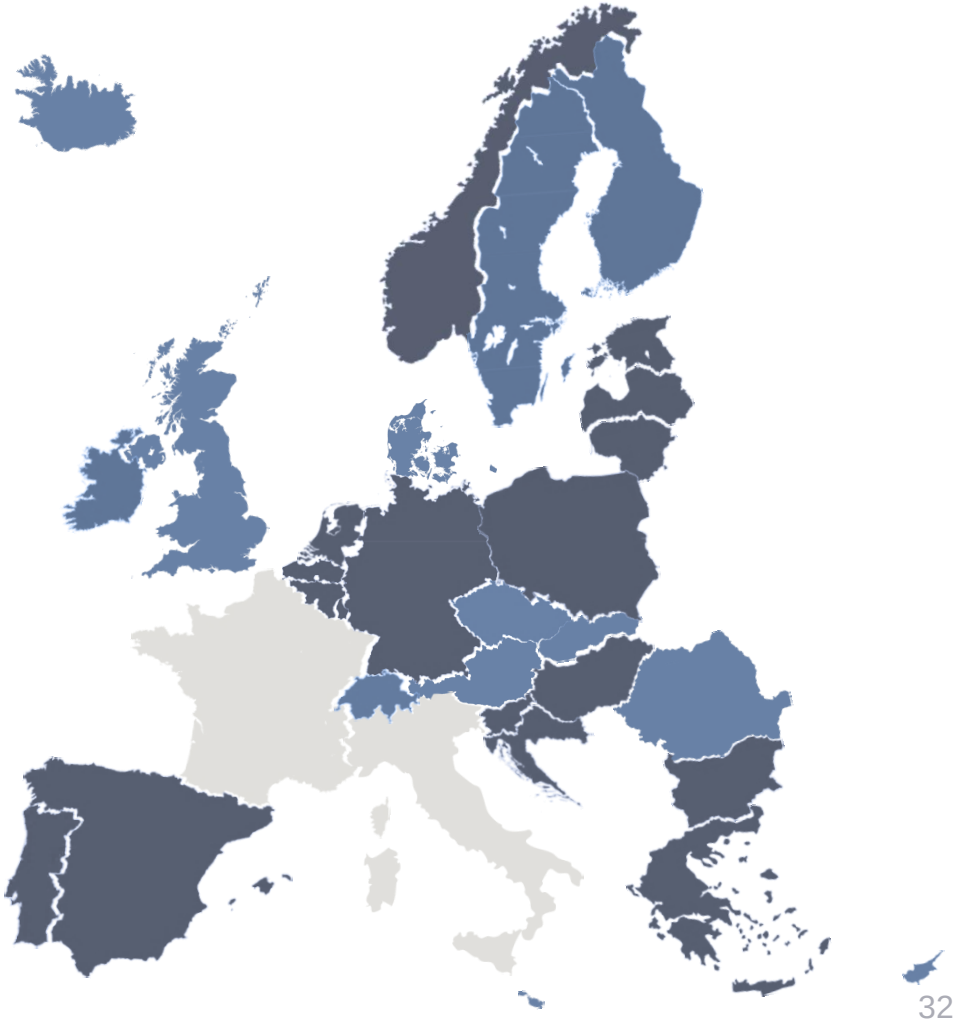
Share of broadcasting time for independent European works

- Mandatory
- Optional
- No obligation



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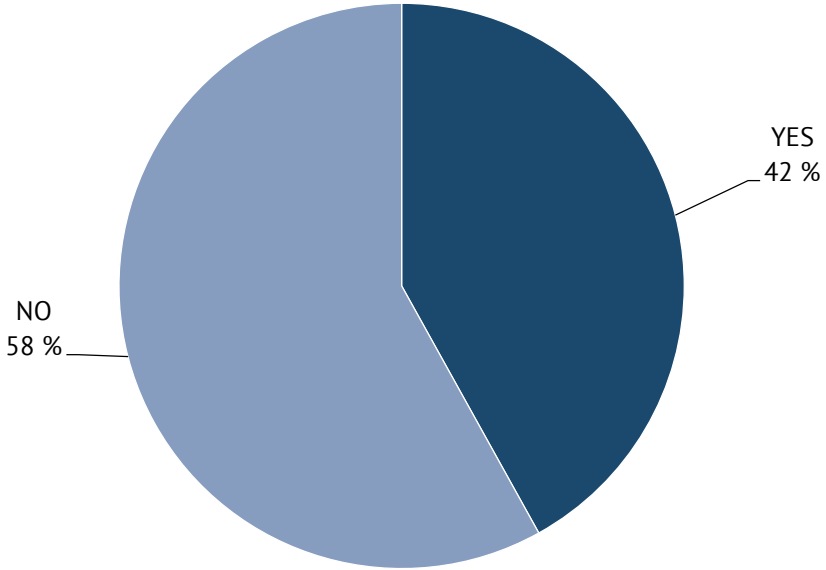
Quotas on VOD services - EU works



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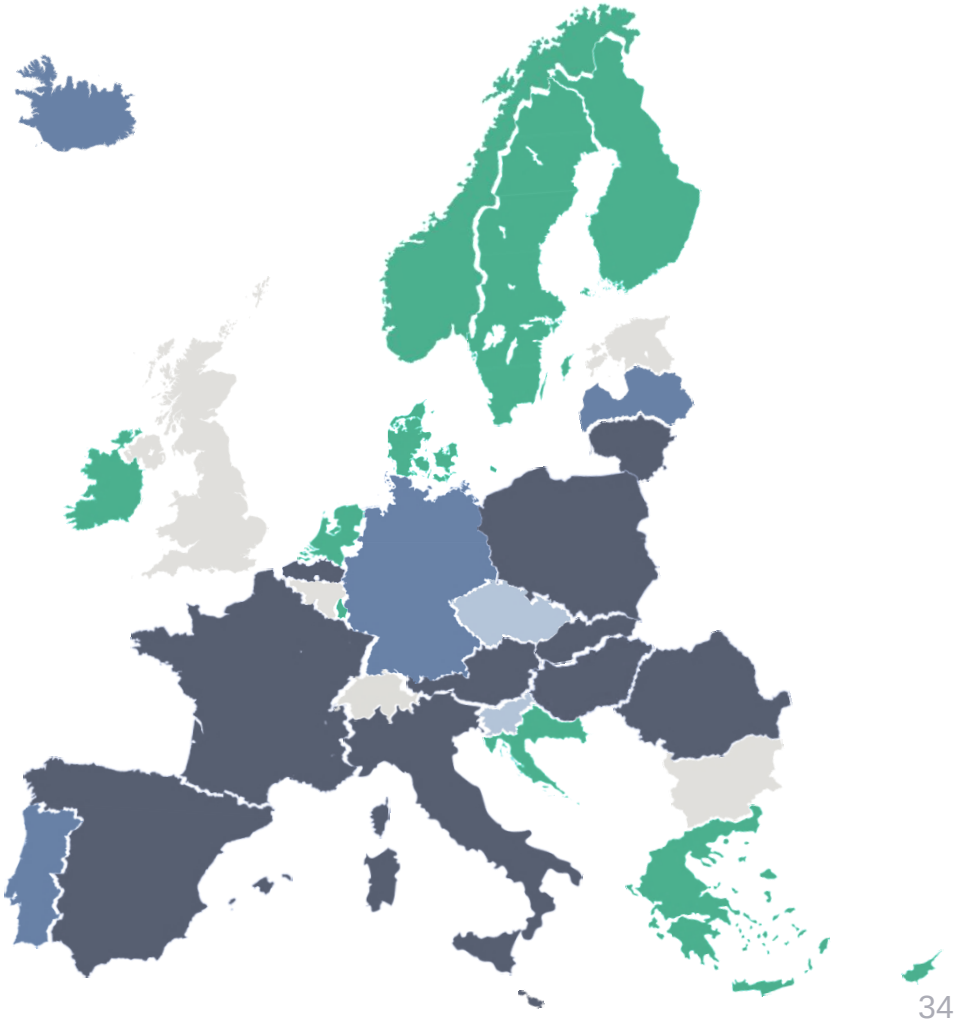
Quota obligations on VOD services

- Mandatory
- Mandatory (unspecified quota)
- Optional (investment)
- General obligation
- No obligation



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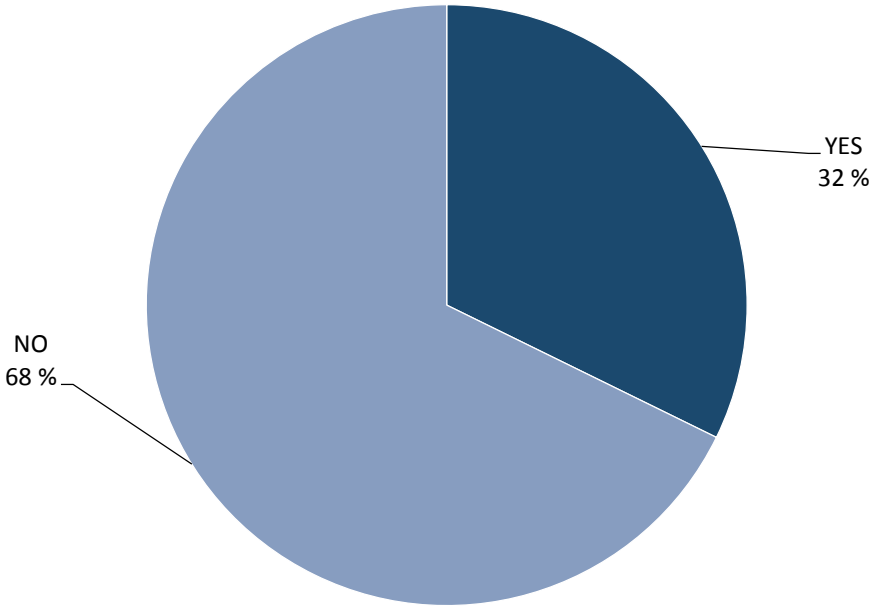
Prominence obligations on VOD services - EU works



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Prominence obligations on VOD services

- Specific obligation
- General obligation
- No obligation

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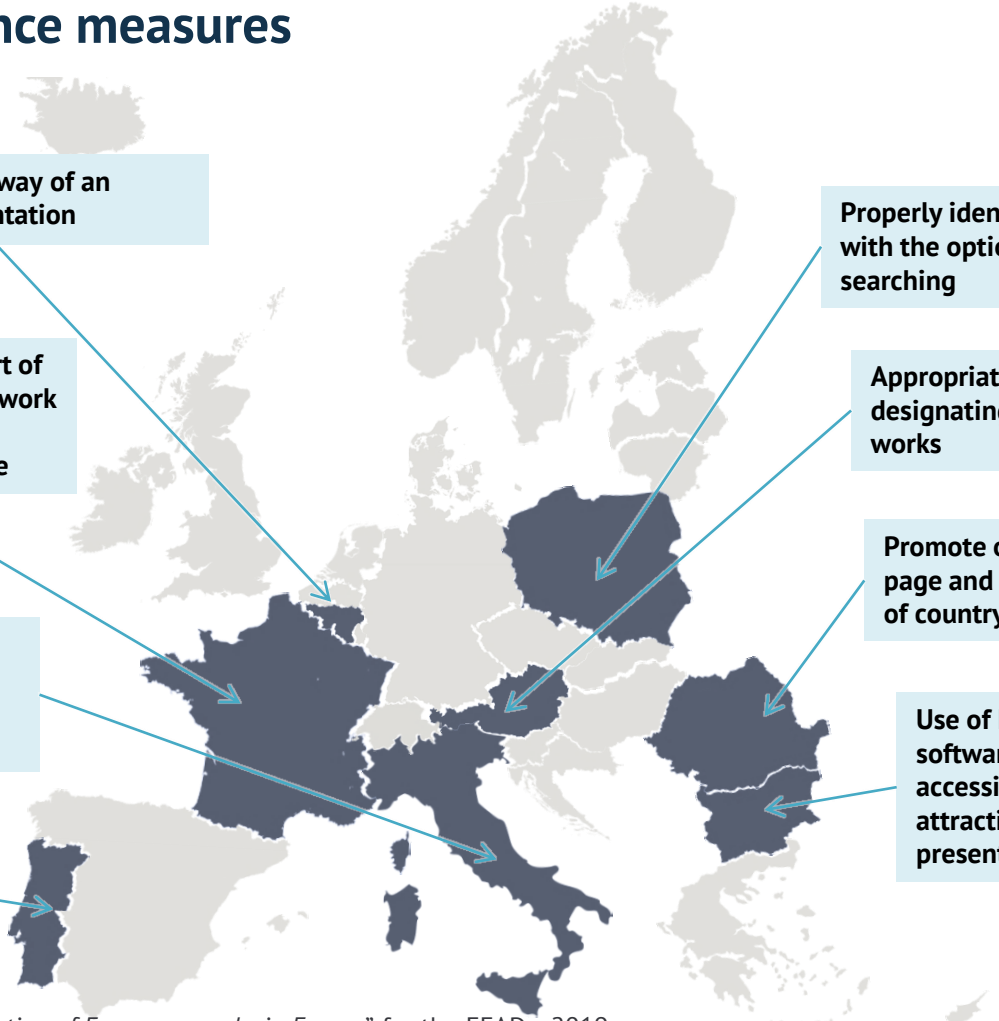
Examples of prominence measures



Highlighting by way of an attractive presentation

Properly identifying with the option of searching

Dedicate substantial part of home page to spotlight work by showing images and making trailers available

Appropriately designating such works

Promote on home page and identify of country of origin

Ad-hoc section in home-page or ad-hoc search category and quota of ad campaigns

Use of hardware and software for the accessible and attractive presentation

Functionalities allowing to search by origin.

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Thank you!

For any queries:
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