

ACTIVITY REPORT



Contents

2	Message from the President & General Manager
3	COVID-19
17	Article 17
19	Collective management
22	ALAI European Authors' Right Award
23	Future priorities
25	Internal affairs

This document is not an exhaustive report of GESAC's activities.



At the time of writing, it is just over one year on from the beginning of the pandemic and subsequent closure of cultural venues. We now have some idea about the scale of the crisis and the task that lays before us.

Culture was one of the European sectors most impacted by COVID-19, experiencing a 31% drop in revenues, a figure matched only by the air transport industry. And the impacts will be long-lasting. Not only will royalty income not return to normal levels until 2022, at the very earliest, but many venues and cultural organisations will never reopen their doors.

Authors' societies experienced average losses between 20-35%. Despite this, authors' societies stepped in, in the absence of government support, to offer much needed support to authors.

There are also some immeasurable losses. Many authors have walked away from creative work and will not return. Similarly, many young people have been discouraged from pursuing their creative dreams as artists, producers, technicians and, of course, authors. The climate of uncertainty has plagued the sector as much as the lack of funding. But the impact has not been

restricted to those working directly within the sector.

We know that Europe as a whole has suffered from such a severe reduction in cultural life. Our continent's identity, its diversity and ability to regenerate are all things that rely heavily on its cultural output. Therefore, culture could never be just another problem to be solved, another sector to bail out of the crisis. No, we remain steadfast in our belief that culture is one of the solutions to the economic crisis facing Europe. We developed some concrete solutions for European and national authorities:

- Finance the cultural recovery by promoting massive public and private funding for cultural and creative businesses, non-profit organisations, entrepreneurs and creators
- Empower cultural and creative industries to reinforce their positive impact by ensuring a solid legal framework, allowing an adequate return on investment and guaranteeing fair remuneration for creators
- Prepare for the future by using the cultural and creative industries – and the multiplied power of their millions of individual and collective, private and public talents – as a major accelerator of social, societal and environmental transitions in Europe.

These are the proposals which are laid out in full in the EY study GESAC commissioned last

year. The study and our recommendations have so far received a positive reception from the European Institutions, who have taken promising steps, detailed in this activity report, in the right direction. We continue our work to ensure that these actions make it down to the Member State level, and provide us with the foundations to rebuild European cultural life, and in doing so rebuild Europe.

GESAC's 32 members, its Board of CEOs, its legal committee the Madrid Group, and its public affairs and communications committees, played a pivotal role in formulating a strategic plan of action. I am happy to report that GESAC has taken a leadership role in Brussels, uniting a wide spectrum of creative sector organisations to help generate an ambitious response to this crisis.

Make no mistake, 2020-21 was catastrophic for culture and for creators, but it is now on all of us, authors' societies, the whole creative sector, governments and the private sector, to turn this crisis into an opportunity. Let's continue to be at the forefront of these efforts to bring cultural life back to Europe!

Jean-Noël Tronc
GESAC President



2020 was a landmark year in more ways than one. GESAC was about to turn 30 years old at the end of the year, and we had planned to hold an event to mark the occasion and communicate just how far we as a grouping of authors' societies have come since our founding. But the events that transpired at the beginning of 2020 put an immediate halt to those plans and changed the lives of the more than one million creators we represent. This report covers all of 2020 and up to the time of writing in April 2021.

By most measures this has been an unprecedentedly challenging year for creators and the authors' societies representing them.

With the severe drop in revenues caused by a cultural sector put on hold, our members have had to slash their budgets, adapt their working practices and respond to the immediate needs of the most vulnerable creators. Many creators who had shows and exhibitions cancelled overnight and no safety net to fall back on. As freelancers, many were not eligible for government support, so it was their authors' societies who stepped in with emergency funding and other forms of much needed sustenance.

Singer-songwriter Angélique Kidjo, speaking at GESAC's 'Creators and platforms' event held in November 2020, said: "Our authors' societies are

like our second homes, they keep us off the street."

GESAC put all its energy into adapting and responding to this crisis. We mobilised rapidly to help our members share plans and best practices. We united with other organisations to alert the European authorities to the dramatic situation facing the cultural sector and to keep the sector firmly in the minds of policy-makers drafting Recovery and Resilience Facility plans. We pushed for a bigger budget for Creative Europe and other EU programmes, and we held online events that attracted sizeable audiences and influential decision-makers, trying to hold them to account on their promises. We also worked hard to lighten the burden on GESAC members by reducing our own budget.

Thanks to a swift decision by the Board, GESAC was able to launch over the summer a new economic study on the cultural and creative sector. The study was a collective venture, with voluntary contributions from some GESAC members and the support of more than 20 organisations representing a wide range of cultural and creative industries, who gave an added sense of magnitude and credibility to the project.

We launched the new EY study in January 2021 and presented it to seven Commissioners and Vice-Presidents. The study shows that while, yes, the CCIs are in desperate need of help and attention right now, they were once a huge economic and social asset to Europe before the crisis, and could

significantly contribute to the rebuilding of Europe. We wanted to prove that it is in all of our best interests to help the cultural sector to recover and, as underlined by President Sassoli in the his editorial for the study, for culture and art "to accompany a post-pandemic society in the road to resilience".

Throughout 2020, GESAC also closely followed the transposition process of the Copyright Directive, in particular its Article 17. After the stakeholder dialogue process, the Commission issued a consultation document and then worked on the drafting of guidance for Member States. But the approach taken by the Commission raised various concerns. It is imperative that the guidance not lead to the watering down of the Article's efficiency.

2021 promises to be another challenging year, and our focus for the year ahead can be summed up like so: recover, relaunch, rebalance.

We will continue to work for a recovery that provides adequate funding to European creators and the broader creative economy, a safe and coordinated reopening of venues and relaunching of cultural life, as soon as possible, and a swift and effective implementation of legislation that addresses the imbalance between creators and the platforms who exploit their work.

Here's to a healthier and more promising 2021/22!

Véronique Desbrosses
GESAC General Manager

COVID-19

An unprecedented crisis

European creators and their authors' societies are facing unprecedented harm as a result of the COVID-19 pandemic. Since March 2020, live events were prohibited from taking place and all the venues from which creators might derive royalties were closed.

To compound their struggles, many creators could not benefit from social welfare schemes or furlough payments from employers because of their precarious, often officially unrecognised, status as freelancers.

Beyond individual creators, the organisations that pay them, the creative industries, also came to a grinding halt. The live performance sector experienced 90% losses, the music

sector -76% and visual arts -53%. With their members, the creators, in mind, authors' societies had to slash their budgets and radically alter their operations in preparation for a substantial decrease in collection of public performance royalties, and other revenue streams like private copy and broadcasting. GESAC's members also adapted to the new situation on the market and to the special needs from the most vulnerable creators. GESAC's members reported yearly losses of between 15-30%.

After the crisis hit in March 2020, GESAC's activities focused on three main objectives:

- **Gathering information & facilitating exchange**
- **Building awareness & influencing attitudes**
- **Political action**



1. Gathering information & facilitating exchange

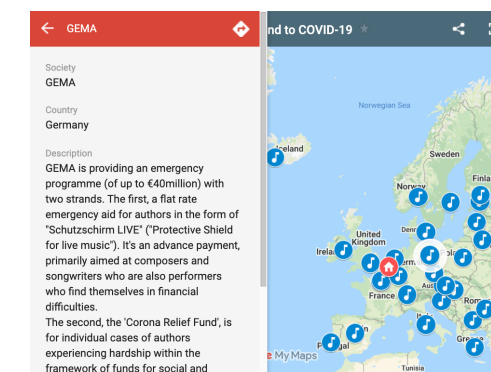
Authors' societies were quick to react to the devastating situation. GESAC members set up emergency funds and created new licences for digitally streamed events, but this crisis was unknown territory for everyone, so the Secretariat held a video conference for members to share ideas and information.

This proved particularly useful given that some member countries were already ahead of the curve, having been hit harder and earlier by the virus and subsequent restrictions. For the benefit of our whole community, GESAC also created an internal directory where all information could be retrieved.

These kind of information exchanges continued periodically throughout the year. Members updated each other about the latest situation on the ground

in their countries, and GESAC used updates to feed into advocacy work in Brussels.

While almost every GESAC member opened emergency funds and advance royalty payments to support their members, to the bottom right is a selection of examples to show the diversity of support they have been providing creators throughout this difficult time.



”

For many artists in Europe, the only thing that keeps us afloat is our authors' societies. They are practically a second home for us. They pay us, keep us off the streets, allow us to continue to create, go back on stage and hope for a better future .

– Angélique Kidjo, singer-songwriter



Sources: "Rebuilding Europe – The cultural and creative economy before and after COVID-19", an EY & GESAC report

- **100s of millions in emergency relief grants**
- **New licensing solutions**
- **Vouchers & food parcels**
- **Play local campaigns**
- **Mental health helplines**
- **Innovation hackathons**
- **Music investment funds**

2. Building awareness and influencing attitudes

The main initiatives undertaken by members were [mapped out on the GESAC website](#) as a resource for European creators but also to build awareness about the scale of the problem and the scale of the actions being taken by authors' societies.

In all communication with key figures from the European Commission and Parliament, GESAC aimed to convey the central role European authors' societies play in the lives of creators, and the efforts being undertaken in the name of solidarity.

After the cancellation of all of the summer season's biggest events, and no foreseeable end to the desperate situation facing Europe's creators, the GESAC board decided the time was right to commission a new study on the cultural and creative industries.



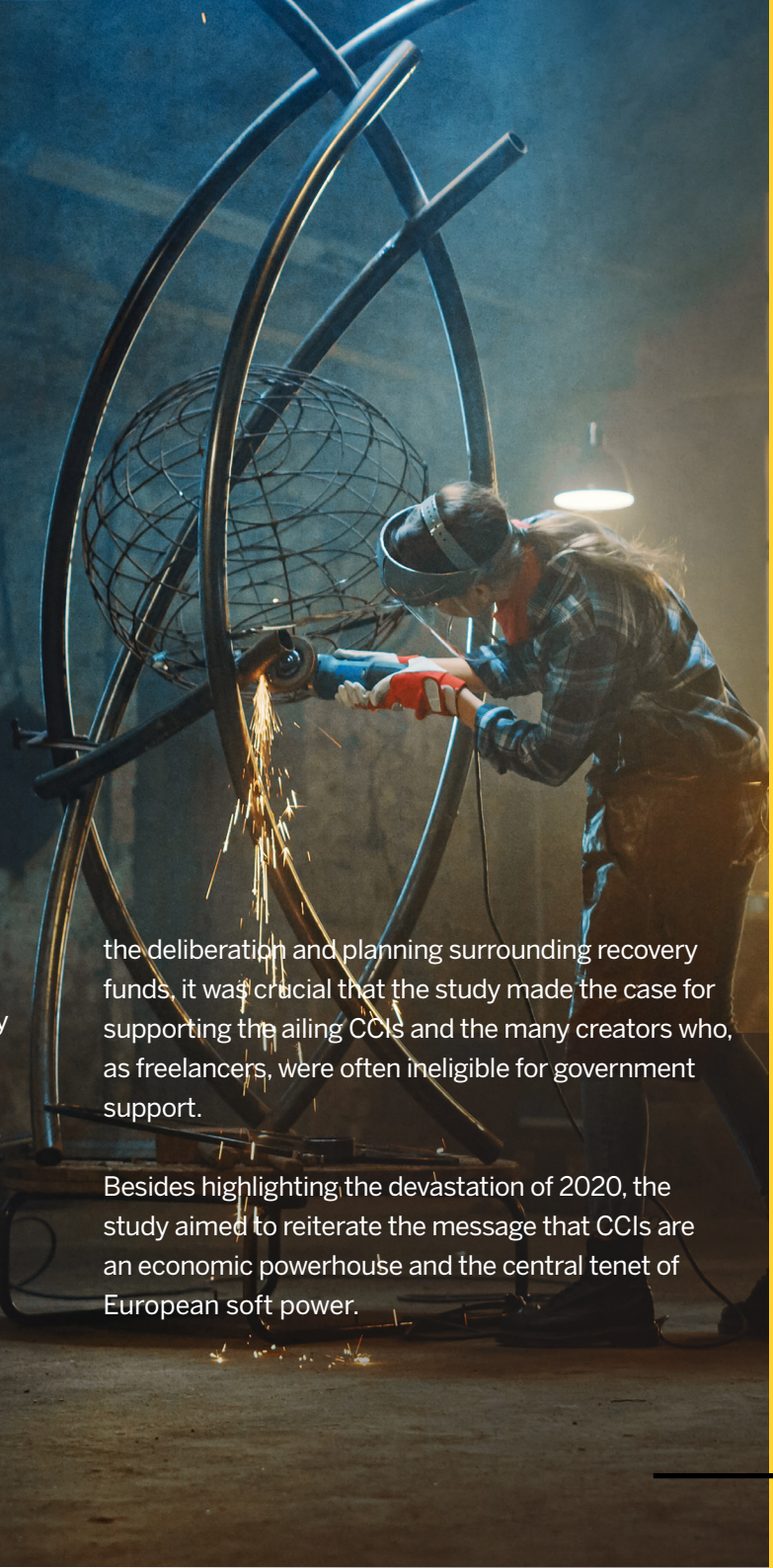
Rebuilding Europe

Background & aims

In 2014, GESAC commissioned the consultancy EY to produce a study on the economic value of Europe's cultural and creative industries. The outcome, Creating Growth, became the study of reference in the years leading up to the adoption of the Copyright Directive in 2019. The study revealed the numbers behind Europe's creative economy and supported the assumption that online platforms were siphoning value away from the creators at the heart of that economy.

With a new cohort of European Commissioners, and many new MEPs in office, and the biggest crisis facing authors' societies since GESAC's founding, an update to the previous study was commissioned, and supported by 20 other creative industry organisations.

The situation facing other sectors like the travel industry was well documented in the media, but the same could not be said for the destructive effects that lockdowns and social distancing measures were having on creative productions and especially individual creators. With



the deliberation and planning surrounding recovery funds, it was crucial that the study made the case for supporting the ailing CCIs and the many creators who, as freelancers, were often ineligible for government support.

Besides highlighting the devastation of 2020, the study aimed to reiterate the message that CCIs are an economic powerhouse and the central tenet of European soft power.

Who?

GESAC commissioned and funded the study, with voluntary contributions from members ADAGP, BUMA, GEMA, SACEM, SCAM and SOZA, and the following partner organisations:

- AEPO-ARTIS
- EVA
- Eurocinema
- Eurocopya
- FIAPF
- IVF
- IMPALA
- SAA
- SROC

11 other organisations pledged their support to the project: AER, CEPIC, EACA, ECSA, EGDF, EPC, FERA, FEP, FSE, IFFRO, IMPF.

Main findings & recommendations

The [50-page study](#) confirmed the continuous growth of the CCIs up to 2019, their importance for the European economy and the dramatic losses due to the pandemic.

8.4x
more jobs than in the telecommunications industry

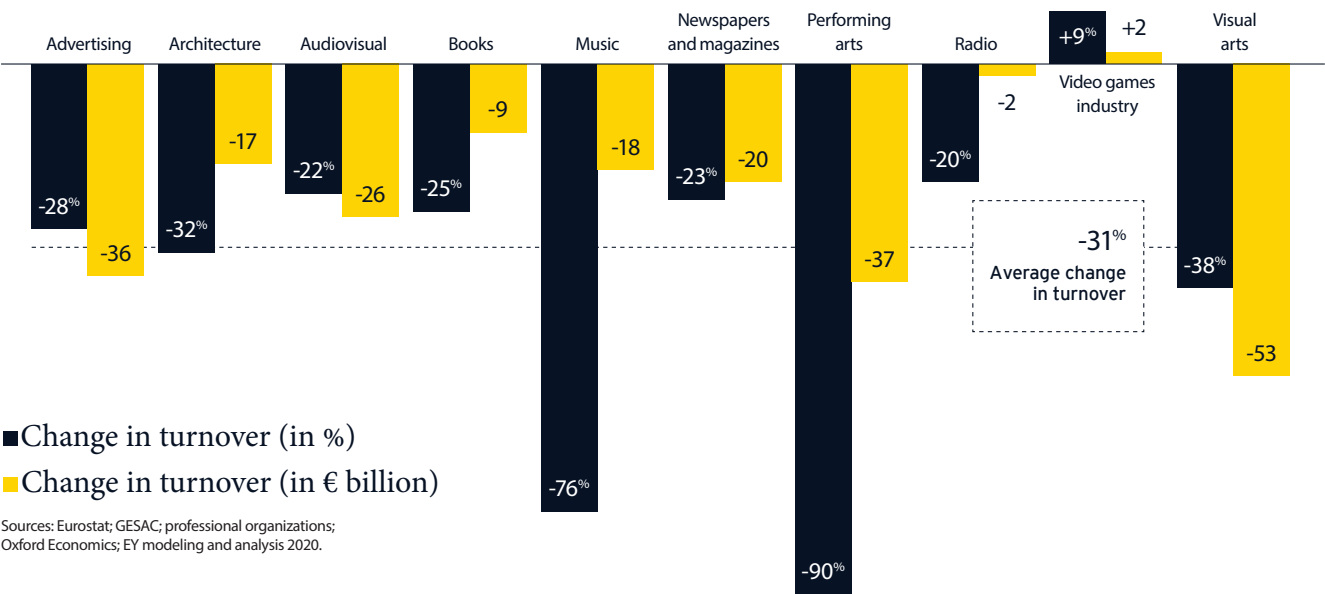
4.4%
of EU GDP

€643b
in turnover

90%
of CCI businesses are small & medium sized

To add credibility and weight to the message, study featured editorials from key political figures, testimonies from people working in different creative sectors, and editorials from key European political figures.

Estimated change in turnover 2019-20 by CCI sector (in % of total 2019 turnover and in € billion; EU-28)



David Sassoli
President,
European Parliament

Art has a cathartic power that can accompany a post-pandemic society on the road to resilience. Art is not an accessory; it is a viaticum.



Mariya Gabriel
EU Commissioner

[CCIs] are essential for our cultural diversity, strengthening social cohesion and increasing Europe's attractiveness internationally.

The study launch

The [Rebuilding Europe study](#) was released on 26 January 2021. With the support of our 32 members all over Europe, GESAC coordinated a press and social media campaign to give the study maximum visibility.

A video [press conference](#) was held early on release day, whereby Marc Lhermitte, EY Partner, presented the study. Electronic music pioneer Jean-Michel Jarre and GESAC President Jean-Noël Tronc were also present to introduce the study to journalists. This was swiftly followed by a full day of meetings with six different EU Commissioners.



A [website](#) was created to house the study and all related information, including the executive summary, which was translated into 17 languages with the help of GESAC members.

Our members also helped spread the word on social media and activate the press in their countries, where it was picked up widely in national media and trade press.



Rebuilding Europe's recommendations fell into three areas:

Finance

Provide massive public funding and promote private investment in cultural and creative businesses, organizations, entrepreneurs and creators – two indispensable levers to support and accelerate their recovery and transformation.

Empower

Promote the EU's diversified cultural offering by ensuring a solid legal framework to allow for the development of private investment in production and distribution, providing the necessary conditions for an adequate return on investment for businesses and guaranteeing appropriate income for creators.

Leverage

Use the CCIs – and the multiplied power of their millions of individual and collective talents – as a major accelerator of social, societal and environmental transitions in Europe.

Creative delegation

The study's press conference was followed by a full-day of meetings with seven different EU Commissioners. With the help of partner organisations, GESAC put together a delegation of representatives from the creative industries, who presented the study to the Commissioners, spoke on behalf of their sectors and answered questions about the situation facing the cultural and creative industries on the ground.

Creative sector delegation:

- **Jean-Michel Jarre** (FRA)
Electronic music pioneer
- **Christina Vegh** (CHE)
Art historian and curator
- **Francesca Trainini** (ITA)
Vice President of independent label association PMI Italia
- **Chris Dercon** (BEL)
President of the Grand Palais
- **Tamara Babun** (CRO)
Film producer
- **Isabel Coixet** (ESP)
Film director
- **Antun Tomislav Saban** (CRO)
Composer

The reception

The EY study continues to be enormously helpful in changing attitudes and providing politicians with the tangible evidence and political impetus to support the cultural sector. It also helped open the conversation on a post-COVID strategy.

The meetings with Commissioners proved particularly fruitful, resulting in prompt political action discussed in the next section.

The study has since become an oft-cited reference document in other studies and official documents, and is also regularly referred to by politicians wishing to stress the desperate situation facing the creative sector.

EU Commissioners met by our creative delegation

In alphabetical order



Commissioner
Thierry Breton



Executive Vice-President
Vladis Dombrovskis



Commissioner
Mariya Gabriel



Commissioner
Paolo Gentiloni



Vice-President
Margaritis Schinas



Commissioner
Nicholas Schmit



Vice-President
Dubravka Šuica

Rebuilding Europe: what happens next?

As a follow-up to the release of the EY Rebuilding Europe study, we held [a webinar on 23 March 2021](#). The event was a chance for Marc Lhermitte, the EY Partner who led the study, to present its main findings and recommendations, and for figures from the European Commission, Parliament and creative industries to discuss what needs to happen next.

The webinar was attended by 160 industry stakeholders, politicians and officials from the European institutions, and aimed to contribute to a better understanding of the challenges our sector is facing.

The European Commission speakers provided a clear overview of the Recovery and Resilience Facility funding tools, which intend to foster a sustainable recovery across sectors. MEP Christian Ehler suggested the organisation of a forum with Commission, Council and Parliament representatives to assess how the cultural and creative industries have been included in post COVID-19 national recovery plans and programmes. The Secretariat is liaising with MEP Ehler on this plan.

Rebuilding Europe: what happens next?

23 March / 14:30 - 16:00 CET
Virtual event

Session 1
Presentation of the study *Rebuilding Europe: The cultural and creative economy before and after the COVID-19 crisis*

Session 2
A political debate on a recovery and relaunch strategy for Europe's cultural sector

Organiser
GESAC
AUTHORSOCIETIES.EU

Featuring
EY

SPEAKERS

Christian Ehler
MEP, EPP

Jean-Noël Tronc
President of GESAC & CEO of SACEM

Marc Lhermitte
EY Partner

Mirzha de Manuel
Cabinet, Executive Vice- President Dombrovskis

Pedro Sobral
Director of book publisher Leya

Viviane Hoffmann
Deputy Director General, DG EAC

Pledge for massive funding

GESAC's underlying aim throughout 2020 was to ensure adequate public funding for the cultural sector, and in particular individual creators.

By building awareness, and alerting decision-makers to the plight of authors, GESAC and more than 110 creative sector organisations in Brussels were able to ensure the cultural sector was duly taken into consideration across different EU budgetary frameworks.

Once funding at EU level was secured, our focus turned to national recovery plans and reopening strategies. Though the European Commission had labelled the cultural sector as one of its 14 key ecosystems in May 2020, Member States were under no obligation to allocate specific funds to the sector.

GESAC joined various calls in Brussels for Member States to allocate at least 2% of their recovery funds to the cultural sector.

LETTER TO THE EUROPEAN COMMISSION
ON BEHALF OF EUROPE'S CULTURAL AND CREATIVE SECTORS

Dear President von der Leyen,
Vice-President Schinas,
Commissioners Hahn, Gabriel, Breton,

Culture has always been a vibrant social resource, able to heal wounds in times of crisis. Culture carries tremendous intrinsic value and contributes significantly to the economy, with 4.2% of the EU GDP and 74 million jobs created. Culture is a vital component of the European integration and solidarity. It unites the European multitude of mentalities and histories in all their diversity, and shapes a common space for Europeans to develop a shared identity.

As our societies are going through an unprecedented turmoil, we call on the EU and its Member States to make sure that culture is placed at the core of each and every recovery plan, which aims at a sustainable, inclusive and future-looking revival of our social and economic life.

Cultural and creative sectors (CCSs) themselves are among the most seriously damaged by the pandemic. Cultural activities are being halted, millions of jobs are frozen or wiped out, micro and small businesses are on the brink of bankruptcy and many talents are forced to leave the sector altogether.

On top of that, we are at the beginning of a second wave in Europe that will undoubtedly increase the impact of the pandemic crisis on the CCSs.

This unprecedented uncertainty prevents the CCSs from bouncing back, devising viable short and medium-term plans and imagining a different future. There is a risk that citizens will not find their vibrant cultural life back in the post-pandemic world. This would be a huge loss in terms of 'social cohesion, communities' empowerment, individual well-being, and the economic revival of the EU.

While it has started addressing these concerns with some concrete measures in the past months, the European Commission also clearly included culture as one of the 14 priority ecosystems to repair, when presenting the recovery package for Europe, back in May. However, we regret that the European Commission has not integrated clear and strong references to culture in the "Guidance to Member States Recovery and Resilience Plans." Now that the dialogue with the Member States on the design of their national recovery and resilience plans has kicked off, it is crucial that CCSs are fully included in the attainment of the main RRF objectives.

Therefore, we, the pan-European community of 110 networks and associations, call on the European Commission to encourage Member States to fully integrate culture in their national recovery and resilience plans, allocating at the very least 2% of the RRF budgets to the CCSs, as called for by the European Parliament in its recent resolution on the "Cultural Recovery of Europe".

This should be monitored and stimulated, inter alia, through the Commission's assessment of the national recovery and resilience plans.

It is our common duty to preserve culture in these challenging times, and we hope you will do everything possible to safeguard the diversity, vibrancy and richness of Europe.

Devote at least 2% of the EU Recovery plan to culture

#CulturalDealEU

Call for a coordinated re-opening strategy

Authorities had begun to ease lockdowns by February 2021, which resulted in a patchwork of protocols and rules across the EU. In some countries, venues were open but only at limited capacity, in others only outdoor events were allowed, and in many countries the situation remained unchanged.

Taking into consideration the economic importance of the summer season for authors and event organisers, and the importance of cross-border travel for performers, fans and exhibitions, GESAC mobilised to request that EU decision-makers coordinate the reopening of cultural venues and relaunching of cultural activities.

GESAC united with organisations from the live events sector to follow-up on meetings the EY launch meeting with Commission Breton in which he pledged his help to coordinate a reopening strategy. The letter declared a shared willingness to support the reopening strategy, with an update of the situation on ground based on feedback from our members and venue associations.

ARA ARENA RESILIENCE ALLIANCE
GESAC
LIVE DMA
live europe
PEARLE
YOUROPE
AFEM

Commissioner Thierry Breton
Internal Market
European Commission

This letter is a follow-up to the constructive discussions you had with the delegation from the cultural and creative industries on 26 January, out of which we are greatly appreciative of your offer to take the lead in forming a clear vision and coordinated strategy for cultural venues and events.

In this respect, we have been very encouraged by the recent Communication on "a common path to safe and sustained re-opening". We would like to express our gratitude for this extremely positive initiative and our readiness to start work immediately on this objective.

Indeed, the vast majority of EU countries have seen no change to their current situation over the last months; lockdowns, curfews, the closure of all cultural, social and sport venues, if not severe restrictions to their usage.

With each passing week we are all becoming more acutely aware of the psychological impact of the situation. Not only are Europeans suffering economically, the mental effects of social isolation are taking their toll and eroding any preliminary optimism brought on by the deployment of vaccines.

Though we are still enveloped in this crisis, Europe's cultural industries know the current situation will not last forever. It is therefore imperative that we adapt and put in place suitable planning measures to prepare for our new normal.

In this sense, we have taken the initiative. We and our partners have been working with national governments and local municipalities to find financial solutions for both creators and organisers. Our work has been based on studies about the viability of events, and test events that have been held at various venues across Europe.

In isolated cases where events have been held, organisers are holding them at 30% capacity or less, knowing they will barely recover their costs, in the name of keeping the cultural scene going and offering some semblance of hope to performers and the general public. But these solutions are not sustainable without political leadership and a clear vision to take coordinated steps at the European level.

3. Political reaction

Our concerted effort to raise awareness and change attitudes resulted in a number of reactions from the European Institutions.

In the European Parliament we had strong support, in particular from the Committee on Culture (CULT) chaired by MEP Sabine Verheyen, and from individual MEPs such as Christian Ehler and Laurence Farreng, amongst others. An open letter from more than 100 MEPs and more than 300 associations was initiated, calling for financial support to be directed to the cultural and creative sectors.

In September 2020, the European Parliament voted overwhelmingly in favor of a Resolution recognising the grave situation facing Europe’s creative and cultural ecosystem, calling for direct and swift support for the cultural sector and asking that 2% of the Recovery and Resilience Facility be devoted to the CCIs.

In the European Commission, Commissioner



Mariya Gabriel was on the front line working to make sure that recovery funds and initiatives on the economic consequences of the COVID-19 pandemic were also directed to the cultural sector. The Commission labelled the cultural sector as one of 14 key ecosystems that should be prioritised for economic investments and in recognition of all the efforts undertaken by cultural organisations, including authors’ societies, and also set up the FLIP Creatives Unite platform – a website where cultural organisations could share best practices and creators could check on available initiatives and funding in their countries.

In the European Council, the Culture Council recognised that the cultural and media sectors had been hit extremely hard by the COVID-19 crisis and discussed how to reinforce the long-term resilience of both sectors, including how they could benefit from the EU recovery funds and receive adequate information on funding opportunities. Culture Ministers also welcomed the fact that the budget for Creative Europe would be substantially increased for the period 2021-2027.

National recovery plans & long-term EU budget

In December 2020, the EU institutions reached a political agreement on the Multiannual Financial Framework (MFF) 2021 2027 and the Next Generation EU (NGEU) recovery plan. The volume of the negotiated package is unprecedented in the history of the EU, at €1.8 trillion, with €1.074 trillion for the MFF and €750 billion for the Next Generation EU recovery fund.

The result is positive, however clarity is still needed on how to access certain funds and programmes. Though the European Commission has labelled the cultural sector one of its 14 key ecosystems, there is no legal obligation for Member States to devote a specific amount to culture in their national recovery plans.

The Creative Europe programme is the flagship instrument in support of the cultural and creative sectors – and the only one designed



to support them specifically. With a dedicated budget of more than €2.2 billion, an increase of €600 million from the previous €1.6 billion proposal, the new programme will continue to boost Europe’s artists, creators and cultural organisations, and enable the sector to co-create and cooperate across borders. The programme also provides the basis for sector-specific funding like music (i.e. the Music Moves Europe programme) and includes a special focus on challenges brought about by the pandemic.

The InvestEU Programme provides long-term funding for companies to stimulate investment,

job creation and productivity. Its broader aims are to promote territorial cohesion and inclusion, and help build a greener, more digital and resilient European economy. Cultural and creative businesses can benefit from it’s SME policy window (around € 6,9 billion).

Horizon Europe is the biggest EU Research and Innovation programme, with nearly €80 billion of funding available over seven years. It includes the largest budget for research for cultural and creative industries in the history of the European Union. The Parliament in its negotiations with the Council secured a €2.3 billion budget for the cluster ‘Culture, creativity and inclusive society’. It was also agreed that under this cluster a European Cultural Heritage Cloud would be established, allowing creative and cultural institutions and companies from across Europe to collaborate in a shared digital space.

Article 17 & the Copyright Directive: where do we stand?

Member States are due to transpose the Copyright Directive before 7 June 2021, but most of them will not meet this deadline.

GESAC worked through the Madrid Group, our legal committee, to closely monitor the transposition processes in Member states. Early in 2020, we organised a working dinner with Member State representatives in Brussels, which aimed at sharing authors' societies' views on the implementation of Article 17 and opening informal discussions with experts. Representatives of the following Member States were present for the event: France, Portugal, Greece, Austria, Germany, Belgium, Cyprus, Poland and the Netherlands.

The European Commission's Directorate-General for Communications Networks, Content and Technology (DG CNECT) has focused on delivering guidance on the implementation of Article 17 of the Copyright Directive. GESAC

actively participated in the stakeholder dialogues for this process and engaged in discussions with the Commission in view of the release of the guidance in mid April. The final stage of the stakeholders dialogue leading to written consultation process was seriously delayed by the pandemic.

GESAC approached the dialogues with a positive aim of ensuring the spirit and effectiveness of the Directive. Our main aim was to promote licensing, ensure fair remuneration for creators and have more transparency and accountability from online platforms.

Developing concerns

On July 27, the Commission issued a public consultation document, presenting its current approach. Though certain useful elements regarding licensing and collective management organisations were mentioned, the document

was misleading in several areas, going far beyond the provision of the Directive by offering an interpretation that softens rightholders' protection and strengthens consumer position.

GESAC answered to the consultation and [sent a letter](#) to Commissioner Breton reflecting our community's concerns on the process, concerns that were echoed at our event '[Creators and Online Platforms](#)' in November.

The letter emphasised the critical nature of the Commission's proposed guidance on implementing Article 17 and underlined that, in its current form, the guidance could seriously jeopardise the original intentions of the Directive, which could have the effect of disincentivising licensing. A joint letter from rightsholder organisations raising similar concerns was also sent to Commissioner Breton.

Webinar Creators and online platforms: in search of a balanced relationship

GESAC hosted an [online event](#) to address the relationship between creators and platforms within a new European framework and digital environment. The event attracted more than 200 people and featured an eclectic line-up of speakers.

In her keynote speech, prominent singer-songwriter [Angélique Kidjo sent a strong message](#) to the EU Community on the importance of culture and Europe taking the lead. The first roundtable featured an in-depth discussion on Article 17 and the second panel discussion was devoted to future perspectives, including discussion on the implementation of the Copyright Directive, algorithms within streaming services, and buy-out contracts.

CREATORS & ONLINE PLATFORMS

In search of a balanced relationship

Panels

New legal framework for a new relationship.

What has changed and how to make it a reality

Too big to care?

What does the future hold for the relationship?

18 November | 14:00-16:30 | Zoom

Register at: <https://bit.ly/38hPclx>

Virtual conference

SPEAKERS

Angélique Kidjo

Singer/
songwriter

Alban de Nervaux,
Anna Herold,
MEP Axel Voss,
Giuseppe Abbamonte,
MEP Ibán García Del Blanco,
Jean-Noël Tronc,
MEP Laurence Farreng,
Ricardo Castanheira,
Tobias Holzmüller

Moderated by **Isabelle Szczepanski** of Electron Libre

#CreatorsAndPlatforms

Collective management

To follow up on agreed priorities the Secretariat started an online campaign to explain and promote the role of the CMOs.

The soft campaign involved sharing the importance of collective management organisations on social media and using similar material in our meetings with policy-makers and stakeholders.

Authors' societies have been particularly helpful for their members during this difficult period for creators, while also responding proactively to the needs of businesses and users.

The campaign started with a short video to showcase the indispensable role that authors' societies play for authors, business users and the public. Further material presented collection data from GESAC members and other statistics and information about authors' societies support for creators and the cultural scene.



The changing role of authors' societies - a story of 200 years and counting

The Secretariat also worked on a document, at the request of the GESAC Board, to highlight the evolving role of collective management organisations.

The first three pages from the resulting document can be seen to the right and on the next two pages. The full document can be accessed [here](#).

As well as GESAC's key figures, such as how many creators we represent and the aggregate collection figures of all our member societies, the document provides an introductory background on authors' societies. It details the five principles by which authors' societies are guided in their work, explains why collective management is the best option for the fast changing legal and economic environment of today,

including how Europe is leading the way in this regard, and shows how authors' societies present a sustainable economic model for the future, as displayed by their effectiveness in responding to the COVID-19 pandemic.

The document proved very useful in our meetings with officials from the European institutions, particularly MEPs who are less familiar with authors' societies and their cultural and economic relevance.

The changing role of authors' societies in an ever-changing world

A story of 200 years and counting

"Change is the only constant in life" — Heraclitus

The house of creators

GESAC, through its 32 author society members (collective management organisations), represents more than 1 million creators from all sectors, be it music, audiovisual or visual arts, from across the EU and EEA. As such GESAC is the largest organisation representing authors and their societies at EU level.

Authors' societies are founded and run by their members, the creators, which makes them well and truly the house of creators. But societies are also essential players in the creative industry and perform a role that is firmly in the public interest: they facilitate access to the broadest possible repertoires of creative works, streamline rights clearance, and ensure appropriate remuneration for creators.

Authors' societies have constantly evolved and improved in their 200 hundred years of existence, thanks to some guiding principles that guaranteed their continued relevance both for creators and the users of creative works.

When it comes to the implementation of European copyright/authors' right policy, authors' societies prove to be the best option for restoring public confidence in creators' rights in a rapidly changing digital economy.

Authors' societies have already played a safety net role for creators during the devastating COVID-19 pandemic, and they are ready to play a key role in Europe's recovery from the current economic crisis, and in rebuilding a vibrant creative market for all.

FIND OUT MORE: <https://authorsocieties.eu/>





The guiding principles of collective management

What keeps authors’ societies relevant?

1. Empowering individual authors through collective negotiation

Creators and other rightsholders entrust authors’ societies to grant licences to users on their behalf. Users are the services and platforms who use or spread the work, usually on a commercial basis.

In turn, societies include the rightsholders in the collective effort to negotiate the best conditions for the use of their works. By organising as collective management entities (authors’ societies), creators can negotiate better conditions than they ever could individually, and give consumers the widest possible access to creative content.

By uniting under a single collective voice, creators also ensure that their rights are protected, and their opinions heard in policy discussions.

2. Streamlining rights clearance and providing legal certainty for users

We all encounter different kinds of users in our daily life: online music services or bars and restaurants, VoD services or TV and radio, to name but a few. They make use of music, visual arts or other types of creative works as either the main purpose of their business or to enrich their services.

Educational institutions, cultural heritage organisations, as well as many other general interest institutions also use creative works as part of their public service. They need the legal certainty and easy rights clearance for the day-to-day use of creative works, in compliance with authors’ rights and as responsible players. Without collective management, the only alternatives for most would be either to not use any creative works or use them illegally, because clearing all rights individually is impossible. Neither option is desirable.



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3. Providing broadest access to creative works for everyone, everywhere

Easy rights clearance with fair remuneration for creators also enables all services and users to offer their consumers, and the public at large, access to any creative works wherever and whenever they want. Public demand for broader access to culture and creative works is growing exponentially and it is collective management organisations’ duty to facilitate this by providing a culturally diverse repertoire, allowing even the smallest and niche repertoires to reach the public, while also ensuring a fair return for all creators regardless of their fame or popularity.

4. Ensuring independence of creators

Authors’ societies are not-for-profit organisations and as such enable creators to manage their rights without being coerced by big media conglomerates or giant tech platforms guided by commercial interests. By entrusting part of their rights to their societies, authors are empowered to make the best professional decision about who their partners are in the sector, knowing that the money collected by societies is paid back to rightsholders in direct proportion to the use made of their work.

5. Nurturing talent and cultural diversity through dedicated funds

Authors’ societies promote cultural diversity and the development of new generations of creators through the financing of cultural activities. In some cases, societies also provide pensions and financial help for creators facing difficulties.

32

Societies

27

Countries

1 million+

creators

€5.7 billion

royalties collected in 2019

€234 million

invested in social & cultural activities in 2019

FIND OUT MORE: <https://authorsocieties.eu/>

ALAI European Authors’ Right Award

This annual award, which GESAC co-organises, aims to encourage student interest in authors’ right and a potential career in related fields. A prize is awarded to one or two students for their essay on a subject relating to European authors’ right. The essay should have a European dimension and include aspects related to the collective management of authors’ right.

With this prize, GESAC and ALAI want to build a bridge between the young lawyers who are passionate about authors’ right and the professional and academic world.

The award focuses on Europe, which has proved to be a leader in the field of authors’



Winner Thomas Verborgh being interviewed remotely

right, and collective management, which is becoming more and more relevant in an ever-changing world.

The award ran its second edition in 2020, and the jury awarded Mr Thomas Verborgh of Belgium for his paper on “Multi-territorial licensing of rights in music for online use: an early evaluation”.

This year’s jury, presided by Prof. Frank Gotzen, was composed by Caroline Bonin, Head of Legal Affairs, SACEM, Gabor Faludi, outside Counsel for Artisjus, Paul Torremans, Professor

of IP Law at the University of Nottingham and Raquel Xalabarder, IP Professor at the Universitat Oberta de Catalunya.

The ALAI Authors’ Right Award Ceremony was due to take place in Madrid on 18 June at the ALAI Annual Congress. The COVID-19 pandemic meant the event was cancelled and has most recently been rescheduled for September 30 2021.



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Priorities for the year ahead

COVID-19: continue working on the “three Rs”

Reopening: GESAC will continue working alongside creative industry partners in the live event sector to push for a swift, safe and coordinated reopening of cultural venues. The European Commission recently committed to producing guidelines on the safe reopening of festivals and other such events. We will seek to hold them accountable to these commitments.

A coordinated approach to the reopening of cultural venues is needed in order that creators, their works, as well as production teams and fans, can travel across borders with confidence. We have so far seen a patchwork of different protocols arising all over Europe. Alignment will boost investor confidence and enable a faster return to a thriving cultural scene.

Recovering: One of 2020’s biggest successes was securing a plethora of different funding opportunities for the creative sector. Our plans for the coming period includes supporting GESAC members in gaining access to the various funding and support schemes available at EU level, and ensuring more support is made available at the Member State level.

Rebalancing: We will continue our work to rebalance the market when it comes to creators and the platforms who exploit their works for profit. We will follow the transposition of the Copyright Directive, which is due in June 2021, although delays in several Member States are expected.

Digital Services Act & the Digital Market Act

In December 2020, the European Commission adopted its very much anticipated legislative proposals Digital Services Act and Digital Markets Act. Their aim is to shape the digital economy and the legal framework available to platform services over at least the next 20 years, with a complex set of rules, to create a safer digital space and establish a level playing field to foster innovation, growth, and competitiveness. This legislative package includes very important issues such as the review of the e-commerce directive rules, the gatekeeper role of certain platform services, and competition law related aspects. A significant political battle is expected.

The Commission has tabled a draft proposal of the legislation, to which interested parties and sectoral organisations like GESAC were invited to respond.

GESAC submitted [our position](#), which featured the following four priorities:

1. The necessity to keep Article 17 of the Copyright Directive intact and to apply final the DSA without prejudice to Article 17.
2. Effectively tackling the use of online market places by the traders that intend to circumvent their obligations to pay private copy compensation under EU and national copyright laws.
3. A more solid and functional notice and action (NA) regime against illegal and piracy platforms.
4. An urgent need to develop a policy perspective, in or beyond DSA, to address the growing problems regarding algorithmic transparency, cultural diversity and fair treatment of creators on e-commerce platforms that are not providing a “hosting” or intermediary” services.

Addressing other market imbalances

Much has been done this year to raise EU policy-makers attention to existing imbalances in the market. This work will continue into the year ahead.

Buy-out deals and their impact on the creators’ remuneration
Buy-out contracts are a real threat to the principle of authors’ rights and a quick and strong reaction is needed. Buyout contracts take away authors’ main income - their royalties - and is a threat to the fundamentals of collective management that guarantee appropriate and proportionate remuneration for creators.

Promoting cultural diversity and transparency of algorithms
Algorithm manipulation for commercial purposes is a growing issue as it not only

impacts the earnings of European creators but also poses serious risks for cultural diversity. It is time to develop an appropriate “media policy” to safeguard the promotion, visibility and discoverability of European content.

Artificial intelligence
AI is likely to transform the way the cultural and creative sector functions in the near future. For example, is there really a totally autonomous AI without any human intervention? How can authorship of works that are created through AI be decided? How can current and future creative content related to the AI market be captured? Similar changes will also happen in fields other than music. This raises several challenging issues which will require comprehensive and in-depth analysis.

Internal affairs

Elections to the Board

The statutory elections took place during the General Meeting on 7 May, electing Jean-Noël Tronc, CEO of SACEM, the new President of GESAC. The new Board is reflective of GESAC’s membership diversity in regard to size, repertoires and geographical regions. We are also happy to have a woman elected to the Board and look forward to a continuation of this positive trend.

Membership update

We have both welcomed a new member and said goodbye to a founding member over the past year. The Greek society Autodia was officially welcomed into the GESAC community at the June 2020 general meeting. And unfortunately PRS for Music decided to leave the grouping at the start of 2021. Brexit coming into full effect meant that PRS could no longer fulfil the precondition that GESAC members have registered offices and their central administration within the EU.

Meetings

From March 2020, all physical meetings, internal – General meetings, Board meetings, PAC and Madrid Group meetings – and external, were replaced by online meetings. The General Meeting was held on the 25 June and 18 November, while the Board continued its quarterly meetings and the Public Affairs Committee (PAC) and Madrid Group met at least once a month. Héloïse Fontanel, Head of European and International Affairs at SACEM and Robbert Baruch, Public Affairs Manager at BUMA, were reelected as chairs of the PAC.

Strategic seminar

The Board also held a strategic seminar on 17 November 2020 to discuss future perspectives for GESAC, based on the input of GESAC members and the President. There was a broad consensus about the need for GESAC to remain focused on its core mission of advocacy at EU level.

GESAC Board 2020-21



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Harald Hecker (GEMA)
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