



### **Alliance for the Development of Creative Forces in Bulgaria (ARTS)**

Representatives of MUSICAUTOR, FILMAUTOR and ARTISTAUTOR announced on February 3<sup>rd</sup>, 2022 their consolidation in Alliance for the Development of Creative Forces. Its main goal is supporting the responsible institutions and contributing to Bulgaria's economic development while also ensuring transparency, fairness and better conditions for creators.

The coalition comes in response to the damages the creative sector has witnessed over the years due to the lack of any vision for the future of the creative industries and the inability of the state to create an environment for professional growth of artists. According to Viktor Bozhinov, Chairman of the Board of FILMAUTOR, a key point in this is the tolerance of piracy. He also highlighted that the purpose of this alliance is not seeking financial support, but rather an implementation of well-focused and purpose-oriented state policy that reflects the rights and interests of all participants in this process: „We are creating music, movies in spite of the imbalances in relations between all participants in the creative environment”.

The press conference started with a short video featuring a number of prominent artists, who expressed their position, supported the alliance and emphasized the need for urgent measures in order for them to be able to continue working in Bulgaria.



In order to provide better understanding of the current situation in Bulgaria, Maria Palaurova – Managing Director of FILMAUTOR, also presented data, according to which Bulgaria collects the lowest amount of royalties for music and movies – lower than those in countries like Macedonia, Serbia, Croatia, Slovenia and others: „Royalties for authors in the audiovisual sector in 2020 represent 0.0010% of Bulgaria's GDP, which means that Bulgaria spends 0.09 euros per capita for the whole year. The situation is similar in the music industry – 0.007% is collected as a percentage of GDP in Bulgaria, and as an absolute amount it is 0.65 euros per capita in 2020”, explained Maria Palaurova.

FILMAUTOR presented the results of a survey, conducted in 2021 with Gallup International among authors of films and series from the last 5 years, according to which only 12% of authors receive subsequent remuneration, different from the lump sum received with the signing of the production contract. 89% of authors whose films are available on the Internet do not receive remuneration for them. As for the remunerations from television broadcasting, they are mainly from the public television (BNT – Bulgarian National Television) – 76%, or from abroad – 17%. 95% from the authors believe that collective management is more efficient for protection of their rights.

Maria Palaurova noted that, according to ARTS, these indicators could be quite different if the relationships in the cultural and creative industries were given the opportunity to develop by activating and implementing the mechanisms of copyright. The transposition of the two directives from 2019 could help and unlock these new opportunities. „In any case, this should not happen by ceding the rights of our artists“, said Maria Palaurova and pointed out that the law limits authors to cede their rights to users for a period of 10 years. This time restriction should be kept, as it serves as a guarantee that the authors will be able to renegotiate their remunerations after this period, given the success of their work. She added that in countries where such a limitation is not in place, other mechanisms exist to ensure creators' rights and remunerations and pointed as example the authors' remuneration right.

Simeon Hristov – Managing Director of ARTISTAUTOR, informed that artists are usually disadvantaged when it comes to free negotiations due to their less competitive position and only manage to negotiate a fixed amount (the so-called „buy-out“) as remuneration for the use of their works. Therefore, according to the ARTS, a right to remuneration for certain types of use should be established and it should be irrevocable and non-transferable, and should be managed in collective way. This will ensure that right holders receive a share of the revenue that their works bring to users.

„There are lots of opportunities ahead“, said Ivan Dimitrov, Managing Director of MUSICAUTOR. He pointed out several problems that need to be resolved in order to strengthen the copyright mechanism. Among them is sharing the responsibility of each participant in the distribution of the direct injected television programs – both television or radio and the signal distributor. „The main goal of ARTS is to create a sustainable and balanced environment for the development of the creative sector, which will activate the economic potential of the cultural industries in the country“, he said.

Ivan Dimitrov also stressed that the role of the state and the Ministry of Culture is to structure the deficits and opportunities, achieving a balance of interests of all participants in the cultural and creative sector. In this sense, ARTS is a natural partner of the institutions through its research, expertise and experience, and the association is open to partnership with other organizations that share common values and the mission of ARTS.

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