

## European Commission Adopts Communication on Cinema and Audiovisual Industry

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The European Commission has adopted a wide-ranging Communication which examines many legal issues relating to the European audiovisual industry in general and the cinema in particular. The Communication, which presents the Commission's policy orientations as well as discussing possible initiatives, grew out of a recently-concluded public consultation exercise (see IRIS 2001-5: 4).

The Communication on certain legal aspects relating to cinematographic and other audiovisual works of 26 September 2001, examines issues such as State aid for cinema and television production and the compatibility of such funding schemes with EC law. This examination prompted further discussion of the relevant, existing compatibility criteria which, the Commission concluded, "strike a balance between the aims of cultural creation, the development of the EC audiovisual production and the respect of the EC rules on State aid". Nevertheless, further dialogue with Member States on State funding for cinema and TV production is envisaged.

The Communication accords the preservation of audiovisual works (in the interests of protecting the audiovisual heritage and promoting cultural diversity) a degree of priority. In this connection, the Commission intends liaising with national authorities with a view to coordinating action, facilitating cooperation and exchanging information on best practices. Issues such as the management and exploitation of copyright and neighbouring rights are discussed in the Communication and the possibility of creating public registers of films in Member States is also mooted.

Consideration is given to the potential of e-cinema for increasing the circulation of European audiovisual works. The existing possibility for Member States "to apply a reduced rate [of taxation] to cinema admissions" is highlighted and a study of whether differences in film classification practices in Member States have any impact on the success of films will be undertaken. A group of experts will be established in order to discuss issues relating to the circulation of European audiovisual works and to assist the Commission in its relevant policy-formulation.

The Commission is of the view that any debate pivoting on definitional matters (eg., a "European work" or an "independent producer"), will usefully feed into the planned review of the "Television Without Frontiers" Directive in 2002.



Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on certain legal aspects relating to cinematographic and other audiovisual works, COM(2001) 534 final, of 26 September 2001

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