

[FR] Summer Reforms

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A number of important changes have been made to the law governing the audiovisual sector over the summer in the form of non-specific legislation, including an act on modernising the economy, referred to as the LME.

Article 142 of the Act of 4 August 2008 on modernising the economy has raised the anti-concentration thresholds applicable to audiovisual undertakings, thereby amending Article 39 of the Act of 30 September 1986 on the freedom of communication. Henceforth no single natural person or legal entity, acting alone or jointly, may hold directly or indirectly more than 49% of the capital or voting rights of a company that holds an authorisation in respect of a nationwide television service broadcast terrestrially in analog mode for which the average annual audience using a network of electronic communications, in both analog and digital mode, exceeds 8% of the total audience for television services, compared with 2.5% previously. This relaxation is the result of the success of digital terrestrially-broadcast television in France. Several channels belonging to audiovisual groups are in fact dangerously close to the figure of 2.5% of the audience which, with no changes in the legislation, would have obliged their owners to dispose of shares in company capital or voting rights in order to comply with the 49% rule. Whereas the audience thresholds were originally intended to protect pluralism and the diversity of the private-sector players and their access to the audiovisual scene in France, the LME encourages and rewards those French audiovisual groups that have invested in digital terrestrially-broadcast channels and enables them to continue their development with no fear of having to give up anything if audience figures are good.

For the cinema sector, the LME adds a Chapter III to Heading II of the Cinematographic Industry Code that lays down the general principles for the cinematographic organisation of the country, including requirements in terms of diversity of the cinematographic offer, and the cultural organisation of the country taking into account the specific nature of cinematographic works. The creation, extension and re-opening of large-capacity cinema theatre establishments are subject to authorisation. This authorisation is issued on the basis of these general principles – thus commercial organisation committees for each *département* deliberating on cinematographic matters will assess the potential effect of these structures on the stated objectives. These arrangements will enter into force no later than 1 January 2009.

The Act on modernising the economy provides that the *Conseil Supérieur de l'Audiovisuel* (national audiovisual regulatory authority - CSA) shall publish a list of the geographical areas to receive terrestrially-broadcast digital television services, with a view to achieving the level of 95% coverage of the population, and, for each area, a provisional schedule for implementation, all before 31 December 2008. It organises the method for ceasing analog broadcasting, thereby gradually making it compulsory to incorporate an adapter allowing digital reception in television sets on sale after 1 December 2009.

On the radio front, the LME provides that the State may “directly or indirectly” hold the entire capital of Radio France International (RFI).

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http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=C92DFB5F05BEDD7801B779473EB87B48.tpdjo04v_3?cidTexte=JORFTEXT000019283050&dateTexte=2008082

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