
Annex 4: Encouraging public interest content – international examples

Small Screen: Big Debate statement

ANNEX:

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In preparing our recommendations to Government to consider how to encourage new complementary PSM provision, we have looked at how public interest content more broadly is encouraged elsewhere. This includes how fiscal incentives, such as tax reliefs and contestable funds, are applied in other countries. Across the examples below, we have considered initiatives applied both within and beyond the public service media ecosystems of different countries, including broader media such as newspapers as well as traditional PSM.

Approach 1: Direct or indirect funding by Government or official body

Funding category	Country	Details of initiative
Press subsidy scheme	France	In its current form, the scheme is set out in a number of decrees, ordinances and policy documents. The scheme covers both direct subsidies (including distribution aid, pluralism aid and modernisation aid) as well as indirect subsidies (including VAT reductions on tax sales and exemptions from professional tax).
	Denmark	In recent years, the subsidy scheme has evolved to represent a more direct subsidy policy and the subsidised media are expected to comply with more specific requirements than in the past. Since 2013, online media have been eligible for funding (subject to meeting the scheme criteria).
	Austria	The current scheme is set out by the Press Subsidies Act of 2004, with the direct subsidies falling under three main categories: i) general distribution subsidies; ii) specific plurality subsidies; and iii) quality promotion and ‘fit-for-future’ subsidies. The 2004 Act transferred power in the area of press subsidies from the federal government to KommAustria, the Austrian broadcasting and telecommunications authority, who are responsible for administering the financial subsidies to print media.
News content (including contestable) funds	Canada	Launched in 2019, the Local Journalism Initiative is Federal Government-funded initiative which facilitates a series of grants to support news outlets. The five-year C\$50 million project aims to support the production of ‘civic journalism’ and for ‘underserved communities’. Successful proposals must demonstrate a commitment to those aims. Seven not-for-profit

		organizations representing different segments of the news industry administer the renewable one-year grants.
	Norway	In May 2020, the Norwegian Government presented a proposal for a media aid package to address the financial situation of the country’s media during the coronavirus crisis. It could be used by national media organisations which had a turnover drop of at least 20 per cent from 1 March until June 15 as a result of the COVID-19 outbreak. Local and regional media also received support in the package if they reported economic losses above 15 per cent.
PSM-like content funds	Ireland	‘Sound & Vision 4’ is a programming support scheme operated since 2006 by the Broadcasting Authority of Ireland and funded through the television licence fee. A key objective of this Scheme is to support the creation of accessible programming that reflects Irish culture, history, language and diversity, with programming that has a cultural and/or community purpose for a diversity of Irish audiences.
	Singapore	In response to the pandemic, in May 2020 the media regulator (IMDA) announced the launch of a Public Service Content contestable fund, run in partnership with Singapore’s PSB and several commercial providers. The purpose of the fund is to: i) catalyse production projects which benefit media professionals during the pandemic; and ii) develop content which is reflective of Singapore and its culture. The IMDA sets the criteria for applying to the fund and it must meet one of the six PSB objectives.
Production rebate	Japan	In May 2019, the Japanese Government launched a pilot incentive programme offering a rebate of up to 20% of qualifying spend for foreign films and TV productions shooting in Japan. In order to qualify, projects must either spend more than JPY 800 million in Japan; or have a total budget of JPY 3 billion and spend more than JPY 200 million in Japan; or secure distribution in more than ten countries and spend more than JPY 300 million in Japan.

Approach 2: funding obligations placed on industry

Funding category	Country	Details of initiative
Investment obligation	Italy	When transposing the revised AVMSD, Italy has proposed introducing updated content investment obligations which are

		applicable to VOD services, including those established in another member state targeting Italian viewers.
Levy obligation	Germany	In January 2017, Germany introduced a levy on VOD services, which is based on a previous levy on all DVD sales in Germany. The levy is paid to the Federal Film Board, which administers the German Federal Film Fund.
	Poland	In May 2020, and in response to the pandemic, Poland introduced a mandatory levy, which entered into force on 1 July 2020. The levy captures VOD providers, including those established in other EU member states, but which target Polish viewers. The levy is paid to the Polish Film Institute.
Funding obligation with a degree of optionality	Canada	Following recommendations in the final report of the Broadcasting and Telecommunications Legislative Review Panel, Canada is proposing amendments to its Broadcasting Act. The proposed Act will give the communication regulator (the CRTC) powers to regulate online streaming services, such as Netflix and Spotify, in a similar way to traditional TV and radio stations. This could include requiring such services to make financial contributions to support content reflecting Canadian culture and heritage. It has been proposed that the investment obligation will be accompanied by an incentive scheme to encourage investment in broadcasting activities that are culturally desirable but otherwise less likely to be produced.
	Belgium	In June 2018, amendments to the Radio and Television Act created an optional obligation: VOD providers have the possibility of choosing between a financial investment obligation or a levy. The investment obligation requires VOD providers, including if established in another member state and targeting Flemish viewers, to invest a percentage of their turnover from their income earned from offering services to end users in Flanders, into Flemish content. Alternatively, VOD providers can choose to contribute to the Flanders Audiovisual Fund.

Approach 3: Voluntary investment by industry

Funding category	Country	Details of initiative
Voluntary contributions to content funds	South Africa, plus various others	In recent months, Netflix has announced a swath of voluntary funding initiatives in the wake of the coronavirus pandemic. In April 2020, Netflix and the Netherlands Film Fund announced a relief fund for Film and TV Production, with Netflix making €1million available to launch the fund. In April

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		2021, Netflix and the South African Film Fund announced a similar project, with both parties jointly investing R14million each aimed at funding micro-budget film in the country.
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