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**Opinion on the Commission's Green Paper on audiovisual works
(COM (2011) 427)**

18 November 2011

Dear Michel Barnier

Ref. 11-000913-2

Here are the Danish Parliament's reactions to the Commission's Green Paper on audiovisual works (COM (2011) 427).

Contact
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The Cultural Affairs Committee of the Danish Parliament discussed the Green Paper at a meeting and subsequently by written procedure.

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The European Affairs Committee of the Danish Parliament discussed the Green Paper at its meeting on 18 November 2011.

A majority in the Committees (the Liberal Party, the Social Democratic Party, the Social Liberal Party and the Conservative People's Party) generally supports the initiative for developing a European digital internal market to extend the scope for online distribution of audiovisual works for the benefit of consumers. On the basis of the following conclusions in the report, a majority in the Committees is in favour of a liberal market in which consumers have cross-border access to European products:

Unlocking potential

"The internet offers the audiovisual sector opportunities to develop its potential further, and to reach wider audiences both within Europe and beyond." (Green Paper, p. 4) "It is predicted that VoD turnover in Europe will increase dramatically over the next few years and thus will represent a more significant aspect of the audiovisual markets." (Green Paper, p. 6)

A majority in the Committees takes the view that it is important to create a market for online distribution of audiovisual works with free movement and ease of access so that European products can reach a wider audience and achieve their full potential.

Niche productions

"While national markets may not be large enough for niche productions, aggregation could increase the commercial viability of the overall market." (Green Paper, p. 4)

A majority in the Committees takes the view that online distribution of audiovisual works would promote culture and creativity in Europe.

Pirate copying

"At the same time, the current system of staggered platform distribution and territorial release is seriously challenged by the growing consumer interest in having access to audiovisual and cinematographic works almost immediately after their first release, irrespective of where they reside. Pirated copies of a film are increasingly made available online even before its initial distribution in cinemas or on television, imposing further pressure to shorten release windows." (Green Paper, p. 10)

A majority in the Committees takes the view that there should be a minimum of barriers to trade so that there will be a reduction in pirate copying, which will benefit both copyright-holders and consumers.

The Social Democratic Party and the Social Liberal Party do not, however, think that legislation should be introduced to regulate this problem of release windows. It could and should be up to the competent authorities and the branch itself to conclude agreements in this field that are always aimed at finding solutions geared to the wide variety of conditions regarding size of market and languages etc.

The Liberals and the Conservatives do not support the proposal to introduce compulsory collective management of rights ["royalty" in original], since this would not be in keeping with the wish to ensure freedom for individuals on a liberal internal market. They fear that introducing such a system would have direct repercussions on earnings in Denmark.

The Social Democratic Party and the Social Liberal Party think that reasonable remuneration should be guaranteed for all right-holders, independently of the payment for provision itself. A right to remuneration for copyright-holders and performing artists should therefore be introduced. This right to reasonable remuneration should be administered and subject to laws and agreement in the recipient country.

A harmonised remuneration system based on use in the recipient country would provide greater certainty that the payment matched actual use. If agreements on remuneration had been concluded in the recipient country, this would undoubtedly facilitate the conclusion of agreements in the country of origin, assuming of course that such agreements guaranteed payments to right-holders in the country of origin. Conclusion of agreements, collection and distribution would therefore have to be via an effective compulsory collective management body complying with national (territorial) legislation in accordance with the Commission's requirements regarding transparency and good practice.

Yours sincerely,

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Chair, European Affairs Committee