

## [FR] COVID-19: support for the audiovisual and cultural sector

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With cinemas closed, filming suspended and festivals cancelled, the cultural sector is being hit particularly hard by the current health crisis. On 18 March 2020, Minister of Culture Franck Riester announced various measures and emergency funding of EUR 22 million to support the sector. Those working in the sector can also benefit from the general emergency measures adopted by the government, which include grants from the solidarity fund (initially worth EUR 1 billion, then increased to EUR 7 billion); the deferral or staggering of rent, tax and social security payments; and the mobilisation of the state guarantee covering the cultural sector. Part-time working arrangements therefore apply to cultural employers, with the state paying 100% of salaries up to 4.5 times the minimum wage as part of a scheme that has been extended to include casual workers. The Ministry of Culture has posted an FAQ section on its website to explain the effects of the crisis, specifying, in particular, the modalities concerning part-time working arrangements, and the impact on remuneration rights and employment contracts. Specific measures will be put in place for entertainment workers, with details yet to be announced.

As well as these general support measures, sector-specific measures have also been put in place.

Adopted in accordance with Article 11 of the Emergency Act to combat the COVID-19 epidemic, Ordinance No. 2020-353 of 27 March 2020 concerning exceptional aid measures for copyright and related rightsholders enables collective management companies, on an exceptional basis, to use the money they are usually required to devote to artistic and cultural activities to support copyright and related rightsholders. This measure will be in place until 31 December 2020 so that collective management companies can receive, assess and respond to individual applications.

Normally, collective management companies distribute 75% of the money generated from private copying fees to rightsholders (authors, artists, publishers and producers); the remaining 25% is spent on general interest measures to support creativity, the performing arts and the development of artistic and cultural education (Article L. 324-17 of the Intellectual Property Code). In 2017, the 14 collective management companies allocated EUR 73.5 million to such

projects, which also benefit from certain royalties that cannot be distributed either because the rightsholders cannot be identified or because they fall under international agreements to which France is a party. The amount of funding for cultural activities collected in this way by the 14 collective management companies rose sharply between 2013 and 2017, with income increasing from EUR 108 million to EUR 183 million and the amount actually distributed rising from EUR 77 million to EUR 125 million.

According to the Ordinance of 27 March 2020, this money can therefore, on an exceptional basis, be used to provide “financial support for copyright and related rightsholders whose income derived from the exploitation of protected works and objects in France is seriously affected by the health crisis.”

In view of the serious impact of the crisis on rightsholders, all the collective management companies have accordingly adopted emergency aid measures such as relief funds, the advance payment of royalties and the boosting of aid programmes and solidarity funds. For example, the Société des Auteurs et Compositeurs Dramatiques (SACD), with financial support from the Centre National du Cinéma et de l’Image Animée (National Centre of Cinematography and the Moving Image – CNC), has created an emergency fund for authors of audiovisual, cinematographic, animated and web-based works.

This fund is designed, in particular, to support the authors of such works who are not receiving help from the national solidarity fund or partial unemployment benefit of EUR 1 500 or more, to enable them to deal with the economic fallout of the crisis linked to the COVID-19 epidemic. Recipients must be able to prove that they lost at least 50% of their net income from creative activities in March and/or April 2020.

Income from creative activities is defined as the net remuneration that an author, whether they are already an SACD member or not, receives from their involvement in the creation of a work that is the subject of an audiovisual production contract (commission bonus, guaranteed minimum payment) as well as net remuneration incidental to their creative activity, such as income from running creative workshops in educational establishments or participation in festivals or other professional events. It excludes broadcasting royalties and any other type of remuneration such as salaries, benefits, etc. In return for financing this fund, the CNC will be able to have sworn officials carry out checks on funding recipients and to investigate any company with which a recipient has signed a contract that is likely to have influenced the granting of funds. The CNC will also be able to monitor the SACD’s management of the fund.

The CNC has also announced that payment of the March 2020 instalment of the cinema ticket sales tax will be deferred; that support will be given to art house cinemas (EUR 16.5 million) and film distribution (EUR 5.5 million); that payments

from its support schemes will continue; that measures will be taken to relax the criteria for mobilising its support funds; and that all subsidies granted for events that have been cancelled for health reasons will be paid. Those subsidies that have already been paid will be retained by the recipient, while all others will be paid if this has not already been done.

Finally, on 8 April, Netflix and Audiens, the social protection group for the cultural sector, announced in partnership with the Ministry of Culture, via the CNC, the creation of an emergency support fund for casual artists and technicians working in the audiovisual and film sector who have been severely affected by the coronavirus crisis and the cancellation and postponement of production work across France. Netflix is contributing EUR 1 million to set up this fund.

According to the Minister of Culture, these sector-specific measures will be expanded in the coming weeks.

***Ordonnance n° 2020-353 du 27 mars 2020 relative aux aides exceptionnelles à destination de titulaires de droits d'auteurs et de droits voisins en raison des conséquences de la propagation du virus COVID-19 et des mesures prises pour limiter cette propagation***

<https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000041762778&dateTexte=20200417>

*Ordinance no. 2020-353 of 27 March 2020 concerning exceptional aid measures for copyright and related right holders affected by the consequences of the spread of the COVID-19 virus and the measures taken to limit it*

*Cultural employers facing the effects of the coronavirus crisis, Ministry of Culture*

