



Press Release

Brussels, 10 October 2016

MEDIA must be better equipped to meet the challenges of the digital age

The association of the European Film Agency Directors (EFADs) would like to express its concerns about the recent proposal from the Council of the European Union to cut the 2017 budget of the Creative Europe programme and in particular the MEDIA sub-programme. We understand that the Council wants to cut the Commission's proposed increase to the Creative Europe budget by €9.5 million. For the MEDIA sub-programme, this would mean a decrease of €4.5 million which is a serious concern.^[1] The Commission's proposal to increase the MEDIA budget is vital to boost the contribution of the audiovisual sector to jobs and growth in Europe and to meet the challenges of the digital age.

We would like to remind the European Institutions of the crucial role played by the MEDIA programme in strengthening the European audiovisual sector, promoting European works and increasing their circulation throughout Europe. The sector is made up of small and medium-sized enterprises operating in a high risk environment and public funding is now more important than ever as the audiovisual sector faces new challenges and opportunities brought about by the digital age. It is at the heart of the Digital Single Market and the series of legislative reforms, some of which could have a highly disruptive impact. Therefore, it is not time to reduce funding and weaken the sector, but to guarantee strategic public support at national and EU level to help the European audiovisual sector adapt.

The Commission's proposal for a larger budget increase is necessary to encourage and facilitate the continued growth of an important economic and cultural sector. The current schemes such as those for distribution, cinema networks, and development of co-productions of audiovisual works ensure the circulation of high quality content both in Europe and beyond on a variety of distribution platforms (cinema, TV, online). Moreover, the online distribution scheme will contribute to the objective enshrined in the new Audiovisual Media Services Directive proposal to increase the volume and prominence of European works in the online environment. The MEDIA schemes should be supported and a decrease in the proposed budget would send a notable message which would run contrary to the European Union's stated objectives in its Digital Single Market Strategy and fuel uncertainty in the European audiovisual industry.

The EFADs, which has been working with the MEDIA Unit of the European Commission to improve complementarity between national and EU funding in areas such as subtitling, visibility, prominence and wider access to European content, **urge the European Parliament and the Member States to**

reconsider the budget cuts proposed by the Council. We strongly encourage them to oppose these cuts which would be contradictory and detrimental for the European audiovisual sector, citizens and cultural diversity. In the European Parliament, the EFADs encourage MEPs in the Budget Committee to **support paragraphs 30 and 31** in the draft report “on the Council position on the draft general budget of the European Union for the financial year 2017.”^[2]

It is imperative that the European audiovisual sector can be competitive and produce and distribute a wide range of cultural works to the benefit of people living across the European Union. Preserving cultural diversity is a fundamental objective in the European Union treaties and the UNESCO Convention on the Protection and Promotion of Diversity of Cultural Expressions. We encourage the European institutions to support a programme which has provided much needed and effective support to audiovisual works over the years.

[1] <http://data.consilium.europa.eu/doc/document/ST-11166-2016-ADD-5/en/pdf>

[2] <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+COMPARL+PE-589.175+02+DOC+PDF+V0//EN&language=EN>