

EUROPEAN GROUPING OF SOCIETIES OF AUTHORS AND COMPOSERS

ACTIVITY REPORT

















MESSAGE FROM OUR PRESIDENT

It is our privilege to present to you the GESAC Annual Report for 2023. As we reflect on the past year's achievements and challenges, it is evident that our collective efforts have once again contributed to promoting the role of creators in the digital market, and safeguarding their rights and interests.

In the midst of a rapidly evolving media landscape, characterised by technological advancements and shifting consumer behaviours, GESAC remained steadfast in its commitment to advocating for fair remuneration and the protection of authors' rights. Through several initiatives and active engagement with policy makers, we continued to champion stronger copyright/authors' rights and foster an environment in which creativity can flourish while ensuring that creators can be remunerated for the use of their works.

The introduction of the AI Act in the European Union has certainly marked a pivotal moment in addressing the complexities surrounding the use of artificial intelligence in creative industries. Through our active engagement with policymakers and thanks to strategic alliances, we advocated with some positive results for provisions that contribute to safeguarding the rights of creators in the field of generative AI. Those services will need to ensure transparency and compliance with EU rules, so that creators can retain control over their works and claim fair compensation for their contributions!

As we look ahead to the future, GESAC remains committed to its mission of empowering creators and strengthening the collective voice of authors' societies in Europe. With a persistent dedication to our core values, we will continue to contribute to shaping a future in which creativity is valued, protected, and celebrated.

We extend our heartfelt gratitude to our members, as well as the partners we worked with, and those who supported our cause for their dedication and invaluable contributions. Together, we have achieved remarkable milestones, and together, we will continue to drive positive change for creators in Europe.

Warm regards,

Gernot GRANINGER

MESSAGE FROM OUR GENERAL MANAGER



Over the last year, the European Union has been at the forefront of shaping policies aimed at addressing the complex challenges linked to the digitalisation and transformation of the internal market. GESAC, for its part, has played an important role in voicing the interests and concerns of authors and their societies in this process.

In parallel to the final negotiations on the world's first ethical and responsible AI regulation, two other particularly pressing issues for creators have also attracted significant attention: the ongoing debate surrounding music streaming and the proliferation of coercive buy-out contracts imposed by video-on-demand (VOD) platforms. These issues strike at the heart of creators' rights and their appropriate remuneration, highlighting the need for robust legislative frameworks that uphold their interests.

The response from the European Parliament to the music streaming debate has been characterised by a political commitment to fostering transparency, accountability, and prominence of European works, with a dedicated report led by MEP García del Blanco and supported by an overwhelming majority of MEPs. This Report signalled the European Parliament's determination to ensure that creators are fairly rewarded for their work and that cultural diversity can flourish in the digital marketplace. There is now a basis for a more concrete follow-up during the next legislature for a possible EU-wide policy initiative in this field.

Similarly, the European Parliament has confronted the issue of coercive buy-out contracts imposed by VOD platforms, recognising the detrimental impact of such practices on creators' rights. Its clear call for action aimed at protecting authors from exploitation and ensuring that the EU's protective rules on authors' rights/copyright are upheld has already found support in the reports and studies adopted by the Member States' experts and research organisations commissioned by the Parliament. The European Commission has also started its groundwork aimed at investigating how to address this unfairness at EU level.

With the introduction of the EU AI Act, policymakers have acknowledged the need to protect authors' rights when developing and utilising generative AI models. By incorporating provisions on transparency and compliance with extra-territorial effect, the EU is laying basic principles for responsible AI innovation that respects copyright/authors' rights.

It is another important time of transformation with new technologies and business models that impact the professional life of creators, as the EU elections approach for the new legislative term that would be poised to tackle a number of new challenges.

On a more personal note, it is time for me to say goodbye and turn the page of more than 30 years working for GESAC, for my retirement. Over the years, I have witnessed profound changes and technological disruptions that deeply impacted and transformed the economic, societal, and cultural landscape for creators. Authors' societies have proven their resilience, vitality and adaptability to the evolving environment, remaining on the side of authors, both in their good and more difficult times. And so has GESAC, cooperating constructively and efficiently with the EU institutions and stakeholders, both at EU and national level, with a view to building better conditions for creators. With all that AI brings in terms of risk and opportunities for artistic creation, there is no doubt that GESAC's importance can only grow in the coming years!

I wish all the best to GESAC and to all the colleagues whom I was fortunate to work with!

Véronique DESBROSSES

- 1 Policy highlights
- 2 Advocacy and communication
- 3 ALAI Authors' Right Award, supported by GESAC
- 4 GESAC Internal Functioning

POLICY HIGHLIGHTS

Improving the situation of authors in the music streaming market

GESAC identified three priorities to improve the conditions of authors in the music streaming market:



Increasing the value of the market, which needs to grow in a more sustainable way for creators;



Injecting more fairness in the market by making authors' contributions more visible and asking for a better share of revenues for creators;



Ensuring cultural diversity and transparency on music streaming platforms, with legislation at EU level on the transparency of algorithms/recommendation tools and prominence of European works.

Those priorities are all reflected in the European Parliament Resolution on Music Streaming, which also includes other useful provisions on AI, as well as calls for increasing EU support for music, setting a European Music Observatory, enhancing reporting from online platforms and awareness-raising on the importance of metadata among young creators.



EP Resolution on Music Streaming: The European Parliament recognises the need for change!

Following the decision of the EP to prepare an own-initiative report on "Cultural diversity and the conditions for authors in the European music streaming market" in December 2022, the rapporteur and co-rapporteurs for the file were appointed in early 2023 and the adoption process took one year, being first adopted by the Culture Committee and then in Plenary.

KEY MEPS

The Rapporteur for the file was Ibán GARCÍA DEL BLANCO from the Spanish delegation of the S&D Group, who had extensive experience and knowledge of the cultural sector and played an important role in the Spanish delegation and S&D Group's policy on culture in his prior work. Laurence FARRENG (Renew-France), Niklas NIENAß (The Greens-Germany), Theódoros ZAGORAKIS (EPP-Greece), and Niyazi KIZILYÜREK (GUE-Cyprus), were the shadow rapporteurs for the file.



CONSULTATIONS AND STUDIES

Apart from the bilateral contacts with the shadow rapporteurs and the stakeholders, the rapporteur held a stakeholders hearing and asked the Policy Department of the EP to prepare an analysis and a "briefing" report on the issue for the members of the CULT Committee. The report provides a general overview of the music streaming market, looks into existing research and academic articles, and identifies the main issues and growing concerns such as the lack of fairness as regards revenues and diversity. The Legrand study is mentioned several times in the report, as a source of information, as is the GESAC 10 points document. The Rapporteur also attended various music conferences and events across Europe throughout the year to meet with creators and music sector professionals and to share his views on the report, all while gathering more insight into the needs and concerns of creators.

EP BRIEFING REPORT 🧳

Adoption in Committee and then in plenary with an overwhelming majority

The Draft Report presented at the CULT committee in July provided a very insightful and understanding line on the most important issues that need to be addressed in the market. Most of the amendments tabled to the report were intended to further improve the report with useful elements.

The music streaming platforms expressed negative reactions to the report, arguing that the music streaming market functions pretty well and generates more revenues for the sector than ever before, and that there is therefore no need for a legislative intervention at EU level. Despite those views, the rapporteur and shadow rapporteurs decided to maintain their line. The report was adopted with the full support of the CULT Committee in November 2023 and by an overwhelming majority of Plenary votes in January 2024.





MAIN PROVISIONS

The EP recognises in its Resolution the key role of creators, who are "at the very root of the music sector value chain and are the first and foremost creative driving force of all music distributed on streaming platforms" and "recalls the need to ensure the value of authors' rights, regardless of what music streaming services offer".

It denounces the unfair practices, fraud, and manipulation that "negatively affect the sector, especially its authors and performers, and may prevent it from flourishing". The European Parliament "urges all stakeholders to take all necessary steps to overcome the current imbalances".

The European Parliament "calls on the Commission to propose legal provisions to ensure the transparency of the algorithms and content recommendation systems of streaming platforms, as well as positive obligations to assess and ensure the visibility and discoverability of European works".



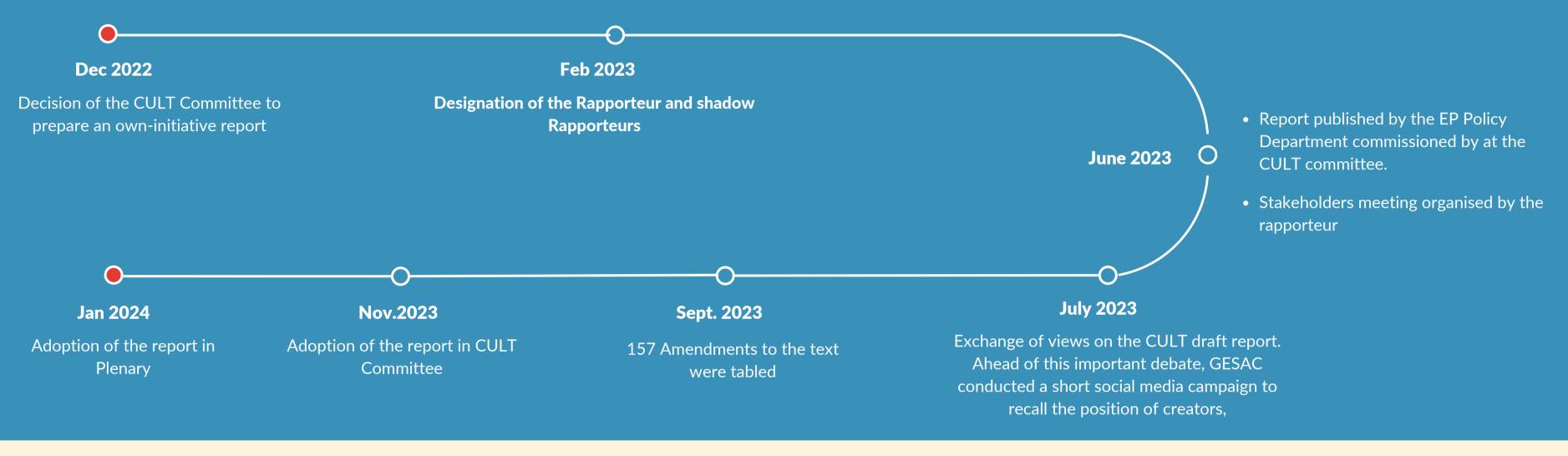
The Resolution also includes a very positive provision on the collective management of authors' rights:

"underlines the importance for authors to become members of collective management organisations (CMO) to ensure the right to collective agreements and collective representation; emphasises that collective negotiations through authors' societies aim to ensure a proper value for the use of authors' works in the music streaming market, as well as to facilitate a fairer access to market and cultural diversity within the Union; recalls the importance of the Directive 2014/26/EU that provides the framework for online multiterritorial licensing of authors' rights for music streaming services, ensures authors' free choice in selecting the most efficient way for the management of their remuneration rights, and sets a high level of transparency and good governance rules for collective management organisations that are crucial for an effective management of repertoires on music streaming platforms"

GESAC and its members were closely involved in all stages of the Report up until its final adoption (see below communication and public affairs actions taken during the year) and their mobilisation together with their authors allowed for this broad political support from the European Parliament and eventually a very positive result for authors! We look forward to our further cooperation aimed at turning this result into more concrete policy actions in the next legislature!



TIMELINE MUSIC STREAMING IN THE EUROPEAN PARLIAMENT





A comprehensive study on the "Discoverability of European works", in particular in the music and book sectors, was commissioned by the DG EAC, with possible results by the end of 2025. This issue will also remain on the agenda of the Work Plan for Culture of the Council.

Legislation

- Transparency of algorithms and recommendation tools
- Prominence of European works

NEXT STEPS AS REQUESTED BY THE EP

Dialogue

- · Allocation of revenues
 - Challenges to remuneration
 - Metadata

EU funds/projects

- Metadata awareness
- Music Observatory
- Bigger Creative Europe, more to music

Study

- Promotion of European works and quotas
- Level of concentration
 - · Fair remuneration
 - New technologies

Putting the Buy-out issue into EU policy perspective

2023 saw several important policy and research documents on the buy-out issue, which was raised with strong calls for action at the level of different EU institutions.

In a Resolution, the European Parliament requested the European Commission to address the coercive buy-out practices by global players.

The two Committees of the European dealing with Parliament Culture Employment issues, respectively CULT and EMPL, decided to prepare an own-initiative report, with legislative recommendations, on an "EU Framework for the social and professional situation of artists". This report intended to primarily focus on the working conditions, social rights and legal status of artists and the professionals working in the cultural and creative sectors. It also served as an opportunity to address the issue of coercive buy-out, which is one of the most significant challenges affecting authors' and composers' working conditions.

KEY MEPS

Two Rapporteurs were designated for this file: MEP Luis RUIZ DEVESA (S&D - Spain) on behalf of CULT Committee and MEP Toine MANDERS (EPP- NL)

on behalf of EMPL Committee who jointly led the report.

The shadow rapporteurs for CULT were Salima YENBOU [Renew-France], Niklas NIENAß [The Greens-Germany], Loucas FOURLAS [EPP-Cyprus], Andrey SLABAKOV [ECR-Bulgaria] and Martina MICHELS [The left-Germany]. The shadow rapporteurs for EMPL were Daniela RONDINELLI [S&D-Italy], Irena JOVEVA [Renew-Slovenia], Beata SZYDŁO ΓECR-Poland], Romeo FRANZ [Greens-Germany] and Eugenia RODRÍGUEZ PALOP [The left-Spain]. With the interest shown across the political spectrum and the mobilisation of creators from all over Europe, tackling buy-out contracts became a central political issue for the Report.

BROAD AND STRONG SUPPORT

While the initial Draft Report published in June included a provision on buy-out, recognising its importance for the debate, it did not go far due

to internal competence restrictions on the file that did not allow matters relating to copyright and contract law to be addressed.

This was however followed by a very high number of amendments, tabled by MEPs from all political groups and many different countries both Committees, including from coordinators of the political groups and the chairs of the committees, creating a political commitment to include stronger provisions on the buy-out issue and the importance of the collective management of authors' rights.

On 24 October, the two committees adopted the report, which was confirmed by a vote in Plenary on 21 November.

TEXT ADOPTED



GESAC PRESS RELEASE



TIMELINE BUY-OUT IN THE EUROPEAN PARLIAMENT

Feb 2023 **Dec 2022** Decision of the CULT-EMPL Committees Designation of the Co-Rapporteurs and shadow to prepare an own-initiative Legislative rapporteurs report May 2023 Stakeholders meeting organised by the **Co-Rapporteurs June 2023 July 2023** Presentation of the first draft of the rapporteur in Significant number of Amendments tabled to committees strengthen the buy-out related provisions Oct 2023 Nov 2023 Nov 2023 Adoption of the report in Committees Adoption of the report in Release of the study on "Buy-out contracts Plenary imposed by platforms in the cultural and creative

sector" commissioned by the JURI Committee

MAIN TAKE-AWAY

The European Parliament flagged the growing problem of buy-out contracts that prevent authors' and composers' fair remuneration and threatens their livelihood as one of the main issues to be addressed at EU level. It called on the European Commission to propose the necessary measures to address such coercive and harmful practices of global players that try to bypass EU laws through choice of law and jurisdiction clauses.

The Resolution also includes a positive provision on collective management:

"the collective management organisations and their global system play an important role in enabling creators to be remunerated fairly, including through the negotiation of tariffs with users, and in contributing to the promotion of cultural diversity and expression;"



European Parliament study on buy-out



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In parallel, considering the problems that buyout clauses cause in terms of copyright, and private international law, the Legal Affairs (JURI) Committee commissioned the CEIPI research department of the University of Strasbourg to conduct a study on "Buyout contracts imposed by platforms in the cultural and creative sector" in order to obtain an independent expert academic analysis of the matter and thus potential policy options to tackle the issue at EU level.

The study found that buy-out contracts are increasingly becoming a more common and very detrimental practice affecting the principle of appropriate and proportionate remuneration for authors. It reaffirmed the calls to tackle these coercive practices through new rules in EU legislation.

Buy-out also flagged at the Council level



Prior to the initiation of the above-mentioned report in the Parliament, the Member States in the Council appointed experts from their countries to prepare an Open Method of Cooperation Report on "The Status and working conditions of artists and cultural and creative professionals" under their Work Plan for Culture. The group, which included experts from each Member State, cooperated with the Commission to prepare their report that was finally issued in June 2023.

The document, which is the result of nearly 3 years of experts' work, in cooperation with the European Commission, lists tackling buyouts as one of its Recommendations, asking the Commission to address the issue at EU level, including through a legislative solution.

THE STATUS AND WORKING
CONDITIONS OF ARTISTS AND
CULTURAL AND CREATIVE
PROFESSIONALS

REPORT OF THE OMC (OPEN METHOD OF COORDINATION)
WORKING GROUP OF MEMBER STATES' EXPERTS

The report notes that:

"The power relationship between the artists, their organisations and large, often global, players has developed so that copyright no longer works as it intended in these contexts, and the European model of authors' right as well as principle of appropriate proportionate remuneration guaranteed by EU law is endangered. Creators sign away their author rights / copyrights in perpetuity in exchange for a one-time upfront payment. This phenomenon has grown in recent years, in particular for authors whose works are exploited in the video on demand market (including screen composers).

Fair remuneration for creators is crucial for the protection and enhancement of European artistic creation. One should support fair mechanisms based on transfer of rights in return for royalties. To prevent unfair commercial practices in buyouts of rights from becoming an established practice, further legislation may be considered."



Media Policy and buy-out



On 18 May, Commissioner Breton launched the Commission's Media Industrial Outlook Report on the occasion of the Cannes Film Festival. This report mentions the issue of the buy-outs between European producers and global streamers/broadcasters and makes reference to the problem of individual creators, such as music composers, which needs to be examined further. The reference in the Media Outlook Report was the first initial concrete move on the issue in 2023 and immediately after that Commissioner Breton personally committed to addressing the buy-out problem of creators in his answer to the question of MEP Smeriglio (S&D, Italy) during his speech in the European Parliament on 24 May. This same commitment was also voiced by the Director of the Media Policy of the European Commission who was invited to the GESAC General Meeting held on that same day.

As a follow-up, DG Connect's Media Policy Directorate launched a **dialogue and consultation with the stakeholders** on their views and needs for the future media policy of Europe, including buy-out as the first point of discussion.

GESAC attended these meetings and submitted its views and written contributions in answer to specific questions raised by the EC.

Commission's study on buy-out practices

Furthermore, DG Connect agreed to launch a dedicated legal and economic study on buy-out practices. The tender process started in 2023 and the selected consortium started its work in late January 2024. This study has three main objectives: (1) mapping the current contractual situation, (2) assessing the economic impact of buy-out and (3) a legal analysis of the issue, including the private international law aspects. The study will focus specifically on authors (AV, music, and music authors in the AV sector), and also tackle issues relating to performers and producers.

The current EC will use the results of the two above-mentioned initiatives - the study and the stakeholders dialogue - as the basis of and preparation for the future media policy of the new Commission that will be appointed in autumn 2024 after the European elections in June 2024.

The AI Act - Artificial Intelligence (AI) and copyright

Al has been a key focus for GESAC during 2023, following the increasingly wider usage of generative Al technologies in the media sector and on digital platforms.

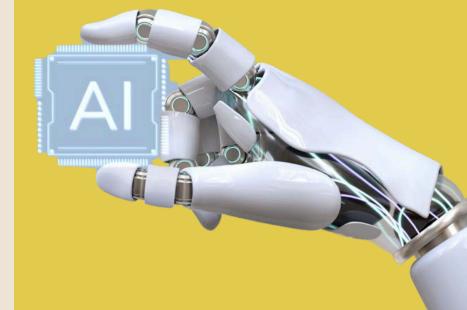
In June 2023, the European Parliament adopted its position on the Al Act for the interinstitutional negotiations (trialogue) with the Council and the Commission.

At that time, the Commission proposal had been there for more than a year and the Council position had also been agreed in the autumn of 2022. The launch and immediate wide-spread use of services such as ChatGPT, DALL-E, Midjourney, etc. towards the end of 2022 and early 2023 led the European Parliament to rightly decide to include the so-called "generative AI and foundation models" into the scope of the regulation. The European Parliament required all generative AI and foundation models to provide a sufficiently detailed summary on the use of copyright protected works in their data sets, as well as requiring compliance with EU rules in their output, hence changing the previously 'riskbased' approach of the regulation in this

respect. The text of the European Parliament provided a hook to address the issue during the trialogues with a useful basic provision on transparency on the use of copyright-protected works used by foundation models. Whether or how to provide a legal framework for all generative AI models by departing from the 'risk-based' approach of the Regulations became one of the most contentious provisions of the negotiations and played a central role in the political debate during the trialogue that started in July 2023 and lasted until the end of the year.

The rightholders' coalition requested three key improvements to the text during the trialogue negotiations:

- Making sure that the use of protected content for the design and development of AI models requires creators'/rightholders' consent.
- Improving the transparency obligations introduced in the European Parliament text and adding a provision of 'shift of burden of proof' or 'presumption of usage' in the event of insufficient transparency.
- Extraterritorial application of EU laws so that wherever the development or training process takes place, compliance with the EU rules (hence the need for authorization) should be required from the AI systems that are available to consumers in the EU.



The Al Act is a comprehensive legal instrument that deals with the use of different AI technologies and products based on a risk-based approach. It initially addressed only the services that pose systemic or high risk, as well as prohibiting certain types of Al applications. General purpose AI models and copyright related provisions were only added towards the end of the legislative process with the emergence and incredibly rapid spread of generative Al usages/services in media sector, as it had become inevitable to create a framework for their use and development.



MAIN RESULTS

Despite the strong opposition of AI companies to any transparency obligations, the basic requirement to provide a sufficiently detailed summary of the training data was included in the final text. The wording also specified that such transparency obligations should allow the exercise and enforcement of copyright, while noting that the "detailed summary" shall not ieopardise the trade secrets of the AI model developers. The trialogue discussions also added a new and an extremely important provision obliging all the general-purpose Al models to comply with the requirements of EU copyright law when their services are made available in the EU, regardless of where they developed and/or trained their models.

The Spanish Presidency played a pivotal role in driving the agenda in the second half of the year and concluding the trialogue discussions before the end of the year despite the high stakes, differences of views and the time pressure. On 11 December, a political agreement was reached among the three institutions and the final language of the provisions was fine-tuned in technical meetings until the end of January 2024.

GESAC welcomed the inclusion of two key elements, which are essential for rightholders to be able to exercise and enforce their rights: the need for providers of general-purpose Al models operating in the EU market to comply with European copyright laws and to attain to minimum transparency obligations.

GESAC and its members have taken a number of actions directly and through national or European-wide coalitions to make the voice of creators and the creative sector heard (see more details in the below section on communication and public affairs actions).

Important step is taken with the adoption of the AI Act. The EU has proven again that Big Tech's activities in the EU market will not continue unchecked, and will be subject to EU rules, despite their resistance against compliance with even the most basic standards. Transparency requirements and respect for EU copyright rules are prerequisites for any AI regulation before it can be called responsible.

Véronique Desbrosses GESAC General Manager



#AI #Alact

TIMELINE AI ACT TRIALOGUE

June 2023

July 2023

The European Parliament adopted its position on the AI Act for the interinstitutional negotiations (trialogue) with the Council and the Commission.

The trialogue that started in July 2023 and lasted until the end of the year.

9 Dec. 2023

The EU institutions have reached an agreement on the AI Act

March 2024

The EU AI Act is approved by a Plenary vote

Jan 2024

Final language of the provisions was fine-tuned in technical meetings

OTHER POLICY ISSUES

Apart from the main policy priorities, GESAC also dealt with several new and ongoing files at EU level.

METAVERSE AND VIRTUAL WORLDS

Metaverse and more broadly "virtual worlds" was in the focus of EU institutions during 2023, for possible future policy actions. Firstly, the European Commission outlined its vision on this field and asked stakeholders for their views on the matter. Secondly, the European Parliament's JURI Committee prepared a report on the policy implications of the development of virtual worlds, in particular when it comes to IPR, private international law and enforcement issues.

The Commission's consultation document

The Commission rightly noted in its consultation document that "the EU is a content and culture rich continent" and emphasised on several occasions the importance of the cultural and creative sectors for Europe in general and the virtual worlds in particular. Virtual worlds provide new opportunities for creation and artistic projects and could become an important new market for European creative content, attracting a new public and benefiting the economy at large.

For its success and sustainability for European culture and creation, ensuring a solid protection of creation is essential. This was the main focus of GESAC's actions as regards this file.

In its written contribution to the EC's consultation in May 2023, GESAC noted that at this stage 'metaverse' does not require new rules at EU level, and the existing copyright framework should apply also to the exploitations taking place in the metaverse.

However, better enforcement tools to effectively tackle cross-border infringements need to be developed. GESAC also emphasised the importance of collective management to ensure appropriate remuneration for creators, while facilitating access to protected works on virtual world platforms.

The Communication published by the Commission in July 2023 titled: "An EU initiative on Web 4.0 and virtual worlds: a headstart in the next technological transition" recognised these points raised by GESAC and made references to the importance of the cultural and creative sectors as content creators in the development of virtual worlds. EC's thematic website and the Communication

European Parliament's report

The European Parliament's own-initiative Report on metaverse was prepared by the Rapporteurs MEP Axel VOSS (EPP, Germany) and Ibán GARCÍA DEL BLANCO (S&D, Spain) and gathered very broad support at the Plenary in December 2023.

This Report confirms that the existing copyright rules fully apply to exploitations taking place in virtual worlds, and acknowledges that service providers and users in virtual worlds are under the obligation to respect rightholders' exclusive rights and their right to fair remuneration. It notes that appropriate and proportionate remuneration of authors needs to be ensured for each resale of their works as an asset on NFT and blockchain based platforms.

Meanwhile, the European Parliament Policy Department prepared a briefing note on virtual worlds and the European Observatory on Infringements of Intellectual Property Rights (EUIPO) organised a Metaverse Workshop in November 2023, in which GESAC also participated.

International and trade-related issues

GESAC together with CISAC continued its ongoing contacts with DG Trade of the European Commission to represent the interests of authors' societies on copyright-related issues in third countries.

A meeting with several DG Trade officials responsible for different countries and regions of the world was organised together with the secretariat and regional representatives of CISAC in June 2023. Several joint papers and written contributions were also provided.

GESAC also participated in the trans-Atlantic IP dialogues held by the European Commission with US authorities and raised the problems relating to the ongoing non-compliance of the US with the WTO Panel ruling in the Irish music case.

RIGHTS TRADE INTELLECTUAL PROPERTY

European Observatory on Infringements of Intellectual Property Rights (EUIPO)

GESAC continued to be an active member of EUIPO's working groups, especially on IP in the digital world. GESAC attended several EUIPO meetings both online and in person when they took place in Brussels.

As EUIPO also started to focus on the relationship between AI and IPR protection, in November 2023 GESAC was invited to present the views and experiences of authors' societies regarding reservation of rights in text and data mining and the measures that need to be taken to exercise authors' rights. GESAC also submitted its views on the areas in which EUIPO could potentially focus its further research in order to work on this issue.

Combating online piracy of sports and other live events

The issue of unauthorised retransmissions of sports and other live events had been on the agenda of the EU institutions for some time, with the Commission announcing a possible EU level action in the course of 2023 in its work programme published in late 2022. As the

biggest value of sports and certain events is captured at the time of the events and through their live transmission, unauthorised live retransmission online can cause significant loss of revenue for sports and other live event organisers, as well as the broadcasters and rightholders, thus undermining the viability of the services they offer.

To set its policy line, the Commission organised a stakeholder consultation to which GESAC sent its views in February 2023.

The Commission published a Recommendation on combating online piracy of sports and other live events on 4 May 2023.

See the **Commission Recommendation**



2

ADVOCACY AND COMMUNICATION How GESAC engaged with EU Institutions and media in 2023?

MEET THE AUTHORS EVENT

In light of the EP's two reports on "Authors in the Music Streaming Market" and "Social and Professional Situation of Artists", GESAC organised a "Meet the Authors" event on 23 May, dedicated to the situation of authors in the music streaming market and the problem of buy-out in the VOD market.

17 authors and composers from 10 different EU countries came to Brussels with the representatives of their authors' societies to meet with their MEPs, and to share their views and expectations on their situation in those markets.

Hosted by MEP Ibán García del Blanco (S&D Group, Spain) and supported by MEP Laurence Farreng (Renew, France), MEP Tomasz Frankowski (EPP, Poland), MEP Niklas Nienass (Greens, Germany) and the Cultural Creators Friendship Group (CCFG), the event gathered more than **20** MEPs, as well as several policy advisers and assistants.

GESAC members and their authors who were present at the "Meet the Authors" event also used this opportunity to meet a wider group of MEPs from their countries.

GESAC PRESS RELEASE







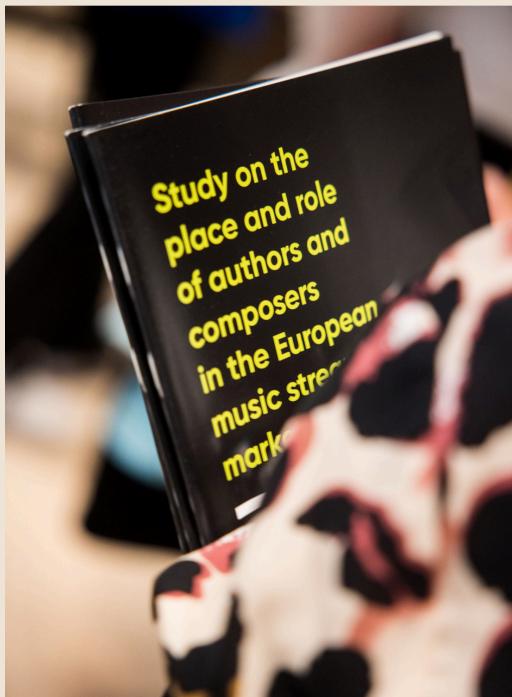


































Participating in Parliamentary hearings and Commission's stakeholders' dialogues

GESAC attended hearings and roundtable discussions organised by the Rapporteurs of the different files and also provided authors as speakers for those meetings, to feed the discussion and promote the views of authors and CMOs. We also participated in several stakeholders' dialogue meetings organised by the different services of the Commission and by the EUIPO.

European & International Conferences

GESAC participated in many conferences, events and festivals, and presented the views of the authors' societies on the issues relating to EU law and policy. In 2023, GESAC was invited as speaker to no less than 15 events in Brussels and various Member States, and attended many more as a participant to meet and remain in touch with EU decision-makers.

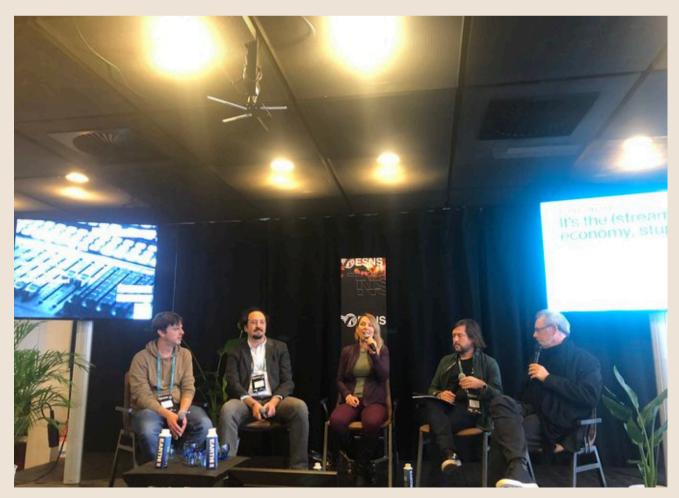
Meeting in Brussels & Strasbourg

Over the course of 2023, GESAC had continuous meetings with EU Commission officials, Permanent Representations of Member States and MEPs to present and explain its positions. Given the significant activity of the European Parliament on the topics of high importance for GESAC, the team held a number of meetings and exchanges with parliamentary assistants, political advisors, and administrators of important working committees.









Key role of GESAC members

Voicing GESAC's views/positions to FU interlocutors was also made possible thanks to the involvement of GESAC members. With their key influence, not only in European capitals and national authorities in Brussels, but also with the European Parliament and the European Commission, members substantially contributed to GESAC efforts relating to EU policy issues. The effective network of GESAC experts and lobbyists across the EU gave GESAC additional weight and had an amplifier effect when needed. On several occasions, GESAC members contacted their national decision-makers. whether in their capital or in Brussels, mobilised the press to echo our community's voice and mobilised their authors.

Joint actions with other rightholders organisations

For the purpose of finding allies, exchanging views and information, developing common positions on certain issues and undertaking joint actions when appropriate, GESAC had contacts and meetings with other stakeholder organisations from the cultural and creative sector. For instance, a broad coalition of organisations in Europe's creative and cultural sectors was formed in the framework of the discussions on the EU AI Act.

This ad-hoc coalition was composed, among others, of IFPI, IMPALA, ICMP, CEPIC, EMMA-ENPA, FEP, CEPI, EPC, STM, and more, and strongly advocated for the inclusion of horizontal obligations on foundation models and Generative AI services.

As part of this coalition, GESAC co-signed different joint statements calling on the EU institutions to ensure the AI Act is fit for the purpose of protecting the work of European creators and rightholders.

The coalition organised two awareness events:

- an informal working lunch discussion for national experts on 12 October, in the margins of the Telecommunications Council working party which was held the same day. This event aimed to highlight the key implications of the AI Act for our sector and host an open discussion on the key issues.
- a breakfast discussion in the European Parliament on 8 November which EP corapporteurs and other MEPs attended. It was again an opportunity to explain in an open way the key implications of the AI Act for our sector.

In addition, the ad-hoc coalition organised direct exchanges with the Commission officials, issued several joint letters, and on some occasions also involved the national members

of each participating umbrella organisation to amplify the impact of the message in the Member States.



GESAC is also actively following the Music Moves Europe programme, under Creative Europe, and in 2023 met, together with other organisations from the music sector, the Cabinet of Mariya Gabriel, Commissioner for Innovation, Research, Culture, Education and Youth. Héloise Fontanel, Head of SACEM public affairs and the chair of GESAC's PACOM, attended this meeting. GESAC also attended several joint meetings organised by the music sector organisations to coordinate the position on the Music Moves Europe programme and contributed to the statements prepared by One Voice for European Music initiative.

Campaigns and mobilisation of authors

Thanks to the invaluable mobilisation of GESAC members, individual authors and composers came to Brussels to meet with their national/EU decision-makers and also engaged in GESAC's social media campaigns. GESAC ran a social media campaign around the adoption of the report on Music Streaming, and another on buy-out.

Social Media

GESAC used X (formerly Twitter) and LinkedIn to communicate with the sector and to interact with policy-makers on social media, when appropriate. Social media was the main channel for the above-mentioned campaigns using creators' quotes and visuals and was also used to drive further traffic to the GESAC website and positions through dedicated posts and statements.

"The EU is built on values and rights. Culture and media are not only identityforming - they are also huge employment markets. We must ensure that European rules and principles for protecting creators cannot be circumvented by the big players in the digital world."

Matthias HORNSCHUH, German composer



"Decent remuneration and fairness is what we are asking for and we believe the EU can help. Difficult to say what's needed first: Changing the pricing, or marketing models, or putting more pressure from the EU or all of them together? But it is certainly time to change something!"

Virginia Maestro DÍAZ, Spanish singer-songwriter



"Coercive buy-out and work-for-hire practices of non EU-based VOD platforms are the number one problem for authors and composers in AV sector today! We need EU rules and strong collective management."

Raminta Naujanytė BJELLE, Lithuanian songwriter and performer





"Even wellestablished authors face these conditions more frequently than ever, and for the young and new creators it is almost impossible to be in a project of non-EU based VOD platforms, without accepting their coercive practices."

Vangelis FAMPAS, Greek guitarist, composer, and producer





Celeste Rizvana BUCKINGHAM. Slovak singer, songwriter and actress

#MeetAuthors



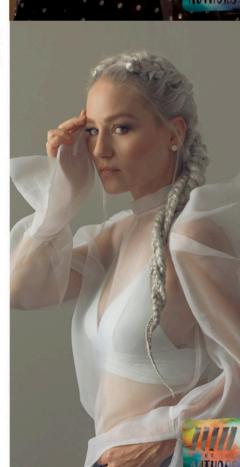
Music streaming is no longer in its infancy; it has become the most popular form of listening to music and a constantly growing market. It is only fair streaming services grow the overall revenues and pay more to creators.

Marika Marta KOSAKOWSKA, Polish singer-songwriter









Press contacts and releases

Over the course of the year, GESAC issued press releases and statements and sent them to EU decision-makers, the EU press, specialised press, and, where appropriate, national press. GESAC was quoted several times in media across Europe and beyond, including major outlets. We were also interviewed on different occasions.

As a result, the media coverage following the GESAC campaign around the plenary vote on the report on Music Streaming (in January 2024) was quite significant: GESAC and its members were mentioned several times in the Brussels press, specialised press and in the countries of the GESAC members that contributed to the campaign.



Press release: EU policymakers reach agreement on the AI Act

PRESS RELEASE: GESAC welcomes the report on the situation of authors in the music streaming market adopted in CULT Committee

PRESS RELEASE: GESAC welcomes the European Parliament's call for an EU action to address buyout practices, which circumvent EU rules and jeopardise sustainability of European creation.

PRESS RELEASE: New independent study commissioned by the European Parliament confirms the need for EU legislation to tackle buyouts imposed on authors and composers

PRESS RELEASE: GESAC welcomes the European Parliament's strong call for EU action to tackle coercive buy-out contracts imposed on European authors and composers by non-EU based VOD platforms

GESAC's statement in view of the upcoming Trilogue meeting

Music & Copyright

Pressure mounts on European legislators to find a way to boost authors' streaming income.

"The music streaming market needs to properly reward those who are at the core of its success," echoed **Véronique Desbrosses**, general manager of European Authors Society GESAC. "We count on the European Commission to take the next step and table the needed legislative proposals."

INDEPENDENT

Music streaming platforms must pay artists more, EU says

MEPs demand rules that 'ensure tools used by music streaming services are transparent'

Streaming: les eurodéputés s'engagent pour une plus juste rémunération des artistes



Some of GESAC

STATEMENTS

Music streaming sector: EU must ensure just pay for artists and fair algorithms

Music streaming sector: EU must ensure just pay for artists and fair algorithms, say MEPs

written by EUToday Correspondents | January 17, 2024 | 0 comment

TechCrunch

EU calls for laws to force greater algorithmic transparency from music-streaming platforms



ALAI AUTHORS' RIGHT AWARD, SUPPORTED BY GESAC

In the spirit of inspiring the next generation of intellectual property experts, the International Literary and Artistic Association (<u>ALAI</u>) and GESAC launched in 2019 an annual award on European authors' right for law students and young researchers. The award is given to the writer of the best essay relating to authors' right. The essay should have a European dimension and include elements related to the collective management of authors' right.

The project, which contributes to promoting authors' rights among the young generation, entered its 5th edition in 2023. GESAC is proud to have launched such a project with ALAI five years ago, as it reflects GESAC's dedication to and passion for the protection of authors' rights, as well as its commitment to supporting the next generation of academics and lawyers who will take up the baton in pursuing the task of creating a better world for creativity and culture. It is encouraging to see how this project has grown over time, with applicants coming from all over the world, with different backgrounds, bringing light and new perspectives to various topics related to authors' rights and collective management.

A big thanks to all the applicants and their professors for taking part in this project! Our gratitude goes also to Frank Gotzen, President of

ALAI, and Fabienne Brison, Secretary general of ALAI, for handling the project with GESAC on behalf of ALAI since its beginning, in a most friendly and efficient manner.

This project rewarding young researchers and students owes a lot to the members of the Jury, who each year analyse and select the essays submitted to identify the best one:

- Caroline Bonin, Head of Legal Affairs, SACEM
- Gábor Faludi, Associate Professor at the Civil Law Department of ELTE ÁJK.
- Raquel Xalabarder, Professor of Intellectual
 Property Law at Universitat Oberta de Catalunya
- Paul Torremans, Professor of Intellectual Property Law at University of Nottingham



"With this project, our objective at GESAC is to help make authors' right an appealing, vibrant, and inspiring discipline for the new generation of IP experts. We count on the future IP experts to continue to passionately contribute to the creation of a positive legal environment for artistic creation and cultural diversity."

Véronique DESBROSSES

This year's award was handed to

Javier Fernández-Lasquetty Martín, from the Universidad Autónoma de Madrid, for his essay "Two models of rights management in digital journalism" which explored one of the European Union's major concerns regarding intellectual property - the value gap that has emerged in the digital journalism sector.

TO READ THE ESSAY



Award Ceremony Paris, June 21

The winner was honoured during the opening cocktail reception of the annual ALAI Congress on 21 June in Paris, in a Seine boat trip, with speeches from Véronique Desbrosses and Frank Gotzen. A GESAC press release was issued on this occasion.

With around 450 delegates attending the Congress that focused on AI and copyright, the joint award project received large exposure. A video message on the award was displayed during the two-day Congress.

GESAC PRESS RELEASE





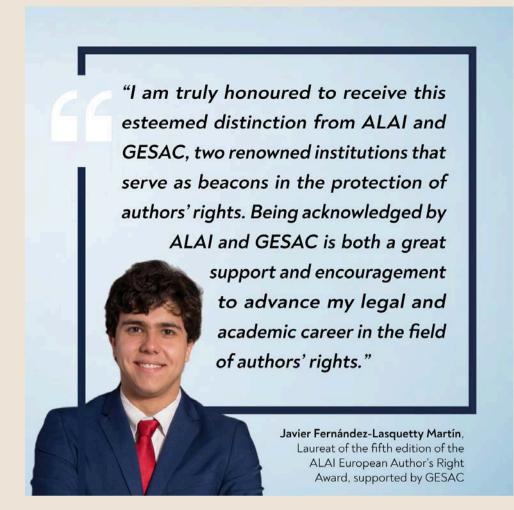








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Launch of Edition 2024

The **6**th edition of the 2023-2024 Authors' Right Award was launched on 23 June, and students were encouraged to apply.



GESAC INTERNAL FUNCTIONNING

PRESIDENCY OF THE GROUPING AND BOARD

Chaired by Gernot Graninger, the GESAC Board held quarterly meetings in 2023 (online meeting on 25 January and 21 November, meetings in Brussels on 23 May and 21 September) to discuss the functioning of the Grouping, its current and future priorities and to make recommendations for the General Meeting. The meetings were also occasions to exchange views on recent developments at EU level on main files and to hold discussions with prominent EU decision makers.

With the departure of Gaetano Blandini from SIAE, an election for the vacant seat of the Board was held in May 2023 and Bernard Kobes, CEO of Buma, was elected as a member of the GESAC Board. On 30 September, Harald Hecker retired from GEMA and therefore also from the Board. The Board agreed to invite the newly-appointed CEO of GEMA, Tobias Holzmüller, to participate informally in the work and meetings of the Board until the next GESAC statutory elections to be held at the General Meeting of 23 May 2024.

GESAC GENERAL MEETING

General Meetings took place on 24 May in Brussels (annual statutory General Meeting) and on 22 November (online meeting).

The General Meeting included exchanges with external invitees, such as representatives from the European Commission, the Presidency of the European Union, and stakeholders' organisations. On 24 May, a roundtable discussion on "Artificial Intelligence and the opportunities and challenges for rightholders" was organised with representatives IFPI, FEP, CEPIC and FSE participating as speakers, allowing a fruitful exchange of views on the main challenges raised by generative AI models with respect to the various artistic sectors and industries.

The 2022 annual report and closed accounts as reviewed by KPMG were approved during the General Meeting of 24 May, in the presence of Olivier Declercq, Partner, KPMG.

THE MADRID GROUP

The legal committee gathering legal experts from GESAC member societies, whose work results in position papers, contributions to the Commission's consultations, legal analysis of EU priority issues, and more, issued by GESAC, met 4 times in 2023 (online meetings on 31 January, 13 June, and 25 September, and in Brussels on 25 April).

Tobias Holzmüller stepped down from his function as the Chair of this group when he became the CEO of GEMA as of 1 October. Caroline Bonin and Gábor Faludi became respectively Chair and Vice-Chair for an interim period until the new EU legislature is in place, to be followed by elections within the group.

Societies represented in the Madrid Group in 2023:

AKM/Austro Mechana • ARTISJUS •
BUMA • GEMA • KODA • OSA • SABAM
• SACEM/SDRM • SCAM • SGAE • SIAE
• SOZA • STIM • TEOSTO • TONO •
ZAIKS • and CISAC as an observer.

THE PUBLIC AFFAIRS AND COMMUNICATION **COMMITTEE** (PACOM) which gathers experts in Public Affairs and Communication members met 3 times in 2023 (16 February, online, 11 April, online and 23 October, Brussels), and exchanged views on the latest developments at EU level on the main files, as well as on the organisation of the "Meet the Authors" event that took place on 23 May.

> Societies represented in the PACOM Committee in 2023:

AKM/Austo Mechana • ARTISJUS • AUTODIA • BUMA • GEMA • HDS-ZAMP • IMRO • KODA • LATGA • OSA• SABAM • SACEM/SDRM • SCAM • SGAE • SIAE • SOZA • SPA• STIM • TEOSTO • ZAIKS.

ACCOUNTABILITY AND TRANSPARENCY

GESAC members received information on developments taking place at European Union level on a regular basis. The General Secretariat's daily work and actions were detailed to the CEOs of GESAC member societies in the reports that were sent out every month. KPMG was in charge of auditing GESAC's annual financial accounts.

GENERAL SECRETARIAT



Véronique Desbrosses General Manager



Burak Özgen General Counsel



Alexia Pickard **EU Public Affairs Lead**



Catherine Navet Office Manager

MEMBERSHIP

GESAC has 32 members from 24 EU countries. and Iceland, Norway, and Switzerland.

FIND MORE ABOUT OUR MEMBERS



thank you

for your

support

