

ACT EXTREMELY CONCERNED BY IRRESPONSIBLE IMCO VOTE, CALLS ON MEPS TO INTERVENE IN PLENARY TO AVOID UNDERMINING EUROPEAN AV VALUE CHAIN.

BRUSSELS, 25 OCTOBER 2023. ACT deplores the vote that took place today in the European Parliament’s IMCO Committee. Contractual freedom and territorial exclusivity are at the heart of how the audiovisual industry finances itself. The entire set of audiovisual actors in Europe, small and large, public and private, national or pan-European acknowledge that these are fundamental pillars for the sector’s sustainability.

By seeking to include copyright protected works in the scope of the geo-blocking regulation, the IMCO committee has regrettably let Europe’s creative industries down; preferring to pursue a populist agenda that sits far from the realities of our sector and the realities on the ground.

The completion of the Single Market has always been an exercise of balance with other core principles of the Union such as cultural diversity and media pluralism. We would expect that all decisions should be taken based on a thorough assessment of the impact of policy measures on said markets, as clearly stated by the European Commission in their short-term review of the Geo-blocking Regulation¹. The data for now tells a clear story of success, growth and access. The European Audiovisual Observatory’s independent analyses and data collection² confirm a giant leap in the availability and circulation of works, new services and titles across Europe for all consumers to enjoy.

Regrettably, the measures envisioned in the text by the Committee responsible for consumers, will end up harming consumers most³. At stake is the economic sustainability of the sector, and with it the ability for audiences to benefit from a diversity of content produced and distributed across multiple distribution channels offline and online. For more than 20 years, our sector has been responding to consumer demand, embracing the opportunities created by digital technologies in offline and online exploitation. We want to continue doing so.

We thus call on all Members of the European Parliament to be guided by their Culture and Education Committee (CULT) colleagues in the plenary vote. CULT members adopted an Opinion⁴ supported by the entire AV chain; reflecting CULT’s deep understanding of the sector and the balanced approach required to support a healthy, robust and lively cultural and creative sector.

Grégoire Polad, ACT Director General, stated: *“We regret that the proponents of this radical change continue to operate on anecdotal or partial evidence, to suggest a market failure that is not verified by facts. We also regret political posturing which gambles with the growth of companies across Europe and the hundreds of thousands of jobs that they support. Specifically, where the changes advocated in the name of the Single Market clearly fail to demonstrate (a) a problem, and; (b) valid alternative financing systems. We strongly encourage MEPs to follow the CULT Committee’s recommendations on the upcoming plenary vote for the geo-blocking implementation INI”.*

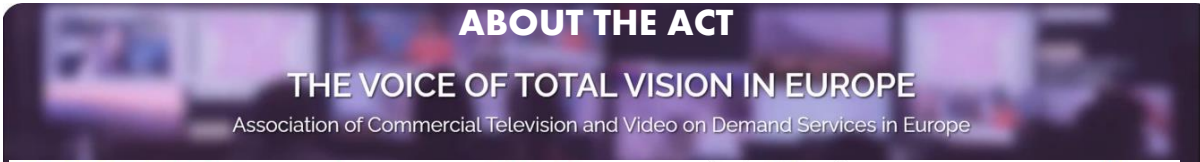
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¹ [EC Short-term review of the Geo-blocking Regulation](#)- *“The Report also identifies the potential impact that such an extension of the scope would have on the overall dynamics of the audio-visual sector, but concludes that it needs to be further assessed”*

² [Film and TV content in VOD catalogues](#), European Audiovisual Observatory, published 7th April 2022.

³ [The impact of including AV in the EU Geoblocking Regulation](#), Oxera, 17th November 2020. *“significant short-term impact on industry and consumers, with up to €9.3bn of welfare lost per annum—as well as medium- to long-term outcomes that would be worse than they are today (a welfare loss of up to €4.5bn per year).”*

⁴ [CULT Opinion](#) on the implementation of the 2018 Geo-blocking Regulation in the digital single market



ACT members are at the heart of Europe’s media landscape; embracing the digital environment and continuously providing new services, formats and content to meet the growing European demand for quality content on various distribution models. ACT member companies finance, produce, promote and distribute content and services benefiting millions of Europeans across all platforms. At ACT we believe that the healthy and sustainable commercial broadcasting & VoD sector has an important role to play in Europe’s economy, society and cultures.