



Creativity Works! Reply to the European Commission's Call for Evidence on the Digital Networks Act

We, as Creativity Works!, the leading coalition representing Europe's cultural and creative sectors, welcome the European Commission's call for evidence for the Digital Networks Act. Creativity Works! members produce, publish, distribute and exhibit a wide range of creative and cultural content in the European Union. We understand and value the importance of widely available telecom infrastructure to ensure citizens can access cultural works, this is why we welcome initiatives that promote investment in high-capacity networks, such as fibre, 5G, 6G, and satellite, as these advancements are essential for enabling the seamless distribution of creative content across Europe.

However, when considering measures relating to the level playing field, the Commission should carefully examine the potential impact of any mandatory dispute/cooperation mechanism between actors of the broader connectivity ecosystem. The introduction of a mandatory dispute resolution mechanism could result in network providers being able to compel content providers to pay for their content to be delivered to consumers, resulting in what would amount to network fees in practice.

Additionally, as found by BEREC in its 2024 [report](#) on the IP Interconnection Ecosystem, the interconnection market functions well. As there is no market failure to address, Creativity Works! Members believe that any policy intervention in this space is unwarranted. Further, a significant percentage of content consumed online is pirated ([e.g. an estimated 24% of live sport in 2024](#)). This carries with it a substantial bandwidth burden. Therefore, we encourage operators to address this pressing issue in the first instance.

1. The creative sectors reject the introduction of a network fees regime or a dispute resolution mechanism.

Introducing **any type of "network fees" regime** including a mandatory dispute resolution, would **fundamentally change the way the internet operates**, have a **detrimental effect on the creative and cultural sectors**, **threaten net neutrality** and **harm consumers**.

Such a regime would also have **unintended consequences on the significant investments made by the cultural and creative sectors** in a wide range of **diverse content**. Even if limited to certain players, it can be extremely difficult to distinguish where exactly internet traffic is coming from and many local content providers, such as domestic audiovisual media services that use cloud services to deliver their content, would be affected by such fees as costs would likely be passed on to them. This in turn would likely raise prices for consumers.

2. The creative sectors already invest in content, which in turns contributes to driving demand and revenue for telecoms services, thereby benefiting the internet ecosystem.;

Creative and cultural sectors support ISPs by allowing Europeans to derive value from the premium broadband connections they purchase to watch, read, stream, play or listen to our content. The creative works brought to EU audiences by creative content providers, in particular high-quality video-on-demand (VOD), music-on-demand (MOD) services, live sports content, as well as video game services, is one of the reasons why end customers ask for faster bandwidth speeds, driving additional revenue for ISPs (via the sale of higher bandwidth tariffs). ISPs also often partner with creative content providers, distributing content (i.e. by resale of bundles) which benefit all parties ([Netopia, 2023](#)). Rather than benefiting without paying, content providers both invest heavily in networks and content itself - thereby increasing the demand for ISPs services. Indeed, many ISPs highlight the content for which they hold the rights as part of their advertising strategies, driving consumers towards their services.

As technology evolves, new and innovative services are developed that lead to a further increase in demand for connectivity. This organic relationship between services and connectivity is dynamic and responsive to market demands, driving investment and innovation. Technological advancements and consumer preferences continually shape and redefine the landscape of the digital economy. BEREC acknowledges this symbiotic relationship as it *“considers that there is a mutual interdependence between Content and Application Providers (CAPs) and ISPs. The demand from ISP’ customers for content drives demand for broadband access and the availability of broadband access drives demand for content.”*

3. Introducing network fees would mean that less content would be produced and distributed in Europe - reducing consumer choice and European competitiveness in the creative sectors.

The creative and cultural industries have proven their importance in the everyday lives of European citizens. Europeans enjoy access to almost 170 million music tracks, on more than 800 licensed digital streaming and download services; thousands of catch up TV services; over +3,000 On-Demand Audiovisual Services (VOD); more than 3 million e-book and audiobook titles; a vast array of sports content; and countless images. Video games deliver experiences that enrich the daily lives of more than 54% of all Europeans. Together, we help make the online world a vibrant and engaging place for all while driving technological business developments.

Creative content providers, such as Video-On-Demand, Music-On-Demand, live sports and events and video games, operate in a highly competitive and dynamic market resulting in

significant investments in content and diversity of services. Requiring providers of such services to pay network fees would automatically impair their capacity to make investments in the production and distribution of a wide range of diverse creative and cultural content and in improving their distribution networks.

Europe needs to preserve its cultural diversity in the digital realm and oppose any kind of initiative that might jeopardize the availability of culturally diverse content. The Digital Networks Act must consider the preservation and promotion of Europe's rich cultural diversity.

This is why, as Creativity Works!, we understand the need for and support strong, widely available telecoms infrastructure in Europe to ensure citizens can access cultural content but oppose any initiative that would threaten the sustainability of the European creative sectors and their ability to provide diverse content and services to European consumers.

ABOUT CREATIVITY WORKS!

Creativity Works! members create, produce, finance, publish, distribute and showcase creative content - be it films, TV series, shows, original content, news programmes, music, pictures, books, video games, sports events, and much more.

Creativity Works! is Europe's leading coalition representing our vibrant cultural and creative sectors. Our geographically-diverse, creative ecosystem-spanning membership sets us apart, bringing together book publishers and booksellers; picture agencies; music publishers and independent music labels; producers, publishers and distributors of film and audiovisual content; cinema operators; commercial broadcasters and sports event organisers, as well as video game companies, all under one single European umbrella.

Association of Commercial Television and Video on Demand Services in Europe (ACT); Center of the Picture Industry (CEPIC); The European Audiovisual Production Association (CEPI); Deutsche Fußball Liga (DFL); European and International Booksellers' Federation (EIBF); Federation of European Publishers (FEP); International Federation of Film Distributors' and Publishers' Associations (FIAD); International Federation of Film Producers' Associations (FIAPF); International Confederation of Music Publishers (ICMP); Independent Music Companies Association (IMPALA); International Video Federation (IVF); International Union of Cinemas (UNIC); La Liga ; LFP Media; MEDIAPRO; Motion Picture Association (MPA); The Premier League; VAUNET Verband Privater Medien e.V.

Transparency register ID: **457069318696-53**

More about the coalition on www.creativityworks.eu

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