

## [FR] New Decrees on Contribution to the Production of Cinematographic Works and the Independence of Producers from Broadcasters

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The amended decree of 17 January 1990 fixed the amount which the terrestrial channels broadcasting unencrypted must devote to the production of cinematographic works originally made in the French language at 3 % of their net turnover in the previous financial year. This contribution may only be made through a subsidiary whose exclusive company object is cinematographic production. The contribution may not exceed half the total cost of the production, nor may more than half of it be made up of investment in the production by the subsidiary. Decree no. 99-189 of 11 March 1999 has now strengthened the independence of cinematographic production as regards the terrestrial channels broadcasting unencrypted, by obliging them to devote 75 % of their expenditure on cinematographic production to concluding contracts with independent production undertakings, which are clearly and exhaustively defined in the new text.

According to the Decree of 9 May 1995, the encrypted services such as Canal+, whose principal object is the programming of cinematographic works, are required to reserve at least 25 % of their total annual resources excluding VAT to acquiring broadcasting rights for such works. Decree no. 99-190 of 11 March 1999 now requires them to devote 75 % of such expenditure to the acquisition of broadcasting rights for films originally made in the French language, from either independent production undertakings or undertakings which do not individually take or jointly share the initiative and financial, technical and artistic responsibility for the works under consideration or guarantee their completion. Agreements between the CSA and the authorised encrypted channels will determine the percentage (of the 75 % mentioned above) to be applied; depending on the economic situation of the service in question, this requirement may be waived.

These measures are aimed at guaranteeing the diversity of new cinematographic works, and are completely in keeping with the decree of 24 February 1999 which recently reformed authorisation and defined more clearly the respective roles of the various partners involved in cinematographic production, particularly those of the subsidiaries of broadcasting companies.

