

Mr James Purnell, UK Minister for Broadcasting

Liverpool Audiovisual Conference, closing session, 22 September 2005.

Introduction

We have now reached the final session of what I think – and I hope you will agree – has been a fascinating and worthwhile conference. It is an event which the United Kingdom Presidency has been glad to host.

I want to start by extending our thanks to Commissioner Reding and all of her officials for their help in preparing the conference.

I would also like to thank all of the panellists and our rapporteurs and our Chairs, who did such a sterling job reporting the important discussions we had yesterday.

And I hope that you've all found the conference stimulating and useful.

Need to re-examine TVWF

Before we draw to a close, I think that it is worth pausing to take stock of the issues with which we have been dealing over the last two days and of the challenges and opportunities that face us.

The Television Without Frontiers Directive has delivered significant benefits to consumers and producers, both in economic and cultural terms. Europe has benefited from a single market in TV services which has also enabled the industry to prosper.

Consumers have benefited also. They have benefited from an increased range and variety of programming, and the protections of various sorts which the Directive has given.

But there is one theme which has run through all our discussions, and it is the way that technological change in the period in which we have been operating and the period which is to come has forced the pace of change throughout all of these industries.

I will return to this theme in a minute. But it is also right to say that it even without this rapid development of technological change we would have had to revisit this Directive anyhow. Parts of it are getting on for being 20 years old.

We would have had to re-assess it to see how well it was standing up against the requirements of the television industry and of consumers.

We would have needed to see how far the Directive was succeeding in terms of its goals of promoting transfrontier broadcasting in tandem with cultural diversity and the development of the European programme industry.

Working groups

We have of course done these things over the last two days. Our working groups have also been looking at the other issues which were set out in the issues papers provided by the Commission on 11 July.

The groups have discussed access to information, short news extracts and listed events. They have discussed the Country of Origin principle and the regulation of advertising.

They have looked at important questions of media pluralism, ownership and democracy. They have considered how best to protect young people from undesirable content, and how to facilitate rights of reply for the public.

Reports

This morning, we have heard excellent summaries, I am sure you will all agree, of these discussions. On behalf of the Presidency, my warm thanks to all of those involved in preparing the reports.

I am sure that they will be of great value to the Commission in taking forward their proposals and considering the next stages for the Directive.

Technological change

As I said, we would always have needed to reassess the Directive in the light of developments. But what makes this task particularly important – and particularly challenging – is the enormous pace of change in the technological base of the industry.

Of course this was recognised before. The preamble to the 1997 revision of the Television Without Frontiers Directive mentions ‘the opportunities for growth in the audiovisual sector opened up by new technologies’.

But I think the difference between 1997 and 2005 is that whereas then we were predicting convergence, today we are experiencing convergence.

As we have heard, we are now in a world in which television and on-demand services can be delivered down telephone lines and viewers can have access to TV over the internet. The development of both fixed and mobile telephony is accelerating those changes.

The high-level industry panel from whom we heard on Tuesday gave us an excellent insight into those developments.

Challenges

With all these rapidly changing developments it would of course be foolish for us to try and predict the future. But I think we can be clear about one thing.

That is that convergence and the blurring of boundaries between previously separate media will continue to produce challenges and that the Directive will have to be framed in a way which will cope with those changes over the next 10 years.

The challenges go to the very core of the way in which broadcasting is regulated. Of what we mean when we talk about broadcasting, and what it is exactly that distinguishes broadcasting from other forms of communication.

Scope

These are difficult issues. The issue of scope clearly produced a wide array of visions in the group that discussed it yesterday.

In the UK, we have tried to cope with this by having a technology neutral definition of a “television service”. We have tried to make it future-proof by providing flexibility in the Communications Act, to amend the definition should technological change require that.

Defining the scope of future regulation is, of course, at the heart of the issues we have been discussing. The Commission has proposed that a revised directive should be underpinned by a new concept of ‘audio-visual content services’ with, as we have been hearing, different regulation applying to what are termed “linear” and “non-linear” services.

Ruth Hieronymi MEP has already given us an excellent summary of a very lively discussion on this topic. This session, together with the industry panel which opened the conference has, for me, highlighted some important issues which will need full consideration in the next stage of debate.

For example, if we take the key objectives of TVWF as being to secure the single market, to protect consumers and cultural diversity, we can ask ourselves, I think, the following questions:

Can the distinction between linear and non-linear be made, or has it already been overtaken by technological change and new business models?

There was a very clear difference of view in the working group from yesterday between in particular traditional broadcasters and, in particular, the providers of new services, and I think it is important that this difference is bridged if we are to move this debate forward in a constructive fashion.

We should also ask ourselves when we should level regulation down, rather than level it up.

We should ask ourselves what role co-regulation and self-regulation can play. And I think there may be a particular opportunity here for co-regulation and self-regulation to bridge that divide between traditional broadcasters and the providers of new services.

Of course the ultimate in self-regulation is regulation by the viewer, the “off-switch” as Richard Hooper was quoted as saying. The issue was raised in the working groups of how far we need to regulate for protection and how far we provide audiences themselves with the tools to control what they do want to watch and what they do not want to watch, and what they do not want their children to watch.

I am not going to go through all of the other issues, which have already been summarised by our rapporteurs, but I would just like to pick up one or two points which have struck me as particularly important.

Advertising

Firstly, advertising. As Gernot Schumann so clearly explained this morning, there has been much discussion of the potential challenges for advertiser funded broadcasting. The potential impact of personal video recorders is one which has led to a great amount of debate amongst providers of free-to-air broadcasting. There has been a wide range of views expressed on this.

On the one hand, there is the question of whether some of the rather detailed quantitative rules in the directive might be relaxed.

On the other hand, there are divided views on the acceptability of new techniques of product placement. I am sure this latter issue should be thoroughly considered.

But one strength of the current Directive is in ensuring a clear and distinct difference between programming and commercial promotions, so that as Charles Allen said, “audiences know when they are being sold to”. This separation, I believe, is absolutely vital to maintaining the confidence of consumers in the editorial integrity of programmes. It seems to me those are important principles that we should consider.

PSB

Secondly, in terms of public service broadcasting, I was particularly interested to hear the report of yesterday’s discussion on cultural diversity, which is a crucial element of TVWF. The new environment does present challenges to the continued delivery of public service broadcasting.

But, as Mark Thompson pointed out on Tuesday, extending regulation is not the only option here. We also have the important tools of public ownership and investment in diverse, high quality content – particularly via public service broadcasters – and that, I believe, has a vital role to play as we go forward into an all digital world.

Costs and benefits

The final theme I would draw out is the importance of weighing up the benefits of any new regulatory instrument against the costs and burdens it imposes. In this context, I welcome the Commission’s intention to produce a full regulatory impact assessment of its forthcoming proposal.

New regulation must be effective and enforceable. But, to deliver the Lisbon agenda, it also needs to be flexible, to encourage the growth of European businesses and European markets.

Finally

These are just some of the issues we have discussed at this conference. There is still some way to go in resolving them, but I hope that the discussions we have had here over the last two days have given us the best possible basis for developing a common way forward.

I know that this event will play an important role in informing the further work of the Commission this year and of the Austrian Presidency next year.

So my thanks again to the Commission – particularly for all the efforts that you have made to engage an extremely wide range of stakeholders in today's conference - and to the indefatigable conference organisers who I am sure you will all agree have done a fantastic job in ensuring the smooth running of this conference.

Thanks also to the interpreters for their tremendous help throughout the event.

And finally, my thanks to all of you for travelling so far to take part in this conference and your extremely keen engagement in our discussions over the last couple of days.

So many thanks and I hope you have enjoyed coming to Liverpool and to the North West. As an MP for Manchester, I hope we will welcome you again over the next few years and in particular in the run-up to City of Culture in 2008 in Liverpool.

But it is of course right that the final word should go to Commission Reding. So, therefore, I would like to introduce our final speaker, Commissioner Reding.

Many thanks.