

# Procedure file

Basic information		
CNS - Consultation procedure Decision	<a href="#">1999/0276(CNS)</a>	Procedure completed
Audiovisual industry: development, distribution and promotion of works, MEDIA-Plus 2001-2005		
Amended by <a href="#">2003/0067(COD)</a>		
Subject 3.30.01.02 Programmes and actions in audiovisual sector		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>CULT</b> Culture, Youth, Education, Media and Sport		22/02/2000
		PPE-DE <a href="#">HIERONYMI Ruth</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>BUDG</b> Budgets		23/02/2000
		PSE <a href="#">WYNN Terence</a>	
	<b>JURI</b> Legal Affairs and Internal Market		29/02/2000
		V/ALE <a href="#">ECHERER Raina A. Mercedes</a>	
	<b>ITRE</b> Industry, External Trade, Research, Energy		27/01/2000
		PPE-DE <a href="#">FIORI Francesco</a>	
<b>EMPL</b> Employment and Social Affairs		24/02/2000	
	PSE <a href="#">ROCARD Michel</a>		
Council of the European Union	Council configuration	Meeting	Date
	Culture	<a href="#">2361</a>	21/06/2001
	<a href="#">Employment, Social Policy, Health and Consumer Affairs2323</a>		20/12/2000
	Culture	<a href="#">2311</a>	23/11/2000
	Culture	<a href="#">2287</a>	26/09/2000
	Culture	<a href="#">2261</a>	16/05/2000

Key events			
14/12/1999	Legislative proposal published	COM(1999)0658	Summary
14/02/2000	Committee referral announced in Parliament		
16/05/2000	Debate in Council	<a href="#">2261</a>	

22/06/2000	Vote in committee		Summary
22/06/2000	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A5-0186/2000</a>	
05/07/2000	Debate in Parliament		
06/07/2000	Decision by Parliament	<a href="#">T5-0338/2000</a>	Summary
26/09/2000	Debate in Council	<a href="#">2287</a>	
20/12/2000	Act adopted by Council after consultation of Parliament		
20/12/2000	End of procedure in Parliament		
30/12/2000	Final act published in Official Journal		

### Technical information

Procedure reference	1999/0276(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Decision
	Amended by <a href="#">2003/0067(COD)</a>
Legal basis	EC Treaty (after Amsterdam) EC 157-p3
Stage reached in procedure	Procedure completed
Committee dossier	CULT/5/12461

### Documentation gateway

Legislative proposal		COM(1999)0658	14/12/1999	EC	Summary
Economic and Social Committee: opinion, report		<a href="#">CES0470/2000</a> <a href="#">OJ C 168 16.06.2000, p. 0008</a>	27/04/2000	ESC	
Committee of the Regions: opinion		<a href="#">CDR0019/2000</a> <a href="#">OJ C 317 06.11.2000, p. 0060</a>	15/06/2000	CofR	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A5-0186/2000</a> <a href="#">OJ C 121 24.04.2001, p. 0009</a>	22/06/2000	EP	
Text adopted by Parliament, 1st reading/single reading		<a href="#">T5-0338/2000</a> <a href="#">OJ C 121 24.04.2001, p. 0177-0427</a>	06/07/2000	EP	Summary
Follow-up document		<a href="#">COM(2003)0725</a>	24/11/2003	EC	Summary
Follow-up document		<a href="#">COM(2008)0245</a>	08/05/2008	EC	Summary

### Additional information

European Commission	<a href="#">EUR-Lex</a>
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### Final act

<a href="#">Decision 2000/821</a> <a href="#">OJ L 336 30.12.2000, p. 0082</a> Summary
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## Audiovisual industry: development, distribution and promotion of works, MEDIA-Plus 2001-2005

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**PURPOSE** : to establish a programme to encourage the development, distribution and promotion of European audiovisual works (MEDIA Plus - Development, Distribution and Promotion 2000-2005). **CONTENT** : The European programme industry must be able to seize the opportunities opened up by the development of digital technologies and take account of the international dimension to the market. There is a serious risk that the domination of the European market by imported programmes, particularly American ones, will extend and increase with the new dissemination methods. The Programme is intended to address the lack of investment in development, the obstacles to the transnational distribution of works, and lack of aid for promotion and market access. 1) Development - there is a need to stimulate greater investment by the industry in the development phase of audiovisual works, with the emphasis on projects which are targeted at the European and international markets and offer the best prospects for commercial success. Two types of operation are planned: - co-financing of the development of individual projects (script-writing, search for financial and artistic partners, assessment and marketing studies) put forward by European producers; - Co-financing of the medium-term strategies pursued by high-performance companies for the development of project packages (slate funding). 2) Distribution sector - the Programme aims to encourage investment in distribution of various types of media, from cinema screening to on-line distribution. It offers selective support in the form of conditionally repayable loans for film distributors who distribute European cinema works outside their country of production. It also offers automatic support for some aspects of distribution as well as supporting film music, sales agents and cinemas, television broadcasting etc. 3) Promotion and market access sector - priority actions will focus on: - improving the conditions for access by professionals to European and international markets by means of specific technical and financial assistance measures; - promoting the use of databases and any other tools for exchanging information and experience relating to the exploitation of catalogues of European programmes - supporting audiovisual festivals that feature a significant proportion of European works. Community funding will not exceed 50% of the cost of operations. This may extend to 60% in cases specifically provided for in the annex to the Decision. The financial reference amount for the five-year duration of the Programme is EUR 350 million. The Programme will run from 2 January 2001 to 31 December 2005.?

## Audiovisual industry: development, distribution and promotion of works, MEDIA-Plus 2001-2005

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The committee unanimously adopted the report (codecision, first reading) by Ruth HIERONYMI (EPP/ED, D) on the Commission proposal concerning the MEDIA Training programme for professionals in the European audiovisual industry. Whilst welcoming the proposal in principle, the committee severely criticised the inadequate funding envisaged. It considered an amount of EUR 70m (instead of 50m) for the training programme as the absolute minimum required. Indeed, further funding possibilities outside this programme - such as cooperation with the European Investment Bank and the European Investment Fund - and more intensive networking should be explored. The committee took the view that the scarce financial resources of the training programme should be focused on in-service training and not on initial training projects, and that it was necessary to define priorities when selecting supported activities. The committee emphasised the need to include radio professionals in the programme in order to facilitate the changeover to digital production methods in the radio sector. Other points raised included the need for coordination between the MEDIA programme and other Community programmes and operations, such as those carried out under the European Social Fund, and for consultants and experts involved in the implementation of the new Media programme to be independent. Last but not least, information for professionals about all funding possibilities should be comprehensive and easily accessible. ?

## Audiovisual industry: development, distribution and promotion of works, MEDIA-Plus 2001-2005

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The European Parliament, in its first reading, adopted a resolution drafted by Ruth HIERONYMI (EPP/ED, Germany) amending the Commission's original proposal on the MEDIA Plus programme. The main amendments are as follows: -Article 151 is added to the existing legal base. Member States are called upon at the forthcoming IGC to incorporate the culture and audiovisual industries expressly in Article 151 of the Treaty. -the financial reference amount for the implementation of the programme is increased from EUR 350 million to EUR 480 million. -other sources of financing should be sought to finance the programme, including risk capital. -the management procedure rather than the advisory procedure will apply. -the Commission is required to implement pilot projects particularly in certain specified areas, and the Commission's original proposals on this are deleted. -the emphasis on support for European cinema is increased.?

## Audiovisual industry: development, distribution and promotion of works, MEDIA-Plus 2001-2005

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**PURPOSE**: to reinforce the European audiovisual industry through its development, distribution, and promotion. **COMMUNITY MEASURE**: Council Decision 2000/821/EC on the implementation of a programme to encourage the development, distribution and promotion of European audiovisual works (MEDIA Plus - Development, Distribution and Promotion) (2001-2005). **CONTENT**: The main objectives of the Programme are as follows: - an improvement in the competitiveness of the European audiovisual sector - including small and medium-sized enterprises - on the European and international markets, by supporting the development, distribution and promotion of European audiovisual works, taking account of the development of new technologies; - strengthening the sectors which help improve the transnational movement of European works; - respect for and promotion of linguistic and cultural diversity in Europe; - enhancing the European audiovisual heritage, in particular by digitisation and networking; - development of the audiovisual sector in countries or regions with a low audiovisual production capacity and/or a restricted linguistic or geographical area and strengthening networking and transnational cooperation between small and medium-sized enterprises; - the dissemination of new types of audiovisual content using new technologies. Specific objectives of the Programme in the development field include the following: - to promote, by providing financial support, the development of production projects (dramas for cinema or television, creative documentaries, animated films for television or cinema, works exploiting the audiovisual and cinematographic heritage) submitted by independent enterprises, in particular small and medium-sized, and aimed at the European and international markets; - to promote, by providing financial support, the development of production projects that make use of the new creation, production and dissemination technologies. Specific objectives of the Programme in the fields of distribution and dissemination include: - to strengthen the European distribution sector in the field of cinema by encouraging distributors to invest in the production, acquisition, marketing and promotion of distribution rights and promotion of non-domestic European cinema films; - to foster the wider transnational dissemination of non-domestic European films, on the European and international markets, through initiatives to stimulate their distribution and their screening in cinemas,

inter alia by encouraging coordinated marketing strategies; - to strengthen the distribution sector for European works on media intended for private use, by encouraging distributors to invest in digital technology and in the promotion of non-domestic European works; - to promote the movement, in the Community and outside it, of European television programmes produced by independent companies by encouraging cooperation between broadcasters, on the one hand, and independent European distributors and producers, on the other hand; - to encourage the creation of catalogues of European works in digital format intended for exploitation on new media; - to support the linguistic diversity of European audiovisual and cinematographic works. Specific objectives of the Programme in the field of promotion and market access include the following: - facilitate and encourage the promotion of European audiovisual and cinematographic works at trade shows, fairs and audiovisual festivals in Europe and around the globe, insofar as such events may play an important role in the promotion of European works and the networking of professionals; - encourage the networking of European operators, by supporting joint activities on the European and international markets by national public or private promotion bodies. As regards financial provisions, beneficiaries of Community support shall provide a substantial proportion of funding, which may include any other public funding. Community funding shall not exceed 50% of the cost of operations. However, in the cases expressly provided for in the Annex, this proportion may reach as much as 60% of the cost of operations. In conclusion, the financial reference amount for implementation of the Programme for the period 1 January 2001 to 31 December 2005 shall be EUR 350 million. ?

## Audiovisual industry: development, distribution and promotion of works, MEDIA-Plus 2001-2005

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The European Commission has presented its report on the implementation and the mid-term results of the MEDIA Plus and MEDIA Training programmes (2001-2005) and on the results of the preparatory action "Growth and audiovisual: i2i audiovisual". This report replaces MEDIA Plus, MEDIA Training and i2i audiovisual in their economic context and analyses the results of the first two years of implementation of these three instruments. It identifies the adjustments which could be made in order to ensure their adaptation to structural developments in the European audiovisual sector. This report covers the period from 1 January 2001 to 31 March 2003. It is based on the conclusions of the mid-term evaluation of MEDIA Plus and MEDIA Training and on the evaluation of the results of the preparatory action "Growth and audiovisual: i2i audiovisual". These two evaluations were carried out by an independent consultant. The economic context for the first two years of MEDIA Plus, MEDIA Training and i2i audiovisual gave cause for concern. The weaknesses of the European audiovisual products sector are essentially structural (internal market in which the circulation of non-national European works is difficult, problems of access to finance). These have been aggravated by economic factors (crisis in audiovisual funding by television stations). Finally, new challenges have been added: adaptation to new technologies and participation in programmes by the accession countries. Community intervention in the audiovisual sector since MEDIA I has been based on a diagnosis of the structural difficulties facing the European audiovisual sector. This approach is still valid, as is shown by the initial results of MEDIA Plus, MEDIA Training and i2i audiovisual, and the existence of financial support at Community level is more necessary than ever. The results set out below provide an overview of the implementation of MEDIA Plus, MEDIA Training and i2i audiovisual: - Results of the Training strand : MEDIA Training makes a decisive contribution to the existence of training with a European dimension. Community financial support represents on average 49% of the costs of training and is vital for the viability of the projects supported. 42% of the training given relates to new technologies, 32% to management and 27% to writing techniques. The quality of training - mostly continuing training - is high. The impact in terms of improving the skills and technical know-how of professionals, particularly in the field of new technologies, is confirmed by the broad sample of beneficiaries questioned by the external consultant as part of the mid-term evaluation. Training also provides an opportunity for participants to forge links with potential partners, particularly with a view to setting up European co-productions. - Results of the Development strand : Development objectives are met both by raising the awareness of professionals as to the importance of the development phase and by giving them access to additional financial resources (support from MEDIA represents on average 16% of development costs). This aid is sufficient to reduce the risks assumed by independent producers. The instruments used in the development strand are well suited to the reality in the sector (slate funding for medium-sized, individual projects for undertakings of more modest size). Support is satisfactorily distributed between the different genres (fiction, documentary, animation, multimedia). The rate of entry into production for supported projects is high and confirms the benefits of development support. - Results of the Distribution strand : The two existing systems (selective support and automatic support) produced satisfactory results in line with objectives: 90% of the films distributed outside their national territory during the reference period for the evaluation received help from MEDIA. Support for TV broadcasting met its objective in helping to stimulate the production of television works with a European outlet. The results of the cinema network action during the period 2001-2003 are in line with the aims pursued. 700 cinemas were supported. European ticket sales increased by 18% and represent 59% of the total. In 2002, cinemas in the network scheduled an average of 38% non-national European works. Market share for non-national European films in cinemas not participating in the network was only 8%. Overall, there is a positive correlation between the number of cinemas supported by MEDIA in a country and the market share for European films in that country. MEDIA makes a clear contribution to reducing the potential risk of showing nonnational European films. - Results of the preparatory action i2i audiovisual : the period covered by the evaluation contained only one selection exercise. 40 projects were supported, totalling approximately EUR million. Average MEDIA support per project selected was EUR 25 000. The action enabled effective compensation for a proportion of the difference between the interest rates applied to micro-undertakings and those applied to larger undertakings. i2i also made it possible to reduce the cost of access to performance guarantees. Since the launch of MEDIA I, the MEDIA programme has proved its capacity to adapt to trends in the European audiovisual market. This approach, ensuring the effectiveness of the programme and maximising its structuring effects, should be pursued with regard to MEDIA Plus and MEDIA Training. The following proposals for adjustments may in most cases be implemented without the need to amend the Council Decisions establishing the MEDIA Plus and MEDIA Training programmes. They could therefore take effect rapidly, from the end of 2003 or the beginning of 2004. Other proposals require an amendment to the Council Decisions: - Facilitating access to finance for SMEs and micro-undertakings at all stages (development, distribution and promotion); - Maintaining centralised management of Community aid, tempered by strengthening the role of the MEDIA Desks; - Establishing synergy between training organisations and forging links with cinema schools; - Adjusting teaching content to the needs of the profession Raising the ceiling for the Community contribution in order to meet the specific needs of the accession countries; - Creating support for pre-production; - Raising the aid ceilings to reflect the realities in the sector more closely; - Recognising the complementarity between the Development and Training strands of MEDIA Plus; - Establishment of slate funding in the distribution field; - Restructuring and enlargement of the "sales agent" measure; - Raising aid ceilings; - TV broadcasting: opening up the system further by amending the rules concerning the transfer of rights; - Using the cinema network to promote European cinema; - Strengthening the presence of European professionals in key markets; - Promoting cultural diversity and encouraging public education in the visual image through broad support for festivals; - Improving the visibility of the MEDIA programme with a view to making it into a label for European cinema; - Advantages of centralised management of Community aid; - Exploiting the potential offered by the MEDIA Desks.?