

European Film Agency Directors

Common Position

EC Communication on Creative Content Online in the Single Market

The European Film Agency Directors (EFADs) constitute an informal network of the national agencies responsible for implementing national film policies and for distributing support for film production and distribution in the Member States of the European Union.

The EFADs are committed to enabling the European film sector to fulfil its important cultural role in the individual countries as well as in the world at large. The prerequisite for achieving this goal is the development and maintenance of vibrant film industries, sustained by national and European policies that support the production of films, promote the diversity of film cultures in the respective countries, and secure exchange and co-operation between EU-countries and between EU and the world at large.

In that context the European Film Agency Directors (EFADs) welcomes the European Commission's concern to promote creative content online in a rapidly changing market place.

The EFADs share the view expressed by the Commission that the fight against piracy is a major issue in this context. The question of ISPs' liability in monitoring copyright infringement should be a priority (the proposals set out in the "Olivennes Report" should be examined carefully). DG Infosoc should actively use Seventh Framework Programme (FP7) research and development funding to encourage research into business models that can be commercially deployed and that reflect the interests of content providers as well as those of other industry stakeholders and of consumers and citizens.

However, the EFADs consider that the *Commission Communication on Creative Content Online in the Single Market* fails fundamentally to address basic challenges faced by the audiovisual industries in the upcoming digital age for the following three reasons:

First, by focusing on a narrow set of technical issues, the Communication largely restricts itself to setting out the perspective of online service providers and is silent on

the interests of other industry stake-holders, notably the content creators and the rights holders.

Second, it ignores or downplays other European policy objectives, such as the promotion of cultural diversity, social cohesion, the development of the knowledge-based economy, and creativity and fails to articulate the links with other related areas of European policy. These include the Audiovisual Media Services Directive; the *Communication on a European Agenda for Culture in a Globalising World*; the Communication on Media Literacy and the directives regulating ecommerce and copyright. More importantly it fails to acknowledge the policy implications of the *UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions* according to which the European Union and member states are legally bound to take into account the measures which are necessary to respect cultural diversity.

Third, the approach taken by the Communication appears to assume that the online services will result in incremental revenues flowing into investment in content. All evidence points to overall revenues for content falling, along with the proportion of revenues available for re-investment in content production. More broadly, Commission policy relating to online content needs to address the decline and fall of existing business models for the content industry. It needs to include policy proposals to ensure that creativity and the creative economy are not undermined and indeed are promoted in the transition to new business models. In particular, Commission policy needs to address the issue of the contribution of online service providers to the development of the audiovisual creation.

Finally, the EFADs looks forward to opportunities, notably with the International Conference: Online Content for Creativity being held in Brdo, Slovenia, 4-7 June 2008, as part of Slovenia's EU Presidency, to develop a more balanced, comprehensive and forward looking approach to the challenges and opportunities for the audiovisual sector in an online environment.

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Signed by:

Österreichisches Filminstitut (Austria)

Centre du Cinéma et de l'Audiovisuel de la Communauté française (Belgium)

Vlaams Audiovisueel Fonds (Belgium)

National Film Centre (Bulgaria)

Cultural Services of the Ministry of Education and Culture (Cyprus)
Czech Film Chamber (Czech Republic)
Danish Film Institute (Denmark)
Estonian Film Foundation (Estonia)
Filmförderungsanstalt (Germany)
Greek Film Centre (Greece)
Finnish Film Foundation (Finland)
Centre National de la Cinématographie (France)
National Film Office (Hungary)
Irish Film Board (Ireland)
Ministero per i Beni e le Attività Culturali - Direzione Generale per il Cinema (Italy)
National Film Centre (Latvia)
Ministry of Culture - Department for Arts (Lithuania)
Film Fund Luxembourg (Luxembourg)
Maltese Film Commission (Malta)
Nederlands Fonds v.d. Film (Netherlands)
Polish Film Institute (Poland)
Instituto do Cinema Audiovisual e Multimedia (Portugal)
Centrul National al Cinematografiei (Romania)
Instituto de la Cinematografia y de las Artes Audiovisuales (Spain)
Ministry of Culture - Department for Cinema (Slovakia)
National Film Foundation (Slovenia)
Swedish Film Institut (Sweden)
UK Film Council (United Kingdom)