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The European audiovisual sector welcomes the initiative report of the European Parliament's Culture Committee on the implementation of the Audiovisual Media Services Directive

10 May 2023

Yesterday, the European Parliament adopted its report on the implementation of the Audiovisual Media Services (AVMS) Directive. We, organisations representing European audiovisual screenwriters, directors, composers, producers, distributors and sales agents, take this opportunity to insist on the importance of the AVMS Directive as the cornerstone of cultural regulations fostering European audiovisual creation, production and distribution.

In 2018, the revised AVMS Directive proposed two major advances:

- the obligation for on-demand audiovisual media services to provide a minimum share of 30% of European works in their catalogues and to ensure prominence of those works,
- the possibility for Member States to require media service providers under their jurisdiction or targeting audiences in their territories while established in other Member States, to contribute financially to the production of European works, including via direct investment in creation and / or contribution to national funds.

The overdue implementation of the AVMS Directive was finally completed at the end of December 2022. During these four years, each country reviewed its regulatory framework to tackle challenges raised by the accelerated consumption of audiovisual works online and the exponential rise of global streaming companies in the European production and distribution market: the new regulatory tools provided by the AVMS Directive played a crucial role in many Member States to design and update sectoral policies according to their cultural ambitions and the specificities of their local audiovisual ecosystems.

As noted in the European Parliament (EP) report, a majority of Member States (14 countries) have chosen to date to use the possibility offered by the revised directive to implement a financial contribution obligation on on-demand media service providers, reflecting the importance of this provision to secure and enhance the production of a diversity of European and independent works across Member States.

We therefore welcome the EP report's emphasis on these key aspects of the revised Directive:

- "the role of the revised AVMS Directive (...) to support and benefit European cultural creation and cultural diversity in a changing audiovisual sector in line with other rules, such as the copyright provision of Directive (EU) 2019/790, which asks for fair remuneration for right holders" (Recital D),
- "the introduction of EU quota requirements (...) intended to promote the European creative ecosystem by increasing the exposure of EU audiences to European works and by offering more opportunities for European creations to reach viewers across the EU;" (para 30). It is important to insist on the importance of promotion and circulation of non-national European independent works to EU audiences, while we observe a trend by media services to focus on local works only.
- "the most recent revision of the AVMSD introduced a derogation mechanism for the country of origin principle, in particular under Article 13(2) thereof, intended to establish a better balance of rules applying to the various players providing the same service, while ensuring cultural diversity and fair

competition between all players targeting a national market and maintaining a steady and diverse European creative ecosystem in these countries"; (para 31).

In the report proposals, we particularly welcome that it "Notes, that, while the calculation of quotas for television broadcasters in Article 16 of the AVMSD excludes news, sports events, games, advertising, teletext services and tele-shopping, an exclusion does not exist for audiovisual on-demand services; calls on the Commission to assess the types of programmes offered by audiovisual on-demand services that are comptabilised in the share of European works present in catalogues and made available prominently aiming to ensure that the focus of the quota achieves similar objectives as Article 16;" (para 34).

We now expect the Commission's report on its application initially due by 19 December 2022 but delayed due to the late implementation by a few Member States.

In this context, we reiterate our attachment to the AVMS Directive and its provisions on the promotion and distribution of European works, calling on European institutions to prepare its potential revision in 2026 bearing its cultural diversity objective in mind, as well as the interest of European screenwriters, directors, composers, producers, distributors and sales agents of European audiovisual works.

In a changing European market where global players are on the rise, strengthening the European audiovisual ecosystem may well require reinforced obligations to ensure the continued diversity of our European audiovisual culture.

Note to editors

CEPI - the European Audiovisual Production Association, was founded in 1990 to represent independent cinema and television producers in Europe. With 19 national associations and one European association of independent animation producers, CEPI brings together a network of over 2,400 independent producers and production companies from 17 countries. CEPI's members create a wide range of diverse film and television content, from standalone documentaries and special event programming to game shows, animation, light entertainment and high-cost drama series.

Press: cepi@europe-analytica.com, +32 2 231 56 33

ECCD - the European Coalitions for Cultural Diversity is an association of national coalitions which promotes the diversity of cultural expressions. Within the coalitions are professional cultural and creative organisations from cinema, audiovisual, performing arts, editing, music, visual arts and multimedia... These organisations cover all professions in the artistic and cultural sectors such as authors, producers, composers, editors, artists-interpreters, broadcasters... @eucoalitions

Press: Guillaume Prieur, contact@europeancoalitions.eu, +33 1 40 23 47 99

<u>ECSA</u> - the European Composer and Songwriter Alliance represents over 30,000 professional composers and songwriters in 27 European countries. With 54 member organisations across Europe, the Alliance speaks for the interests of music creators of art & classical music (contemporary), film & audiovisual music, as well as popular music. EU Transparency Register ID: 71423433087-91

Press: Marc du Moulin, marc.dumoulin@composeralliance.org

EPC - the is an association of 170 influential independent film and TV drama producers from all over Europe. Our mission is to keep our members up to date with the latest developments in the film industry in Europe and across the world; we encourage collaboration, joint financing and coproduction across countries; we also lobby on a political level to protect and further the interests of the European industry and European producers.

Press: Alexandra Lebret, alexandra@europeanproducersclub.org

<u>EUROCINEMA</u> represents the interests of film and television producers in EU and international policy-making on issues directly or indirectly affecting film and audiovisual production (intellectual property rights, copyright protection and enforcement, AV regulation, online distribution of audiovisual content, e-commerce, Media programme)

Press: Juliette Prissard, juliette.prissard@eurocinema.eu, +32 471 68 01 71

<u>Europa Distribution</u> is the association of independent film publishers and distributors, created in 2006. With over 115 leading independent companies representing 31 countries in Europe and beyond, it serves as the voice of the sector and acts as a network and a think tank. Through various activities, the network works to enhance the circulation of information and ideas to improve the curation, promotion and distribution of independent films.

Press: Communication@europa-distribution.org

<u>Europa International</u> founded in 2011, Europa International (EI) is the European association for international film sales agents aiming at providing back up to its members on the international marketplace, from sales all the way through to distribution, as well as on the international film festival circuit. EI represents 49 film sales agents from 13 European countries.

Press: info@europa-international.org

<u>FERA</u> - the Federation of European Screen Directors, founded in 1980, represents film and TV directors at European level, with 48 directors' associations as members from 35 countries. We speak for more than 20,000 European screen directors, representing their cultural, creative and economic interests. EU Transparency Register ID: 29280842236- 21

Press: Pauline Durand-Vialle, pdv@filmdirectors.eu

<u>FSE</u> – the Federation of Screenwriters in Europe is a network of national and regional associations, guilds and unions of writers for the screen in Europe, created in June 2001. It comprises 25 organisations from 19 countries, representing more than 7,000 screenwriters in Europe. EU Transparency Register ID: 642670217507-74

Press: David Kavanagh, <u>d.kavanagh@federationscreenwriters.eu</u>

<u>SAA</u> - the Society of Audiovisual Authors is the association of European collective management organisations representing audiovisual authors. Its 33 members in 25 countries manage rights for over 167,000 film, television and multimedia European screenwriters and directors. @saabrussels #WeLoveAuthors

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