

LETTER BY EU & NATIONAL BROADCASTING ASSOCIATIONS ON AVMSD REVIEW COUNCIL DISCUSSIONS



Brussels, 19 May 2017

Dear Ministers,
Dear Deputy Permanent Representatives,

RE: Europe's commercial broadcasters restate their attachment to the principle of the AVMS review as regards preserving the Country of Origin Principle and a comprehensive liberalisation of commercial rules.

Associations representing commercial broadcasters at European and national level (BG, DE, RO, UK) call on the Council to adopt a General Approach that delivers greater flexibility for commercial communications and an effective Country of Origin principle.

Across the EU, broadcasters spend €15 billion on original European content, employ 1 million people and provide trusted and highly regulated services. **The possible extension - which may go far beyond the envisioned scope - of levies to broadcasters' linear services established in other countries would be wholly disproportionate.** The proposal will undermine the Country of Origin principle and will not achieve the aim of increasing investment in European content. Broadcasters will be forced to mitigate the impact of a levy on their revenues by cutting content costs or costs in other areas, or deciding not to localise their services or enter markets at all.

This risk would be particularly great in smaller Member States and for more niche services, which particularly rely on the Country of Origin principle to spread content and compliance costs across multiple markets. For example, around 20% of channels supported by the Country of Origin principle are children's, news and factual. They will be first hit by these measures, decreasing choice and the plurality of views needed to sustain vibrant democracy. Further, this principle may encourage the use of fiscal policies as a means to limiting media plurality.

In addition, advertising revenue represents a significant source of income for commercial broadcasters, providing much of the funding needed to create new content and to support sustained investment in high value jobs. **Relaxing certain rules on commercial communications to grant more flexibility in order to be able to compete on an equal footing is crucial.**

We recall that the objective of the AVMSD review is to enable broadcasters to become the powerhouses of the digital economy, not to restrict their ability to offer services to audiences and compete effectively. As European broadcasting associations with members across the EU, we urge politicians and policy makers to ensure our sector's competitive strength in the long term by delivering on the original stated aim of this review "to create a fairer environment for all players."*

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Yours Sincerely,

List of signatories overleaf

* http://europa.eu/rapid/press-release_IP-16-1873_en.htm

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SIGNATORIES

About the Association of Bulgarian Broadcasters (ABBRO)

ABBRO is non-governmental organisation of commercial TV and Radio broadcasters in Bulgaria. The association is the most representative industry body for Bulgaria for the television, radio and on-demand services. Its members operate various national free-to-air, cable and satellite TV channels with the highest rating of viewers' trust, on-demand services and radio networks. ABBRO contributes to the law making process to ensure fair and transparent market rules, as well as favourable legal framework for the development of media services in Bulgaria. www.abbro-bg.org

Contact Anna Tanova | Executive Director | a.tanova@abbro-bg.org

About the Association of Commercial Television in Europe (ACT)

The Association of Commercial Television in Europe represents the interests of leading commercial broadcasters in 37 European countries. The ACT member companies finance, produce, promote and distribute content and services benefiting millions of Europeans across all platforms. A healthy and sustainable commercial broadcasting sector that plays an important role in Europe's economy, society and culture. Canal Plus Groupe, a member of ACT, has requested not to take part in this letter. For more information please consult www.acte.be

Contact Grégoire Polad | Director General | gp@acte.be

About the Romanian Association for Audiovisual Communications (ARCA)

The Romanian Association for Audiovisual Communications joins the main radio and television companies operating in Romania (ProTv, Antena 1, KanalD, Prima TV, Antena 3, RomaniaTv, B1Tv, National Tv, Kiss Fm, Europa Fm, Radio Romania, Radio Zu, National FM, etc). ARCA promotes the regulatory framework necessary to develop a favourable climate for audiovisual media business in Romania, representing both the public interests and business interests of the Romanian broadcasters in relation to the legislative and regulatory institutions. For more information please consult www.audiovizual.ro

Contact: George Chirita | Executive Director | george@audiovizual.ro

About the Commercial Broadcasters Association (COBA)

The Commercial Broadcasters Association (COBA) is the industry body for UK multichannel broadcasters in the digital, cable and satellite television sector, and their on-demand services. COBA members operate a wide variety of channels, including news, factual, children's, music, arts, entertainment, sports and comedy. Their content is available on free-to-air and pay-TV platforms, as well as on-demand. www.coba.org.uk

Contact Adam Minns | Executive Director | adam@coba.org.uk

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About the European association of Television and Radio Sales houses (egta)

[egta](#) is the media trade body for television and radio advertising, representing 137 companies in Europe and beyond. egta members come from both public and private sectors and cover respectively 75% and 50% of the total TV and radio ad spend in Europe, thus playing a fundamental role in the sustainable funding of the European audiovisual and radio industries.

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About the Association of Commercial Broadcasters and Audiovisual Services (VPRT)

VPRT represents approximately 150 commercial broadcasting, audio and audiovisual companies in Germany. With their TV, radio, online and mobile offerings, they enhance Germany's media landscape in terms of diversity, creativity and innovation. To ensure a vibrant audiovisual media landscape in the digital world, VPRT helps shaping favourable regulatory, technological and economic parameters. As a trade association, we support our companies in their dialogue with politicians and market partners in order to achieve this goal - at both a national and EU level.

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