



Audiovisual Media Services Directive: EFADs Recommendations for the trilogue meetings

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The European Film Agency Directors (EFADs) would like to thank the three institutions participating in the trilogue negotiations for their **positive positions on Article 13** in the proposal revising the Audiovisual Media Services Directive. So far there have been some great results which the EFADs welcomes, such as:

1. The consensus on the importance of allowing financial contributions to be applied to non-linear services targeting other EU Member States.
2. The introduction of a 30% minimum quota for European works in non-linear audiovisual media services' catalogues.
3. The obligation on on-demand audiovisual media services to ensure prominence of European works in their catalogues.

These measures will create a better level playing field, integrate key online players into the European film value chain, and improve European audiences' access to European works. As the EFADs have highlighted in the past, these measures are essential to the promotion of cultural diversity in Europe¹ and we hope that you will continue to support them.

However, the EFADs think that all the participants in the trilogue negotiations should approve the text adopted by the Council, in particular the explicit reference to the application of Article 13 not only to on-demand services but also to linear services specifically targeting the market of another country for the following reasons:

1. Currently, financial contributions are in place for broadcasters in **13 countries**.² The money generated in the form of **levies and taxes feeds into the film agencies' budgets** which allow them to support various cultural activities such as film education, the production of local and European content, and distribution in theatres or online.
2. In 2016, almost as much TV channels (31%) as on demand services (34%) established in the EU were specifically targeting foreign markets.³ These players are currently not subject to levies and investment obligations in the countries they are targeting.
3. Allowing Member States to apply financial contributions to linear services targeting their territory is necessary to **ensure these services contribute to local creation, film agencies can continue to meet their public interest mission of promoting cultural diversity, and VoD and broadcasters operate under the same rules**. This is consistent with the objectives of the Commission's Digital Single Market Strategy.

¹ EFADs, 2016. "AVMS Directive FAQ – Country of Origin principle and financial contributions"; EFADs, 2017. "Busting the Myths Behind Article 13 of the Audiovisual Media Services Directive Review"

² EAO. 2016. "Public Financing for Film and TC content. The state of soft money in Europe" pp. 42-45; Austria, Belgium, Switzerland, Czech Republic, Germany, France, Croatia, Netherlands, Poland, Portugal, Romania, Sweden and Slovakia

³ EAO. 2017. "Audiovisual services in Europe Focus on services targeting other countries" p.22

Furthermore, the EFADs insist on the need to **strengthen the monitoring and enforcement of quotas and prominence**, falling under the responsibility of the regulator in the Member State of origin by:

1. **Including additional provisions to ensure that Article 13 is effectively enforced.** This could be done by regular monitoring and reporting as well as mechanism to ensure exchange of information and best practices between regulators.
2. **Including prominence in the requirements set out in paragraph 5a of the Council's position.** Prominence should be listed as a matter for guidelines to be prepared by the Commission and the AVMSD Contact Committee.
3. **Including a role for the European Regulators Group for Audiovisual Media Services (ERGA)** to facilitate the smooth implementation of Article 13, and the exchange of information and best practices between the national regulators.

About the EFADs

The EFADs brings together the Directors of European Film Agencies in 31 countries in Europe (EU, Iceland, Norway and Switzerland). We are an association of government and government associated public bodies pursuing a mandate in the public interest to support cultural diversity and creativity in Europe. EFADs members are in charge of national funding for the audiovisual sector and advise or regulate on all aspects of national and European audiovisual policy.