

# Annual report 2021

**Chapter 1 of the basic report contains a brief description of the activity pursued by the collective management organisation in the reporting period.**

In 2021, SFP-ZAPA took actions aimed at adjusting contracts with users to coming regulatory changes, i.e. implementation in Poland of the provisions of the Directive 2019/789/EC, the so called Satellite and Cable Directive 2 (hereinafter: "SatCab2 Directive"), which establishes the principle of technological neutrality with respect to the field of exploitation 'retransmission' at the same time introducing mandatory collective management to that extent. SFP-ZAPA acted also towards proper implementation in Poland of the provisions of the Directive 2019/790/EC on copyright and related rights in the Digital Single Market (hereinafter: "DSM Directive"), which obligates the EU Member States to implement regulations that guarantee remunerations to authors for using their works in the Internet. Besides, SFP-ZAPA strived for enactment of the Act on professional artist rights, which was to update a list of devices covered by levies for private copying.

In 2021, for the first time in history of SFP-ZAPA, the organisation collected the amount of over PLN 200 million, – exactly PLN 208.6 million. It means that the rising trend has been maintained for another year in a row, in spite of continued restrictions connected with COVID-19, which significantly hinder the collection of royalties from many users. The highest financial revenues were received, similarly as in prior years, from two fields of exploitation that are of key importance for SFP-ZAPA – broadcasting and retransmission, where almost all users have concluded agreements with the organisation. The third field of exploitation which started to bring significant revenues in 2021 was public projection in cinemas. Material level of collections on that account has resulted from positive, for SFP-ZAPA, resolutions in relations with operators of multiplex cinemas, which have been expected for many years.

2021 brought also a record-breaking amount of payments made by SFP-ZAPA to rights holders represented by the organisation. In total, the organisation paid PLN 166 million to authors and producers, both Polish and foreign, out of which nearly PLN 114 million was provided to authors and over PLN 52 million was transferred to producers' accounts.

In 2021, nearly 340 new authors or successors entrusted their rights to SFP-ZAPA. At the end of the reporting year, their number was nearly 5,773. At the same time, by the end of 2021, in total 2,433 Polish authors entrusted their rights to screenplays to SFP-ZAPA. In the reporting year also 36 new producers were enrolled to the organisation. Their total number at the end of last year was 712.

## Retransmission

As regards the field of exploitation 'retransmission', SFP-ZAPA increased the collection level by closing 2021 with the amount of PLN 101.4 million, which is higher by more than PLN 18.5 million than in 2020. This result was affected mostly by intensive efforts of SFP-ZAPA targeted at applying the agreements with a rate of 2.2% to other operators on the market of paid television, regardless whether they use cable or mobile signal retransmission technology.

Actions carried out by SFP-ZAPA were directed at telecom operators providing retransmission services. Following negotiations, in 2021 SFP-ZAPA concluded two licence agreement in that area, including a new agreement with Orange Polska S.A. Last year in September the organisation also signed a new agreement with Canal+ Polska S.A., which is both a broadcasting and retransmission entity. The end of the year saw the expiry of the agreement between SFP-ZAPA and Cyfrowy Polsat S.A., and the parties started discussions to agree on new terms of co-operation.

Moreover, 2021 brought about another resolution, positive for SFP-ZAPA, in the area of litigations with users retransmitting works in cable networks, who understate the basis of settlements with SFP-ZAPA. Vectra S.A., the largest cable operator in Poland, was obligated by the Court of first instance to make an additional payment of many millions up to the full amount of licence remuneration due to SFP-ZAPA.

### Broadcasting

On 16 April 2021, the Minister of Culture, National Heritage and Sport issued a final decision confirming that SFP-ZAPA is an organisation representative with respect to copyright to screenplays in an audiovisual work. Therefore, SFP-ZAPA took actions aimed at increasing the amounts of royalties collected for a new group of authors represented by the organisation. To that end, negotiations were continued with the Association of Authors ZAiKS in order to determine what part of the receivables collected until then from users by the Association of Authors ZAiKS should be from now on collected by SFP-ZAPA.

In the end, thanks to effective monitoring of the performance of concluded agreements with broadcasters, in 2021 SFP-ZAPA collected in the field of 'retransmission' the amount of PLN 81.2 million, which was higher by over PLN 1 million than in 2020.

### Public projection in cinemas

In the field of exploitation 'public projection', the beginning of 2021 brought about the end of many years of court litigations and many months of negotiations conducted by SFP-ZAPA with the operators of multiplex cinemas: Helios S.A. and Multikino S.A. The parties signed settlements which established the principles for settling many millions of past liabilities of both companies on account of outstanding royalties; also agreements regulating current receivables were signed.

Last year the organisation also completed enforcement of the amount of several dozen millions Polish zlotys, awarded in November 2020 to SFP-ZAPA by a final and unappealable judgement in litigation with Cinema City Poland Sp. z o.o., in relation to public projection of films in the years 2011-2013. In spite of unfavourable for the user resolution of the case, the largest multiplex in Poland continues court disputes with SFP-ZAPA in relation to other non-settled periods. In view of lacking will of Cinema City for conciliatory settlement of royalties, SFP-ZAPA lodged another statement of claim last year, this time for the years 2018-2020. Out of a group of large cinema networks, Cinema City as the only one does not pay at the moment any royalties to authors protected by SFP-ZAPA.

Moreover, in consequence of the final decision that was issued by the Minister of Culture, National Heritage and Sport on 16 April 2021 and which confirmed that SFP-ZAPA is an organisation representative with respect to copyright to screenplays in an audiovisual work, SFP-ZAPA concluded an agreement with the Association of Authors ZAiKS on a new division of the rate of remuneration for public projection of works, which is used to calculate royalties from cinemas for authors represented by both organisations.

### Public performance

In 2021, SFP-ZAPA resumed to collect royalties from businesses pursuing accommodation activity and using audiovisual works in the field of exploitation 'public performance'. Previously the collection of royalties was suspended because of restrictions introduced by the Government of the Republic of Poland in connection with the COVID-19 pandemics, which significantly hindered the operations of hotels.

Last year SFP-ZAPA and the Association of Authors ZAiKS entered into an agreement under which a percentage share of SFP-ZAPA went up (at the same time a percentage share of ZAIKS went down) in the total rate of remunerations due to authors protected by both organisations, approved in a final and unappealable manner in 2020 by the Court in Poznań. Those changes are the consequence of an increased representation of screenwriters by SFP-ZAPA, which has resulted, among other things, from the above decision of the Ministry of Culture, stating that SFP-ZAPA is representative in relation to copyright to screenplays of audiovisual works.

Last year SFP-ZAPA also took actions aimed at determining the principles for claiming remunerations and their amounts for producers of audiovisual works in connection with public performance of works with help of devices used to receive television programmes. SFP-ZAPA is authorised to take such actions under Article 21<sup>3</sup> of the Act on Copyright and Related Rights, which was added by the Act on Collective Management of Copyright and Related Rights of 2018. This provision was implemented in order to extend mandatory intermediation of a collective management organisation in the conclusion of licence agreements in those cases where it is not possible, entirely or partially, to obtain a consent for using works directly from the rights holder.

### Reproduction

Last year SFP-ZAPA entered into, as assumed, settlements with film distributors Hagi Film Sp. z o.o. and Kino Świat Sp. z o.o., pursuant to which remunerations for authors represented by SFP-ZAPA were settled.

Moreover, the organisation ended many years of disputes in court with a press publisher, Ringier Axel Springer Polska Sp. z o.o., by entering into a settlement which regulated outstanding remunerations for authors.

### Private copying

In spite of intensive efforts of SFP-ZAPA and the entire community of authors, the Act on Professional Artist Rights, which was to amend the provisions related to private copying levies, encountered a huge attack from the opponents of such levies and ultimately was not referred to further legislation path. Due to lack of reform to the system of levies, the last year was ended with very low revenues on that account.

### Making works available to the public in the Internet (VOD)

Last year SFP-ZAPA, relying on reports from independent specialists, performed advanced works on a strategy on contracting video on demand (VOD) on a larger market.

Concurrently, SFP-ZAPA participated actively in the legislative process on the implementation of the DSM Directive, requesting that film authors should be granted a right to a non-transferable remuneration for exploitation of their works in the Internet.

### Administrative proceedings

2021 saw the continuation of two material administrative proceedings, related to the rights of SFP-ZAPA to exercise collective management, initiated in 2018 by the Minister of Culture and National Heritage (hereinafter the "Minister"):

1. for review of SFP-ZAPA's authorisation for collective management;

2. for finding a representative status of the collective management organisation in relation to copyright to screenplays of audiovisual works.

As regards review of SFP-ZAPA's authorisation, in February 2021 the Minister issued a final decision wherein he slightly changed wording of the authorisation granted, unifying the names of fields of exploitation, which, however, is without prejudice to the scope of authorisation. The decision is final but it has been appealed against on formal accounts to the administrative court by the Polish Chamber of Electronic Communication (PIKE – being the biggest cable distributors' organisation)). The proceedings are in progress.

As regards finding a representative status, after the Minister issued his decision in July 2020, the Association of Authors ZAiKS and PIKE submitted motions for considering the case again. After having examined the motions, the Minister issued his decision in April 2021 and upheld his earlier decision favourable for SFP-ZAPA. It was, however, appealed against to the administrative court by the Association of Authors ZAiKS and PIKE. The proceedings are in progress.

Together with their appeals, ZAiKS and PIKE submitted motions for suspending the execution of the decision on representative status. They were, however, not admitted by the Regional Administrative Court, which was confirmed by a judgment issued in October 2021 by the Supreme Administrative Court in Warsaw. The ruling is final and cannot be appealed against.

### Fight with piracy

For many years SFP-ZAPA has been constantly taking actions targeted at fighting illegal provision of films in the Internet, consisting, among other things, in monitoring online websites, in order to disclose content violating financial copyright to specific films, and sending requests for ceasing violations to owners of online websites. Concurrently, in the reporting period SFP-ZAPA actively participated in penal proceedings related to violations of rights to audiovisual works protected by the organisation, including by joining the proceedings conducted against the website zalukaj.com and enforcing the amounts awarded to rights holders from SFP-ZAPA in connection with operation of the website videopenny.pl.

Moreover, last year SFP-ZAPA received from the Polish Film Institute a subsidy in the amount of PLN 0.3 million for co-financing the monitoring of online websites for illegal content placed there and for conducting research and analyses of piracy in the cinematography.

### The most important legislative proposals

In 2021, SFP-ZAPA continued actions for correct implementation in Poland of the provisions of the DSM Directive and SatCab2 Directive. The fundamental request of SFP-ZAPA in relation to the DSM Directive is that film authors should be granted a right to a non-transferable remuneration for exploitation of their works in the Internet. And as regards the SatCab2 Directive, the priority is to introduce to the Polish law the principle of technological neutrality in relation to the field of exploitation 'retransmission' as well as mandatory collective management in this regard. Unfortunately, although a deadline for implementation of both regulations expired last year in June, by the end of the reporting period the Ministry of Culture and National Heritage has not presented any proposal of amendments to national legislation.

SFP-ZAPA prepared also the interpretation of amendments made to Regulation on Digital Services COM (2020) 825 (hereinafter: "Digital Services Act") by the Committee on the Internal Market and Consumer Protection at the European Parliament and by the Council of the European Union. The

provisions of Digital Services Act were to implement the principle that “what is illegal offline should also be illegal online”. However, the proposed solutions departed significantly from the concept that had been originally adopted. The European Commission did not take up a challenge to adapt anachronistic regulations for the needs of the internal market, and directions of works conducted in the European Parliament is univocally favourable for the position of online platforms, totally ignoring interests of creative communities. In response to the above, before the voting on corrections in the plenary session of the European Parliament SFP-ZAPA made an appeal to European Deputies from Poland and also initiated in the forum of Stowarzyszenie Kreatywna Polska (Creative Poland Association) joint actions of the creative sector in this matter.

Last year SFP-ZAPA also took intensive actions in favour of a proposal of the Act on Professional Artist Rights (hereinafter: “Proposal of Law”), which was referred for inter-ministerial and public consultations in May 2021. Expressing its support for the Proposal of Law, SFP-ZAPA presented also a number of requested ideas with respect to certain solutions. SFP-ZAPA requested, among other things, that the amount of co-funding to contributions for social and health insurance of professional artists be increased. In the context of reform to the system of private copying levies as suggested in the Proposal of Law, SFP-ZAPA pointed to changes that are necessary from the perspective of a collective management organisation. It is mostly about extending the list of electronic media and devices subject to levies to include modern devices which enable to use protected works for private personal use, such as smartphones, tablets and laptops. The Proposal of Law and subsequent reform of private copying levies raised many emotions among journalists and public life commentators. Discussions around the Proposal of Law often led to expressing very critical, and sometimes really detrimental, opinions about authors and professional artists. In response, SFP-ZAPA took a number of communication actions which, apart from obvious information and education value, constituted also an assertive response of the creative community to untrue and often very slandering opinions worded by representatives of producers and importers of electronic equipment.

### International co-operation

In 2021, SFP-ZAPA concluded four new agreements with international organisations: with AGADU in Uruguay and ISOCRATIS in Greece – representing the rights of authors, and two agreements with ALBAUTOR in Albania, regarding co-operation in the protection of rights of authors and producers. At the end of 2021, there were 80 agreements in place between SFP-ZAPA and foreign entities.

As in the prior years, representatives of SFP-ZAPA actively took part in works carried out by the management of the Society of Audiovisual Authors (SAA), the Board of Directors of AGICOA, and actions of CISAC governing bodies.

## **Chapter 2**

**Information relating to the structure of the copyright or related rights collective management organization, hereinafter the collective management organization, and its internal bodies:**

1. Name, registered office and address of the collective management organization:

Stowarzyszenie Filmowców Polskich (SFP), Warsaw. Address: ul. Pańska 85, 00-834 Warszawa. SFP's organizational unit established for collective rights management is the Union of Audiovisual Authors and Producers (Związek Autorów i Producentów Audiowizualnych, or SFP-ZAPA), ul. Żelazna 28/30, 00-832 Warszawa.

2. Designation of the registry court in which registry files of the collective management organization are kept as well as number in the National Court Register:

District Court for the capital city of Warsaw in Warsaw  
XII Commercial Division of the National Court Register  
KRS: 0000068354

3. Indication of the period which refers to the report:

01.01.2021 – 31.12.2021

4. Names and surnames of members of the statutory bodies of the collective management organization holding functions during the reporting year, excluding the general meeting of members and the meeting of delegates:

**Management Board of Polish Filmmakers Association (SFP):**

- |                               |  |
|-------------------------------|--|
| 1. Jacek Bromski              | SFP President;                               |
| 2. Karolina Bielawska         | Vice-President;                              |
| 3. Władysław Dariusz Gajewski | Vice-President;                              |
| 4. Allan Starski              | Member of the Management Board               |
| 5. Janusz Kijowski            | Member of the Management Board               |
| 6. Juliusz Machulski          | Member of the Management Board               |
| 7. Filip Bajon                | Member of the Management Board               |
| 8. Michał Kwieciński          | Member of the Management Board and Treasurer |

9. Witold Giersz	Member of the Management Board
10. Janusz Gauer	Chairperson of Image Operators' Club
11. Maciej Karpiński	Chairperson of Screenwriters' Club
12. Nikodem Wołk-Łaniewski	Chairperson of Sound Directors' Club
13. Andrzej Haliński	Chairperson of Set Designers' Club
14. Andrzej Jasiewicz	Chairperson of Children's and Youth Filmmakers' Club
15. Barbara Hollender-Kwiatkowska	Chairperson of Film Writers' Club
16. Krzysztof Wierzbiański	Chairperson of Senior Filmmakers' Club
17. Michał Szcześniak	Chairperson of Young Filmmakers' Club
18. Mirosława Wojtczak	Chairperson of Make-up Artists' Club
19. Alina Skiba Wojnach	Chairperson of Digital Film Forms Club
20. Andrzej Marek Drażewski	Chairperson of Documentary Film Section
21. Andrzej Sapija	Deputy Chairperson of Documentary Film Section
22. Jerzy Kucia	Chairperson of Animated Film Section
23. Hanna Margolis	Deputy Chairperson of Animated Film Section
24. Jacek Zygałło	Chairperson of Television Section
25. Witold Będkowski	Deputy Chairperson of Television Section
26. Tomasz Dettloff	Chairperson of Kraków Branch of the Association
27. Anna Mroczek	Chairperson of Łódź Branch of the Association
28. Andrzej Stachecki	Chairperson of Wrocław Branch of the Association

The composition of the Management Board did not change during the reporting year

#### **Supervisory Board:**

1. Zbigniew Domagalski	Chairperson of the Supervisory Board
2. Irena Strzałkowska	Committee Member
3. Ewa Jastrzębska	Committee Member
4. Łukasz Mańczyk	Committee Member
5. Krzysztof Tchórzewski	Committee Member

#### **The Disciplinary Court of the Association:**

1. Marek Piestrak	Chairperson
2. Tomasz Miernowski	Deputy Chairperson
3. Piotr Wojciechowski	Deputy Chairperson
4. Grażyna Banaszkiewicz	Secretary
5. Henryk Bielski	

6. Violetta Buhl
7. Andrzej Luter
8. Wiktor Skrzynecki
9. Andrzej Sołtysik
10. Andrzej Stachecki
11. Dorian Ster
12. Magdalena Tomanek

The composition of the Disciplinary Court did not change during the reporting year.

**SFP-ZAPA Administrative Board – internal control body of the Union of Audiovisual Authors and Producers (ZAPA):**

- |                         |                    |
|-------------------------|--------------------|
| 1. Juliusz Machulski    | Chairperson        |
| 2. Michał Kwieciński    | Deputy Chairperson |
| 3. Jacek Bromski        | Secretary          |
| 4. Janusz Gauer         |                    |
| 5. Jacek Hamela         |                    |
| 6. Mirosław Bork        |                    |
| 7. Wojciech Leszczyński |                    |
| 8. Karolina Bielawska   |                    |
| 9. Janusz Kijowski      |                    |

The composition of the SFP-ZAPA Administrative Board did not change during the reporting year.

5. Specification of the number of rightsholders referred to Article 17 Clauses 4 of the Collective Management Act

The number of rightsholders referred to in the Article 17 Clauses 4 of the Management Act: **5287**

6. Specification of the committees, boards and other teams appointed by collective management organization, with specification of responsibilities of the individual groups as well as the members' names and surnames:

- Scholarship Board of the Polish Filmmakers Association — awards art scholarships to the members of SFP's Young Filmmakers Club; Membership: 7. Composition: Julia Ruskiewicz, Jagoda Madej, Oriana Kujawska, Anita Skwara, Jakub Paczek, Janusz Łęski i Kinga Lewińska;



- Board of the Film Discussion Club of the Polish Filmmakers Association — programs and oversees the activity of the Film Discussion Club of the Polish Filmmakers Association; Membership: 5. Composition: Andrzej Bukowiecki, Józef Gębski, Michał Bukomiejski, Anna Górna-Zajac (until February 7, 2021), Marek Nowicki;
- “First Documentary” Artistic Board — assesses and, thereafter, selects the projects for Munk Film Studio’s programme titled First Documentary the primary objective of which is to enable directors to debut by making their first 10 to 15-minute long professional documentary; Membership: 5. Composition: Karolina Bielawska, Jerzy Kapuściński, Paweł Łoziński, Marta Minorowicz, Katarzyna Malinowska;
- “30 Minutes” Artistic Board — assesses and, thereafter, selects the projects for Munk Film Studio’s programme titled 30 Minutes; the programme foresees production of ten 30-minute long fiction debuts about the contemporary world per year; Membership: 10. Composition: Jacek Bromski, Wojciech Marczewski, Michał Rosa, Filip Bajon, Denijal Hasanovic, Carmen Szvec, Anna Waśniewska-Gill, Robert Gliński, Jerzy Kapuściński, Katarzyna Malinowska;
- “Young Animation” Artistic Board — assesses and, thereafter, selects the projects for Munk Film Studio’s programme titled Young Animation; the programme foresees production of five 3- to 5-minute long animated films per year; Membership: 7. Composition: Balbina Bruszevska, Piotr Furmankiewicz, Hanna Margolis, Katarzyna Malinowska, Kamil Polak, Jerzy Kucia, Alina Skiba-Wojnach;
- “60 Minutes Artistic Board — assesses and, thereafter, selects the projects for Munk Film Studio’s programme titled “60 Minutes”. Membership: 6. Composition: Jerzy Kapuściński, Alicja Gancarz, Katarzyna Malinowska, Anna Jadowska, Tomasz Wasilewski, Paweł Maślona;

7. Specification of associations and other entities of which the collective management organization is a member, with the date of acquisition of their membership:

- as of 30 July 2010, the Polish Filmmakers Association is a member of the National Federation of Polish NGOs (Ogólnopolska Federacja Organizacji Pozarządowych, or OFOP);
- as of 9 November 2012, the Polish Filmmakers Association is a member of the Polish Federation of Film Discussion Clubs;
- as of 14 January 2014, the Polish Filmmakers Association is a member of the Creative Poland Association (Stowarzyszenia Kreatywna Polska).

8. Specification of international organizations of which the collective management organization is a member, with the date of acquisition of their membership:

- as of 4 March 1982, the Polish Filmmakers Association is a member of FIPRESCI (International Federation of Film Critics);
- as of 1 October 1990, the Polish Filmmakers Association is a member of FERA (Federation of European Film Directors);
- as of 28 April 1996, Stowarzyszenie Filmowców Polskich is a member of CIFEJ (International Centre of Films for Children and Young People);

- as of 1 December 1999, the Polish Filmmakers Association is a member of CISAC International Confederation (Confédération Internationale des Sociétés d'Auteurs et Compositeurs);
- as of 21 May 2002, the Polish Filmmakers Association is a member of AGICOA (Association de Gestion Internationale Collective des Oeuvres Audiovisuelles);
- as of 15 June 2009, the Polish Filmmakers Association is a member of EUROCOPYA;
- as of 11 May 2010, the Polish Filmmakers Association is a member of SAA (Société des Auteurs Audiovisuels)

### **Chapter 3**

#### **Information relating to the activity of the collective management organization in the area of acquisition of copyright and related rights for collective management:**

1. Specification of the number of entities (natural persons, legal persons and unincorporated organizational units granted legal capacity under separate laws and regulations) that entrusted their rights into collective management as at the end of the reporting year, excluding the mutual or unilateral representation agreements;

**6,485**, of which 5,773 are authors and 712 are producers and 15 foreign entities that are not collective management organizations

2. Specification of the number of entities that entrusted their rights into collective management in a given reporting year, excluding the mutual or unilateral representation agreements;

**376**, of which 340 are authors and 36 are producers. This number also includes heirs who entrusted their rights in 2021.

3. Specification of the number of entities that withdrew their rights from collective management in a given reporting year, excluding the mutual or unilateral representation agreements;

**3**

4. Specification of the number of the members of the collective management organization who have entrusted their rights thereto into collective management, as at the end of the reporting year;

**1098**

5. Specification of the number of members of the collective management organization who entrusted their rights thereto into collective management in a given reporting year;

**16**

6. Specification of the number of members of the collective management organization who withdrew their rights from collective management in a given reporting year:

0

At the same time, 21 people died in the reporting year and lost their status as SFP members

7. List of societies that concluded representation agreements with SFP-ZAPA:

1. AGADU (Uruguay)
2. AIPA (Slovenia)
3. AKKA-LAA (Latvia)
4. ALBAUTOR (Albania)
5. ALCS (United Kingdom)
6. ANICA (Italy)
7. ARGENTORES (Argentina)
8. ASDACS (Australia)
9. ATHINA (Greece)
10. AWGACS (Australia)
11. AVAKA (Lithuania)
12. BILD-KUNST (Germany)
13. CBS INTERNATIONAL TELEVISION, a division of CBS International (Netherlands) B.V. (Netherlands)
14. CHINA FILM ASSOCIATION (China)
15. CINEMA (Ukraine)
16. COMPACT COLLECTIONS (United Kingdom)
17. CSCS (Canada)
18. DASC (Columbia)
19. DAC (Argentina)
20. DACIN SARA (Romania)
21. DAMA (Spain)
22. DFA - Danish Film Directors (Denmark)
23. DGA - The Directors Guild of America (USA)
24. DGJ - The Directors Guild of Japan (Japan)
25. DHFR (Croatia)
26. DILIA (Czech Republic)
27. DIRECTORES (Mexico)
28. DIRECTORS U.K. (United Kingdom)
29. DRCC (Canada)
30. EAU (Estonia)
31. EGEDA (Spain)
32. EMI MUSIC PUBLISHING LIMITED (United Kingdom)
33. FILMAUTOR (Bulgaria)
34. FILMJUS (Hungary)
35. FINTAGE (Netherlands)

36. FMAA (Albania)
37. FRF-VIDEO (Sweden)
38. GCA (Georgia)
39. GWFF (Germany)
40. IFTA COLLECTIONS (USA)
41. ISOCRATIS (Greece)
42. JWG - The Japan Writers Guild (Japan)
43. KOPIOSTO (Finland)
44. LATGA-A (Lithuania)
45. LIRA (Netherlands)
46. LITA (Slovakia)
47. LITERAR MECHANA (Austria)
48. METRO-GOLDWYN-MAYER STUDIOS INC. (USA)
49. OAZA (Czech Republic)
50. OOA-S (Czech Republic)
51. PACC (Canada)
52. PARAMOUNT PICTURES GLOBAL (USA)
53. PROCIREP (France)
54. REDES (Columbia)
55. SABAM (Belgium)
56. SACD (France)
57. SCAM (France)
58. SDGI (Ireland)
59. SGAE (Spain)
60. SIAE (Italy)
61. SONAR (USA)
62. SONY PICTURES TELEVISION DISTRIBUTION SNC (France)
63. SSA (Switzerland)
64. SUISSIMAGE (Switzerland)
65. SWISSPERFORM (Switzerland)
66. TNT ORIGINALS (USA)
67. TWENTIETH CENTURY FOX FILM CORPORATION (USA)
68. UNIVERSAL STUDIOS INTERNATIONAL B.V. (Netherlands)
69. VDFS (Austria)
70. VEVAM (Netherlands)
71. VG WORT Germany)
72. WALT DISNEY PICTURES (USA)
73. WARNER BROS (USA)
74. WGA - The Writers Guild of America, West, Inc. (USA)
75. WGJ - The Writers Guild of Japan (Japan)
76. 560 Media Rights Limited (United Kingdom)

The above list contains the reciprocal representation agreements with SFP-ZAPA within the meaning of Article 3.3 of Collective Management Act of 15 June 2018, as well as the agreements with other foreign entities receiving royalties.

8. SFP-ZAPA collects remunerations also for the benefit of the entities whose rights have not been entrusted thereto in collective management, within the following fields of exploitation:

- fixation;
- reproduction of works using a specific technique, including magnetic recording and digital;
- distribution to the public;
- public performance;
- public projection in cinemas and similar establishments;
- rental;
- lending;
- entry into computer memory;
- broadcasting by means of video or audio wire or wireless systems using a ground station or broadcasting via a satellite;
- retransmission;
- making the work available to the public in such a way that members of the public may access it from a place and at a time individually chosen by them (on-demand exploitation).

The legal basis for collecting remunerations also for rights holders who have not concluded any collective management agreement with SFP-ZAPA is provided by Article 21<sup>1</sup>, Article 21<sup>2</sup> and Article 70 paragraph 2<sup>1</sup> and 3 of the Act on Copyright and related Rights, Article 5 paragraph 2 in conjunction with Article 10 paragraphs 1 and 2 of the Act on Collective Management of Copyright and Related Rights, agreements on representation concluded with foreign collective management organisations, authorisation of the Minister of Culture and Arts of 28 February 2003 amended by a decision of the Minister of Culture, National Heritage and Sport of 23 February 2021 and Article 9 paragraph 3 of the Statutes of the Polish Filmmakers Association.

Furthermore, SFP-ZAPA collects remunerations pursuant to Article 70 Clauses 2<sup>1</sup> and 3 of the Act on Copyright and Related Rights for the film editors grouped in the Polish Association of Film Editors (Polskie Stowarzyszenie Montażystów, or PSM).

## Chapter 4

### **Information relating to the activity of the collective management organization in the area of collection of remunerations and fees:**

#### 1. The table of tariffs of remunerations

In the reporting year 2021 there were two legally approved tables of remuneration for the use of works in the field of retransmission and field of public performance (approved in a final and unappealable manner in 2020 by the Court in Poznań).

#### 2. Resolutions and other internal acts setting out the amount of tariffs of remunerations for the exercise of the rights subject to collective management, with a brief statement of reasons for the adoption of such tariffs;

The resolution of the Administration Board of SFP-ZAPA (39/2020 dated on 10<sup>th</sup> December 2020) defines the level of the rates of remunerations for the exercise of copyright or related rights applied by SFP-ZAPA in the fields of exploitation covered by the collective management permit. The resolution indicates factors which have influence on rates of remunerations shaping. It regards the fields of exploitation where rates of remunerations are difficult to provide.

However, the resolution does not specify the separate rates of remunerations applied by SFP-ZAPA in the field of exploitation covered by the collective management permit: fixation, distribution to the public, entry into computer memory, lending.

- in the reference to the fields of exploitation: “fixation” and „distribution to the public” scope of audiovisual works using, is inseparably connected with the field of exploitation “reproduction”;
- in the reference to the field of exploitation “lending” SFP-ZAPA does not apply rates of remunerations. This is a consequence of the fact that according to the definition of the Article 6.8 of the Act on Copyright and Related Rights “lending means delivery thereof for use limited in time without the objective of generating direct or indirect material benefit”;

The level of the rates contained in the authors’ tariffs of remunerations applied by SFP-ZAPA is the result of arrangements made by SFP-ZAPA with the users of audiovisual works within individual fields of exploitation and is reflected in multiple agreements concluded by SFP-ZAPA.

3. Specification of the fields of exploitation where the collective management organization exercised collective management during the reporting year refers to the audiovisual works and related rights

SFP-ZAPA exercised collective management within the following fields of exploitation:

- fixation;
- reproduction
- rental, lending;
- distribution to the public;
- entry into computer memory;
- public performance;
- public projection in cinemas
- broadcasting;
- retransmission;
- making the work available to the public in such a way that members of the public may access it from a place and at a time individually chosen by them (on-demand exploitation).

4. Specification of the fields of exploitation where the collective management organization did not exercise collective management during the reporting year refers to the audiovisual works and related rights, stating the reasons for not exercise collective management, if such a situation took place

In the reporting year, SFP-ZAPA exercised collective management in all fields of exploitation covered by the permission granted by the Minister of Culture and Art on 28 February 2003, as amended by the decision of the Minister of Culture, National Heritage and Sport on February 23, 2021 (reference number: DWIM-WA. 550.16.2018.JB).

5. Specification of the number of the users with whom the collective management organization had agreements concluded as at the end of the reporting year and the number of users with whom the collective management organization concluded agreements during a given reporting year

1 518	the number of the users with whom the collective management organization had agreements concluded as at the end of the reporting year
268	the number of users with whom the collective management organization concluded agreements during a given reporting year

The aggregate number of users is not equal to the sum of the agreements concluded with the users within individual fields of exploitation. This is attributable to the fact that SFP-ZAPA has agreements concluded with some of the users that cover more than one field of exploitation. Below, point 6 shows the number of agreements from individual fields of exploitation.

6. Specification of the number of the users with whom the collective management organization had agreements concluded within the individual fields of exploitation as at the end of the reporting year and the number of users with whom the collective management organization concluded agreements in individual fields of exploitation during a given reporting year.

6.1. Specification of the number of the users with whom the collective management organization had agreements concluded within the individual fields of exploitation as at the end of the reporting year:

- a. Public performance: 665
- b. Public projections in cinemas: 402
- c. Retransmission: 310
- d. Reproduction: 121
- e. Broadcasting: 18
- f. Making the work available to the public in such a way that members of the public may access it from a place and at a time individually chosen by them (on-demand exploitation): 4

6.2. Specification of the number of users with whom the collective management organization concluded agreements in individual fields of exploitation during a given reporting year:

1. Public performance: 9
2. Public projections in cinemas: 224
3. Retransmission: 8
4. Reproduction: 26
5. Broadcasting: 1
6. Making the work available to the public in such a way that members of the public may access it from a place and at a time individually chosen by them (on-demand exploitation): 0

The overwhelming majority of the agreements indicated in items 6.1 and 6.2 are agreements concluded for a definite term. They are concluded for specific exploitation of the works that commences and ends during the reporting year (e.g. film shows held during the summer holiday, occasional reproduction of films, e.g. during temporary exhibitions or a film on a DVD added to a magazine or newspaper). Additionally, especially in the case of retransmission, a part of businesses wind up their business or are acquired by major operators.

7. Information on cases in which the collective management organization refuses to conclude agreement or collect payment, including an indication of the reasons for the refusal

In the year 2021, there were no cases in which the collective management organization refuses to conclude agreement or collects payment.



8. Specification of the amount of remunerations for collective management collected during the reporting year within the individual fields of exploitation, including separately under Article 70 Clause 2<sup>1</sup> of the act, in net amounts;

**Total amount of remunerations collected in 2021:**

	<b>TOTAL AMOUNT OF REMUNERATIONS COLLECTED IN 2021</b>
RETRANSMISSION	PLN 101 395 219
FOREIGN RENUMARATIONS AND FEES (OTHER THAN PRIVATE COPYING)	PLN 2 511 980
PRIVATE COPYING (DOMESTIC)	PLN 1 430 268
DISTRIBUTION TO THE PUBLIC ON INTERNET (VoD)	PLN 427 148
PRIVATE COPYING (FOREIGN)	PLN 170 445
fees due on the basis of art. 70 clause 2 <sup>1</sup> of the Act	
BROADCASTING	PLN 81 178 041
PUBLIC PROJECTIONS IN CINEMAS	PLN 16 889 114
REPRODUCTION	PLN 3 218 624
PUBLIC PERFORMANCE	PLN 1 394 186
<b>TOTAL</b>	<b>PLN 208 615 025</b>

9. Specification of the amount of remunerations and fees collected during the reporting year from the national or foreign collective management organizations, also under the unilateral or mutual representation agreements, in net amounts;

Amount of remunerations and fees collected during the reporting year from national collective management organizations: **PLN 2 382 769.00**

Amount of remunerations and fees collected during the reporting year from foreign collective management organizations: **PLN 2 681 982.98**

The above amounts of revenues from rights obtained from Polish and foreign organizations are included in the total amount of revenues from the rights referred to in point 8 of this chapter of the report.

10. Specification of the amount of income arising from the investment of rights revenue before their payment to rightsholders.

Interests: **PLN 34 639.25**

The above amount of income arising from the investment is included in the total amount of revenues from the rights referred to in point 8 of this chapter of the report.

11. Specification of the total amount of remunerations and related rights with divisions into fields of exploitation with the total number of entitled persons covered by payments, in net amounts:

<b>Fields of exploitation</b>	<b>Payments for rightsholders and national and foreign collective management organizations, in gross</b>
RETRANSMISSION	PLN 65 978 874.72
BROADCASTING	PLN 53 512 076.76
PUBLIC PROJECTIONS IN CINEMAS	PLN 25 456 698.76
PRIVATE COPYING	PLN 1 294 238.05
DISTRIBUTION TO THE PUBLIC ON INTERNET (VoD)	PLN 542 846.78
PUBLIC PERFORMANCE	PLN 495 293.88
REPRODUCTION	PLN 484 598.30
FOREIGN USYING	PLN 123 579.33
UNDISTRIBUTABLE AMOUNTS	PLN 9 338 859.37
THE PAYMENT OF AN ADVANCE ROYALTIES	PLN 7 365 799.66
PAYMENT OF ADDITIONAL AMOUNTS (IN CONNECTION WITH THE SARS-COV-2 VIRUS PANDEMIC)	PLN 1 423 886.73
<b>TOTAL</b>	<b>PLN 166 016 752.34</b>

The above amount of PLN 166.01 million includes the amounts actually paid to the entitled persons (transferred to their individual bank accounts).

The total number of entitled persons covered by payments: 5,076 (5,035 entitled persons who directly entrusted their rights to collective management of SFP-ZAPA + 41 entitled persons who have not concluded a representation agreements, i.e. part of film editors) and hundreds of thousands of entitled persons represented by other collective management organization with whom SFP-ZAPA has concluded representation agreements.

12. Specification of the total amount of remunerations and other performances transferred during the reporting year to Polish collective management organizations and foreign collective management organizations, in gross;

Polish collective management organizations: **PLN 228 705.84**

Foreign collective management organizations: **PLN 42 691 985.28**

## **Chapter 5**

**Information relating to the deductions made for administration costs during the reporting year, with explanation of the reasons for cost growth in relation to the preceding reporting year, if any.**

1. Specification of the amount of the costs of administration and distribution:

SFP-ZAPA costs **PLN 15 109 915.43**

The total amount of the above-mentioned costs was covered from deductions from rights revenues as well as deductions from benefits from rights revenues made as costs of collection, distribution and payment.

2. Specification of the amount, purpose and legal basis of the deduction of the amount of remunerations and fees, before their payment to rightsholders

2.1. The deduction made for the cost of administration and distribution:

**PLN 17 626 195.20**

2.2. The deductions made for the Statutory Social, Cultural and Film Promotion Fund:

**PLN 19 130 599.51**

2.3. Legal basis:

- the deduction made for the cost of administration and distribution: Resolution No. 5/2021 of SFP-ZAPA Administration Board dated 15 April 2021, on the matter of changing the deduction made for the collection costs as well as the Agreement with AGICOA dated 23 November 2016 on the cost deduction regarding producers' retransmission;
- the deductions made for the Statutory Social, Cultural and Film Promotion Fund: article 18 Paragraph 5 of the Articles of the Polish Filmmakers Association

3. Percentage of deductions for administration and distribution costs from rights revenues:

**PLN 17 626 195.20 / PLN 208 615 025.00 = 8,45%**

4. The Statutory Social, Cultural and Film Promotion Fund

SFP-ZAPA does not expend the monies deducted for the aforesaid Fund. The amounts collected on that account are transferred in full to the Polish Filmmakers Association which manages them each time on the basis of the resolutions of the Board of SFP, passed in compliance with the applicable regulations, in particular the Rules and Regulations of the Statutory Social and Cultural and Film Promotion Fund. In the overwhelming majority of cases, the collected monies are used to finance all initiatives supporting the making of films. The key initiatives include:

**Social activities**

- scholarships
- allowances
- medical care
- taking care of the members of the Senior Filmmakers Club
- taking care of the members of the Young Filmmakers Club
- support for SFP members
- part of the activities of the House of Creative Work (Dom Pracy Twórczej) in Kazimierz Dolny
- support for members in the form of lunches
- allowances for filmmakers associated in SFP
- help for the youngest representatives of the film community

**Cultural activities**

- implementation of statutory projects, including co-organizing festivals, events, meetings with representatives of the diplomatic corps (including the Polish Film Festival in Gdynia, Krakow Film Festival, Youth and Film Festival in Koszalin, Festiwal Filmu i Sztuki Dwa Brzegi, part of the costs of Polish film festivals organized abroad, International Animated Film Festival Animator, Camerimage, Etiuda & Anima International Film Festival, „Man in Danger” Media Festival, Polish-wide Film Meetings KAMERALNE LATO)
- co-financing cultural events,
- some of the activities of Kino Kultura
- part of the activities of the House of Creative Work (Dom Pracy Twórczej) in Kazimierz Dolny,
- the activities of Munk Film Studio

**Educational activities**

- implementation of statutory projects, including co-organizing festivals, events, meetings with representatives of the diplomatic corps (including, among others, part of the costs of Polish film

- festivals organized abroad, International Animated Film Workshop in Krakow / Lanckorona, Film Discussion Club meetings, „One shot” Film Workshops, „Closer to the Cinema” film screenings with audio description and subtitles for the deaf people
- co-financing educational events, incl. industry workshops,
  - some of the activities of Kino Kultura
  - part of the activities of the House of Creative Work (Dom Pracy Twórczej) in Kazimierz Dolny,
  - the activities of Munk Film Studio

### **Supporting financially festivals at which Polish films are presented.**

The main area of the Association’s activity were the comprehensive measures taken to create, build, coordinate and deliver highly-rated events of great artistic value both to the film industry and the Polish society at large. In 2021, SFP supported as a Co-Organizer, Partner, Benefactor or Patron over a dozen events held in Poland (festivals, reviews and conferences). Once again, in 2021, many of the events before regularly supported by SFP did not take place due to the COVID-19 pandemic.

The most important festivals for SFP remain the Polish Film Festival in Gdynia, the key annual event for the Polish fiction film industry, the Krakow Film Festival, the oldest film festival in Poland dedicated to foreign and Polish documentaries, animated and short films, and the Koszalin Film Debut Festival “Młodzi i Film”, a unique event in Poland held for many years that is devoted in full to film debuts and the young generation of filmmakers. For those three festivals, the Association maintained its status of the Co-Organizer and supported the events not only financially but also in terms of organisation, substance and program.

In 2021 SFP continued to support financially and in terms of content the Camerimage International Film Festival (Międzynarodowego Festiwalu Sztuki Autorów Zdjęć Filmowych CAMERIMAGE), an event known and appreciated outside of Poland. In addition SFP once more supported many events dedicated to film animation, among others Międzynarodowy Festiwal Filmowy „Etiuda&Anima”, Międzynarodowy Festiwal Filmów Animowanych ANIMATOR, Międzynarodowe Warsztaty Filmu Animowanego w Krakowie/Lanckoronie and „One shot” Film Workshops. SFP supports financially and substantively the most prestigious competition in Poland for the script of a full-length feature film, Script Pro. The Association also contributed to many renowned festivals and events that are directed at smaller audiences, but are very important for the promotion of Polish film, and at the same time are recognized as worthy by the film community. These include Tarnowska Nagroda Filmowa, Festiwal Filmu i Sztuki „Dwa Brzegi”, „Man in Danger” Media Festival, Festiwal Filmów – Spotkań Niezwykłych, Plenery „Film Spring Open” and Międzynarodowy Festiwal Filmów Młodego Widza „Ale Kino!, Polish-wide Film Meetings “KAMERALNE LATO”

### **Supporting published materials promoting Polish cinematography.**

The Polish Filmmakers Association takes a number of initiatives for the development of Polish film culture, including it carries on publishing activity aimed at promoting Polish cinematography. The Association publishes “Magazyn Filmowy” (Film Magazine) – a specialist industry magazine of the Polish filmmakers community. The Magazine presents cross-cutting reports on domestic audiovisual market, interviews with authors, coverages from domestic and foreign film events.

SFP’s website (www.sfp.org.pl) has consistently handled the most important subjects from the area of Polish cinematography, thus fulfilling its mission envisaged in SFP’s Statutes. The website makes in-depth presentations of topics connected with Polish audio-visual market, addressing them in the first place to film industry. Such clear profile of the website is reflected in positive opinions of its users. The editorial office of SFP’s website is all the time open to suggestions of SFP’s members, perfecting the website content. Journalists of the website of the Polish Filmmakers Association (SFP’s website) accompanied all important events in the industry, from visits on sets of new Polish films to coverage from press conferences, premieres and festivals of fiction, documentary and animated films, as well as special events or those devoted to arthouse films. Of course because of COVID-19 pandemics the number of coverages made outside the office definitely went down. Most of materials was prepared on the basis of press releases, phone conversations and videoconferences. In 2021, 724,657 users visited SFP’s website, which had 928,495 sessions and 1,302,953 views. Communication with broadly understood film community is also possible with help of social media updated on an ongoing basis: Facebook, Youtube, Instagram and Twitter.

Moreover, SFP provided support to the publishing of several valuable books on film topics, including, among other things, the following: “Świat przyspiesza, ja zwalniam” [The world is speeding up, I am slowing down] by Damian Jankowski and Wojciech Marczewski, and “Serce Chopina” [Chopin’s heart] by Jerzy Antczak

### **Supporting debuts of young filmmakers.**

Debuts are supported under the programmes “30 Minutes”, “First Documentary”, “Young Animation”, “60 Minutes” and “Feature Debut” implemented by Studio Młodzi i Film im. Andrzeja Munka (Andrzej Munk Youth and Film Studio), which operates within the structures of SFP. In 2021, the film “Jakoś będzie” [It will somehow be okay] directed by Sylwester Jakimow was produced as part of the “Feature Debut” programme. And the film “Wiarołom” [Traacherous] by Piotr Złotorowicz was produced as part of the “60 Minutes” programme.

### **Funding scholarships and awards for young Polish authors.**

Without support from the Polish Filmmakers Association, young authors without any financial backup would have very little chances e.g. for writing a screenplay or improving their qualifications in order to be able to pursue film profession e.g. as a director or operator. Thanks to providing financial security to young authors, scholarships allow them to focus on creative work under professional artistic guidance.

### **Letters of recommendation, congratulations and intervention.**

The Polish Filmmakers Association prepares letters of recommendation for its members applying for various positions (film institution directors, court appointed experts etc.) and letters of congratulations.

The organisation also prepares requests for granting distinctions, orders and awards to prominent filmmakers. In 2021, we prepared such requests for: Halina Wodiczko (Medal for Merit to Culture - Gloria Artis), Mirosław Chojecki (Medal for Merit to Culture - Gloria Artis) and Feliks Falk (Cyprian Kamil Norwid Award).

### **Cultivation of the memory.**

As every year, upon initiative of the Polish Filmmakers Association, All Souls' Day Meeting of the filmmaking community was organised in order to commemorate the authors who died in 2021.

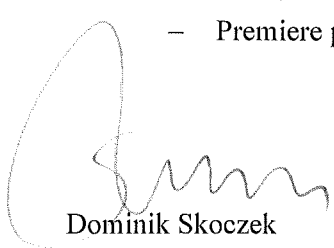
The Polish Filmmakers Association supports cultivation of the memory about the achievements of its members. In 2021, SFP supported very actively a multimedia exhibition "Bez końca. Dialogi Krzysztofa Kieślowskiego" [Without end. Krzysztof Kieślowski's Dialogues] organised by the National Centre for Film Culture upon occasion of the 80th birth anniversary of Krzysztof Kieślowski.

### **Organisation of and supporting domestic and foreign events promoting Polish cinematography.**

Awarding patronage is one of key elements of fulfilling SFP's statutory objectives which involve popularisation of film culture – therefore events under patronage often include those smaller ones of local nature. SFP grants honorary and media patronage using its website [www.sfp.org.pl](http://www.sfp.org.pl) and Magazyn Filmowy [Film Magazine]. Patronage covers most often festivals, reviews, exhibitions, competitions or workshops, and less frequently books and DVDs/BDs or CDs. Film events covered by SFP's patronage included, among others, Polish Film Festival in Gdynia, Krakow Film Festival, Koszalin Festival of Film Debuts "Youth and Film", International Film Festival of the Art of Cinematography EnergaCAMERIMAGE, Tarnow Film Award, International Young Audience Film Festival ALE KINO!, International Animated Film Festival ANIMATOR, Media Festival "Man in Danger", Polish-wide Film Meetings KAMERALNE LATO.

The Polish Filmmakers Association organises and supports financially dozens of events promoting Polish cinematography. In 2021, there were still restrictions in place because of COVID-19 pandemics. Nevertheless, among the most important events that were organised we should mention the following:

- Document and Animation Forum during Krakow Film Festival;
- Industry panels during Koszalin Festival of Film Debuts "Youth and Film";
- Forum during Polish Film Festival in Gdynia;
- SFP's Awards;
- Perspektywa [Perspective] Award;
- Festive film premiere projections in the cinema 'Kultura';
- Premiere projections of films produced by Munk Film Studio - SFP.



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ZAPA