



gp.mgrt@gov.si

15 February 2022

<u>Subject</u>: A once-in-a-decade opportunity to treat audiovisual authors equally (Pripombe na predlog ZASP-I in Pripombe na predlog ZKUASP-A)

Dear Madam/Sir,

The second draft amending the Slovenian Copyright Act and the Act on Collective Management of Copyright and Related Rights was submitted by the Ministry of Economic Development and Technology on 3 February 2022. It aims at implementing the EU Copyright Directives 2019/789 and 2019/790 and provides a once-in-a-decade opportunity to adapt the legal protection of audiovisual authors to the 21st century challenges.

CISAC and the SAA are the two umbrella organisations representing audiovisual authors' collective management organisations (CMOs) in Europe and across the world. CISAC, with 232 member societies in 121 countries, represents over 4 million creators from all artistic repertoires including music, audiovisual, drama, literature and visual arts. The SAA, through its 33 members from 25 European countries, represents over 160,000 European film and TV screenwriters and directors. AIPA is our Slovenian member representing audiovisual authors and with the present letter, we would like to express our support to their activities in favour of a better legal protection of audiovisual authors.

This second draft is a very good step in the right direction for audiovisual authors. It provides them with a right to remuneration for the retransmission of their works, paid by users and with mandatory collective management. This is a must-have in many countries to ensure that audiovisual authors get a share of the revenues generated by the exploitation of their works. It also transposes this model of a right to remuneration in other fields of communication to the public (by online content-sharing service providers and video-on-demand service providers) attached to a collective management mechanism with an extended effect. These proposals which combine a right to remuneration with a collective management mechanism are very much welcome to ensure audiovisual authors are paid for the exploitation of their works on all media.

However, the draft does not offer a full coverage of all types of exploitation that are important for audiovisual authors. Such a model of a right to remuneration with a collective management scheme attached should be proposed for other fields of communication to the public, such as the public representation of audiovisual works in cinemas, the public performance/rebroadcasting of audiovisual works in bars, restaurants, shops, gyms, etc., and the broadcasting of audiovisual works on TVs.

In Slovenia, like in many countries, there is an urgent need to update the legislation to ensure audiovisual authors are paid for the exploitation of their works on all media. The transposition of the Copyright Directives offers this unique opportunity to design the appropriate remuneration mechanisms for audiovisual authors, which will match the reality of the consumption of their works.

Article 18 of the Copyright Directive provides that "Members States shall ensure that where authors and performers license or transfer their exclusive rights for the exploitation of their works, they are entitled to receive an appropriate and proportionate remuneration". For audiovisual authors, the best solution to ensure remuneration is when the law provides an unwaivable and untransferable right to remuneration for the communication to the public of their works, to be paid by the operators who exploit the works and managed by the authors' collective management organisations (CMOs).

Such a legal mechanism is already in place in Belgium, France, Italy, Poland and Spain where audiovisual authors receive royalties for the exploitation of their works through their CMOs. It is not only good for the authors, but it also sustains a healthy development of the industry. As demonstrated by this <u>case study of Spain</u>, it has not negatively impacted the operations of audiovisual operators; Spain is even today a European production hub for global VOD platforms.

However, such a right to remuneration needs its four ingredients to be provided in the law to be effective, as recommended by eminent Professors of law (<u>Raquel Xalabarder</u>, <u>Bernt Hugenholtz</u>): a statutory right, unwaivable and untransferable, paid by the users and collectively managed.

In an international and competitive market dominated by global players, CMOs are the only ones in position to negotiate appropriate and proportionate royalties for audiovisual authors in an effective and transparent manner. CMOs are regulated, transparent and inclusive. It is also worth noting that the cost of the remuneration of audiovisual authors for the exploitation of their works would only be borne by users and based on the revenues generated by their business and would therefore not affect public institutions' budget. Collective management is also a win-win solution for users which secures legal certainty and a lower bureaucratic and economic burden due to the centralisation of the system.

Yours sincerely,

Gadi Oron

CISAC Director General

Cécile Despringre SAA Executive Director