

[FR] Legislation on the Television of the Future

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On 31 January 2007, following on from the Senate decision last November (see IRIS 2007-1: 10), the National Assembly adopted the bill on the television of the future, to which the Government had applied the urgent procedure (one single reading in each House). However, only the UMP group, which has an absolute majority in the Assembly, voted in its favour.

The Act creates the necessary legal framework allowing, from March 2008, the discontinuation of analogue signals in favour of digital broadcasting, with the changeover to be completed by 30 November 2011. Despite vigorous protests from the independent channels, the National Assembly adopted one of the most controversial items in the text of the bill - the granting of a "bonus" channel to the incumbent private sector channels TF1, Canal+ and M6, as "compensation" for discontinuing analogue broadcasting and the "challenging of acquired rights". The three channels will also have their broadcasting authorisations extended for five years.

The MPs also adopted the new definition of an audiovisual work, by including video clips in addition to the "works of fiction, animation, documentaries, the recording or re-creation of live shows" as adopted by the Senate in November. The principle of a tax credit was also adopted: this is to be capped at EUR 3 million per year and will be passed on to French video game companies. However, the amendments aimed at imposing uniform numbering for the non-paying channels on terrestrially broadcast digital television by all broadcasting media (terrestrially broadcast digital television, cable, satellite, and broadband) were rejected.

The main new feature included in the bill by the National Assembly is the reform of the tax levies for funding support for the programme industry (compte de soutien à l'industrie des programmes - COSIP). The purpose of this is to involve Internet access providers (IAPs), who also distribute audiovisual programmes, in the financing of creation, through a tax on their turnover in connection with broadband television. The tax would kick in at a turnover of EUR 10 million for audiovisual business, at a rate of 0.5%. The lower House introduced eight levels, with a maximum of 4.5% for turnover in excess of EUR 530 million. Apart from Free, the IAPs accepted this financing effort without demur, since they hope to achieve satisfaction with regard to their main claim in the inter-profession

negotiations currently taking place on VOD, namely the right to offer films for rental on a VOD basis six months after the film's first showing in a cinema theatre, instead of nine months, as is currently the case.

Lastly, the text requires manufacturers to market televisions that incorporate digital TV adapters "within twelve months of the Act being officially announced".

Once the National Assembly had voted, the text - due to the use of the urgent procedure - was discussed by a joint mixed committee (composed of seven members from each House) with a view to agreeing on common wording. The compromise text produced by this committee made no substantial amendments to the bill adopted - the only amendments adopted were basically of a technical nature.

The text was approved by Parliament on 22 February 2007. Opposition MPs who contested the allocation of the bonus channel referred the matter to the Constitutional Council, which validated the Act on 27 February 2007. Since the three compensatory digital television services cannot be allocated until analogue broadcasting is discontinued, i.e. on 30 November 2011, and given that the editors concerned will have to subscribe to stricter obligations concerning the broadcasting and production of cinematographic and audiovisual works, and since they will be subject to the anti-concentration provisions of common law, the Council held that the disputed Article did not constitute "manifestly disproportionate compensation". It did have one reservation, however, that "the competent authorities shall be required to ensure observance of diversity (...) taking into account the radio-electric resources available" when attributing the three compensatory services. The Act should therefore be published in the *Journal Officiel* in the very near future.

LOI n° 2007-309 du 5 mars 2007 relative à la modernisation de la diffusion audiovisuelle et à la télévision du futur

http://www.assemblee-nationale.fr/12/dossiers/television_futur.asp

Act no. 2007-309 of 5 March 2007 on the television of the future

Décision du Conseil constitutionnel n° 2007-550 DC du 27 février 2007

<http://www.conseil-constitutionnel.fr/decision/2007/2007550/2007550dc.pdf>

Decision of the Constitutional Council no. 2007-550 DC of 27 February 2007

