



# **CEPI Vision Paper for 2030**

## **A Vision for Film and Audiovisual Independent Production in Europe**

## About CEPI

CEPI, the European Audiovisual Production association, serves as a collective voice for over 2,600 independent production companies (hereinafter referred to as independent producers) across 17 countries, brought together through 19 national associations and a pan-European animation association. The core mission of CEPI and its national bodies is to represent and advocate for the interests of independent producers, who are at the heart of the creative industry, navigating the transformative challenges within the audiovisual and film sector.

## The Cultural and Creative Industries

The cultural and creative sectors are significant contributors to the European economy, employing 15 million people in Europe<sup>1</sup> - directly and indirectly - making us the EU's third largest employer<sup>2</sup>. In 2019, the Creative and Cultural Industries (CCIs) accounted for 4,4% of the EU GDP<sup>3</sup> in terms of total turnover, a rise from 4,2% in 2013. The economic contribution of the CCIs exceeds that of several major industries, including telecommunications, high technology, pharmaceuticals, and automotive. Small and Medium Enterprises (SMEs) make up the majority (80%) of firms and employment in the CCIs<sup>4</sup>.

## The Audiovisual Sector

Few other cultural sectors can match the cultural and social impact of the audiovisual industry. The industry engages citizens in a unique way and is a key driver within the cultural and creative industries. It not only creates employment but also strengthens local creativity and promotes cross-border collaboration between European countries. Through new projects and initiatives, the audiovisual sector delivers significant value both regionally and across the EU.

The European audiovisual market is integral to the EU's cultural and economic fabric. Valued at nearly EUR 130 billion in 2022, with EU countries contributing almost three-quarters of this figure<sup>5</sup>, the sector employs roughly 490,000 people<sup>6</sup>. Production is the largest employment area, accounting for 42% of all jobs in the field as of 2019<sup>7</sup>. In 2022, the EU and UK produced 1,951 feature films, an 11% increase from the previous year and the second-highest number on record<sup>8</sup>. The production market includes nearly 96,400 independent production companies, and more than 19,200 post-production companies.

A forward-looking European audiovisual policy has the potential to be highly successful. However, it requires a solid foundation built on a thorough analysis of the current situation. The policy must be equipped to harness emerging opportunities while addressing the challenges facing the industry.

## The Role of the Producer

The life of an audiovisual work typically begins with the conception of a project, led by the producer. Already at this initial phase, the producer collaborates with the writer and the director to develop the screenplay, selects key cast members, as well as considers potential filming locations, costume and set designs and all the production requirements. An essential task for the producer at this stage is securing financing for the project: as the holder of the intellectual property (IP), the producer licenses the exploitation rights of the work to exhibitors, distributors, broadcasters, and streaming platforms for a set duration, through territory-by-territory pre-sales. It's important to note that producers often have

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<sup>1</sup> [IPR-intensive industries and economic performance in the European Union](#), EUIPO, 2019

<sup>2</sup> [Boosting the competitiveness of cultural and creative industries for growth and jobs](#), European Commission, 2016

<sup>3</sup> [Rebuilding Europe - The cultural and creative economy before and after the COVID-19 crisis](#), EY, 221

<sup>4</sup> *Ibid.*

<sup>5</sup> [YEARBOOK 2023/2024 Key trends](#), European Audiovisual Observatory, 2024

<sup>6</sup> [The European Media Industry Outlook](#), European Commission, 2023

<sup>7</sup> *Ibid.*

<sup>8</sup> [2023 edition of FOCUS – World Film Market Trends](#), EAO, 2023

multiple projects in various stages of development. The success of some projects contribute to covering the costs of others that never make it beyond the development stage. In this crucial first phase, producers are the driving force behind the conception and creation of an audiovisual work, assuming the financial, technical, legal and artistic responsibilities associated with the project.

The producer's role extends into the production phase, encompassing marketing and promotional strategies for the film and audiovisual work as well as into the commercialisation and distribution of the work. After completion, the producer seeks opportunities to showcase the work in festivals and other windows.

Throughout the lifecycle of a film or TV project, from development through to post-production, the producer leads the creative, commercial and financial processes. This encompasses a range of responsibilities including the development of the project's concept, securing necessary financing, and overseeing the production process. Additionally, the producer is responsible for managing revenue streams and negotiating licensing and distribution agreements. Revenues from rights management enable them to generate revenues from the exploitation chain, recouping the development and production costs and compensating for the risks they take.

## **Vision**

Europe's audiovisual sector will be a thriving and innovative industry, empowering independent production companies to grow and compete globally. By embracing digitalization and globalization, the sector will create new opportunities, generate jobs across all regions, and showcase Europe's creative talent to both European and international audiences. This vision will ensure that Europe remains a leader in cultural diversity, innovation, and creative excellence, shaping the future of audiovisual content worldwide.

## **The Way Forward**

In this Vision Paper, we guide regulators and policymakers through the unprecedented challenges faced by independent producers:

The rapid evolution of the European audiovisual ecosystem has had a substantial impact on independent producers, their capacity to support diversity of creation and to find financial partners with fair conditions which enables them to build catalogues, grow, and generate revenues to reinvest in new production projects.

We invite policymakers to take the time to understand the complexity of the audiovisual sector, the unique nature of independent producers and their role in the creation of Europe's culture as well as economic growth. Independent producers should be the corner stone of European cultural policies, responsible for the production of diversity which is Europe's strongest cultural asset. We need the regulatory environment to be conducive to carrying out this important role, through these three principles:

- Creating a better level playing field between players of the value chain
- Upholding Europe's cultural sovereignty
- Keeping independent producers at the core of social, sustainable and technical evolutions

It is the **commitment of Europe's independent producers to continue investing in the creation of original and diverse content** and we invite policymakers to engage with us to champion Europe's audiovisual independent production.

## 1. Creating a better level playing field between players of the value chain

### Addressing the oligopsony

The introduction of streaming platforms has dramatically transformed the European audiovisual landscape, both in terms of consumer habits and of the production framework for European film and television. This era, marked by a surge of digital platforms like Netflix, Amazon and Disney +, has led to an increased demand for audiovisual content, presenting a significant growth potential for the film and TV industry as a creative sector. However, this evolution is not without challenges. The market's monopolization by a few US-based giants poses a threat to the diversity and richness of European cultural expressions.

The European audiovisual sector is facing **growing competition from non-EU players**, particularly US-based streaming services, that are gaining substantial ground in our European ecosystem. These platforms tend to favour content which is likely to be the main driver of profitability, potentially sidelining smaller, more unique European projects produced by independent producers with limited budgets, hindering their exposure and funding prospects. This trend risks limiting the growth of the European audiovisual sector and its contribution to cultural diversity. **The monopolisation of the market by few US giants could lead to content homogenisation, diluting the rich tapestry of European cultural expressions, eroding the continent's cultural heritage, and preventing its economic development.** Smaller regional productions that celebrate local traditions, as well as experimental and innovative productions will eventually face marginalisation in this landscape.

The emergence of streaming video services has initiated a new phase in how people consume media, offering a wealth of content and choices for consumers. However, beneath the surface **lies a concerning trend of vertical integration**, limiting development opportunities for independent producers and distributors, making it increasingly difficult for non-vertically integrated creators to access these platforms and to compete. The consolidation of power also threatens diversity and raises concerns about creativity and pricing. With fewer gatekeepers deciding what content is made and distributed, there is a risk of diminished creativity, choice, and innovation.

**The European audiovisual sector operates within an oligopsony.** This market structure, characterised by a limited number of dominant buyers and a large number of suppliers, significantly impacts independent producers by diminishing their negotiating power. In the absence of a protective framework, they are offered contractual conditions that are often to their disadvantage.

Additionally, the oligopsonistic market limits investment opportunities for producers as it concentrates financial resources among a few major players, discouraging smaller players and overall reducing industry competitiveness and capacity for growth. Overreliance on a single or a small group of investors increases vulnerability of independent producers, potentially jeopardising projects, economic development and creative independence.

To address these challenges and preserve the future of media, it is essential that:

- ❖ **Antitrust agencies and lawmakers take into consideration the entire audiovisual landscape, including the impact on independent production when assessing any consolidation of audiovisual industry players, as well as investigate potential anti-competitive practices, and increase regulation and oversight of the streaming industry.**

### **Strengthening AVMSD provisions to supports independent producers and AV sector economic growth**

The 2018 Audiovisual Media Services Directive (AVMSD) is a corner stone of European audiovisual policies and has introduced several provisions in support of independent productions and greater availability of European content. The Directive is directly responsible for the increase of European works in VOD services catalogue, which represent an average of 35% of catalogues<sup>9</sup>. In addition, 14 Member States have used the opportunity set by the Directive to adopt financial contribution obligations for cross-border VOD service providers, thus directly contributing to national production and film funds.

However, in light of the evolution of the ecosystem, and the importance to continue supporting the production and consumption of European works, CEPI believes that the European Commission should build on the existing provisions.

Quota obligations are an essential tool to incentivise the promotion, visibility, and circulation of European works. Some media services providers have fulfilled their quota requirements by acquiring existing catalogues of European works; while acquisition can give a new life to an already produced work, it is important that media service providers also fulfil their requirements through **the promotion and investment in new European content**.

In addition to potentially increasing quota levels for European works, there should be a **stronger focus on qualitative criteria**. This could be achieved through the inclusion of sub-quotas that consider factors such as works in national languages/non-national languages, recent productions, and different genres. These criteria aim to ensure the relevance and quality of European works within the catalogues. According to an Ampere Analysis report, increased viewing of international programming in English speaking markets shows that, as content producers diversify production regions, viewers are ready and willing to transform their viewing habits<sup>10</sup>, demonstrating the clear benefits of having diverse content available and promoted to audiences.

- ❖ **CEPI calls on the European Commission to consider qualitative criteria for the quotas of European work in catalogues, such as, through the inclusion of sub-quotas that consider factors like investment in new content, works in national languages/non-national languages, recent productions, and different genres.** The Directive currently lacks robust monitoring and enforcement mechanisms. Based on the country-of-origin principle, the quota provision of services offered in several EU territories remains difficult to monitor, and by extension, to enforce.
- ❖ **The newly created European Board for Media services (formerly ERGA) should further contribute towards more effective monitoring and enforcement for media service providers active in several Member States.**

The Directive includes an obligation for the promotion of European works, which has not received sufficient attention. Promotion plays a pivotal role in enhancing the visibility and consumption of European content. Currently, a dedicated section for European works accessible from the homepage of the service, highlighting European works through, for example, banners or similar tools as well as the possibility to search for European works in the search tool seems to be the most used method of promotion<sup>11</sup>.

- ❖ **In order to continue this effort of promotion, media regulatory authorities should explore innovative, potentially technical, methods for monitoring and ensuring compliance.**

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<sup>9</sup> in a selection of 21 Member States and Norway. [European Commission report on the application of article 13,16 and 17 of Directive 2010/13/EU as amended by Directive \(EU\) 2018/1808 for 2020-2021](#), 2024

<sup>10</sup> [Ampere Analysis report](#), 2024

<sup>11</sup> [European Commission report on the application of article 13,16 and 17 of Directive 2010/13/EU as amended by Directive \(EU\) 2018/1808 for 2020-2021](#), 2024

**Transparency is crucial to accommodate technological advancements, particularly the prevalence of algorithmic recommendation systems.**

CEPI welcomes the growing adoption of investment obligations by EU Member States. This trend reflects the increasing interest in this instrument as a means to support diversity of creation and the growth of the audiovisual industry. Although many have opted for a relatively low level of direct investment obligations, CEPI believes that **the adoption of financial obligations should be generalised across Member States, in a manner adapted to each national market.**

Besides countries which have imposed a levy for their film fund, most direct investment obligations do not include specific requirements and can be fulfilled through any production model, including in the form of commissioning. This approach provides very few long-term economic benefits to the industry, merely temporary employment for the duration of the project. With such a model, the intellectual property of the work usually does not remain with the producers, thus no further remuneration can be used for growth and investment in new projects. In order to strengthen the long-term development of European cultural assets and its industry, **financial investment should not just be quantitative but also qualitative**, with part of the investment obligations reserved towards independent productions from EU Member States, with technical and artistic participation as well as financial contribution, including criteria such as ownership of a substantial share of IP rights for the producer, exploitation rights, limitation of exclusive rights duration for media service providers.

- ❖ **CEPI calls on the European Commission to encourage the adoption by Member States of qualitative criteria as part of the financial obligations, such as part of the investment obligations reserved towards independent productions, IP ownership for the producer, limitation of exclusive rights duration for media service providers, investment in diverse genres.**
- ❖ **To prevent streaming platforms from solely fulfilling their investment obligations through commissioning, consideration should be given to having all media service providers allocate a specific portion of their production budget to European works created by independent producers.**

### **Accessing audience data to limit information asymmetry and support risk taking**

In order to strengthen producers bargaining power, it is essential that producers get access to audience viewing data in a transparent manner.

This is a long-established practice for cinema admissions. The lack of transparency, especially from streaming platforms, has been a significant concern. **This data empowers producers by providing insights into viewership, audience demographics, and content engagement.** Armed with this information, producers can make informed decisions for future projects, better integrating audience preferences into their thinking about production.

Audience consumption data is not only about creative choices but also plays a pivotal role in negotiations with media service providers. **Access to data on content performance significantly strengthens producers' negotiation position and enables talent to be better remunerated.** This transparency promotes a fair exchange of information, ensuring producers are well-prepared for discussions on distribution agreements, licensing terms, and revenue-sharing. Providing audience consumption data mitigates the information imbalance that often favours media service providers, particularly streaming platforms. With a clear understanding of the performance of their content, producers can advocate for fair compensation, negotiate favourable terms, and assert control over the exploitation of their works.

- ❖ **CEPI calls on the European Commission to better recognise the value of data for producers and to ensure that producers get access to data in order to improve their bargaining power with audiovisual media service providers as well as in order to aid in promoting diverse and culturally rich content.**

### **The essential access to diverse funding**

In the dynamic landscape of the European audiovisual and film industry, the clarity and accessibility of financial resources for producers are paramount. Currently, producers, particularly those from independent sectors, face significant hurdles due to the complexity and opacity of financial regulations and processes. To remedy this, a concerted effort must be made to streamline and clarify the financial frameworks within which producers operate.

Firstly, the establishment of more straightforward and coherent guidelines for financing is critical. This would entail simplifying the existing criteria for funding eligibility and ensuring these criteria are widely communicated and easily understandable. Such standardization would not only aid producers in navigating the financial landscape but also expedite the process of securing necessary funds.

Moreover, transparency in the application processes for grants and funding is essential. A clear and straightforward application process would significantly lower the barriers that currently hinder producers' access to crucial financial resources. Additionally, broadening the spectrum of available funding sources, including public, private, and hybrid models, is vital.

Tailored financial support mechanisms for SMEs would not only bolster their economic stability but also contribute to the richness and diversity of European cinema.

- ❖ **Diversifying the financial landscape is crucial. Increasing the number of financial partners and investors provides producers with more financing options, encouraging competition and granting them flexibility during negotiations in an environment which is fair for the producer.**

One of the key elements to contribute to independent producers accessing finance is a stable and properly financed public service broadcaster. Public service broadcasters are one of the traditional partners of independent producers, contributing to the production of diverse works. Investment commitments can only be developed on the condition that public service broadcasters benefit from a stable and proper budget.

### **The essential MEDIA programme**

The Creative Europe MEDIA programme plays an essential role for independent producers across Europe, by supporting them in the production of fully independent content which highly contributes to the development of original ideas and to the diversity of works made available to European audiences. The MEDIA programme also represents a strong landmark for the support of independent productions and co-productions across Europe, including through high standard settings, which heavily influence conditions of fund allocations, and business models at national levels.

While CEPI understands that the Creative Europe MEDIA programme can be subject to evolutions over time, it is important that its cultural objectives remain at the core of the programme. In addition, we call on the Commission to ensure that any expansion of the MEDIA programme to include other and new creative industries always be matched with a proportionate increase of the budget of the programme in



order to maintain the balance of funding distribution among various industries, while promoting the growth and development of new creative and cultural sectors.

- ❖ **Considering the importance of the MEDIA programme for independent producers and its influence on national film funds and business practices in general, it is important that the European Commission engage dialogue with relevant stakeholders prior to making changes to key elements of the programme.**

## **2. Upholding Europe's cultural sovereignty**

### **Independent producers are at the core of European film and audiovisual diversity**

Independent producers are an essential component of European diversity and creativity, by playing a central role in the development, production, and post-production phases of an audiovisual work, which they fully back and oversee. They hire talents, define and control the exploitation strategy of the work, secure and are responsible for the financing while bearing huge risks and the completion responsibility. Producers would usually balance this risk taking with the benefits that they derive from owning the IP associated with the work, and control of all the exploitation rights. This ownership contributes not only to recouping the development and production costs but also to ensuring revenues for authors, creators, and contributors over time. By offering creators the opportunity to contribute freely to a highly competitive field, independent production fosters creativity and empowers democratic values by ensuring a broad spectrum of voices and perspectives. This enriches cultural discourse and reinforces the foundations of democracy.

However, increasingly, the current environment tends to force audiovisual producers in a restricted executive position, which limits their capacity to uphold cultural diversity and democracy.

In the context of market concentration and monopolisation within the industry, safeguarding independent production companies, often SMEs or VSEs, is of paramount importance. Given the prevailing industry concentration and growing influence of US companies, ensuring the protection and support of European SMEs and VSEs remains vital for the EU's economic growth and prosperity.

- ❖ **CEPI calls for a better recognition of the role of independent producers in the support of the European audiovisual diversity of creation, including their rights and responsibility. In particular the completion bond responsibility, which is balanced with a control of the distribution and the ownership of the IP.**

### **Maintaining the principles of a strong definition of independent producers at European level**

Broadcasters and platforms are constantly looking for new ideas to develop and produce new talent and new products. To do so, they source on proposals from independent producers, who in turn are the firsts to invest in the developing new ideas and nurturing new talent to present to potential investors. This dynamic relationship underscores the vital role of independent producers as primary innovators and contributors in the industry.



Variations of the definition of independent producer exist at national levels across Europe, all based on a set of criteria specified in the AVMS Directive<sup>12</sup>. On the basis of these criteria, each national definition has been crafted to fit with the local ecosystem.

In parallel, the definition of the MEDIA programme is essential; an independent producer should not be under the control of a broadcaster or streamer. Altering it to include production companies owned by broadcasters or streamers could lead to market concentration, undermining diversity in the audiovisual and film industry.

In addition, any change to the definition of independent producer in the MEDIA programme is likely to impact national film fund definitions in a domino effect, thus creating a European-wide shift away from independent production.

- ❖ **CEPI calls on the European Commission to maintain the current definition of independent producers in the Creative Europe MEDIA programme.**

### **Intellectual property rights, an asset for independent producers and for Europe**

CEPI welcomes the recognition in the Media Outlook of the importance of intellectual property and its quality as a strategic asset for European media companies. In addition, CEPI also confirms the finding of the Media Outlook which identifies a **growing trend for intellectual property rights to be increasingly transferred fully or in part to streamers and broadcasters in exchange for a flat rate payment**, as well as the growing importance of non-EU streamers and broadcasters as business partners<sup>13</sup>.

The consequence of this situation is a **growing trend of transfer of European works intellectual property outside of the European Union**.

This exportation of assets has significant consequences on the capacity of the European media sector to perceive long-term revenues from the exploitation of these works. There is a growing concern that these practices will make producers dependent on commissioners and will drain resources from their production, with a direct impact on their capacities to invest in a diversity of projects.

As a consequence, Europe has a vibrant production of European works, yet, **shrinking European catalogues**. This trend creates a Europe cultural sovereignty challenge with long-term implications for European film and television. The shift towards transferring the IP to broadcasters and streamers, especially non-EU ones, poses challenges for independent producers which risk losing their creative control and their IP rights, leading to diminishing the variety of content available to audiences, which in turn could have adverse effects on both cultural expression and the economy. It also leads to European companies depending more and more on US streaming platforms and studios for their projects. These US companies can decide abruptly to end or delay a project, often without consulting their European partners, which seriously threatens the viability of independent production companies.

- ❖ **CEPI urges the European Commission to recognise the pivotal role of intellectual property in preserving our cultural heritage, fostering the growth of European catalogues, and sustaining revenue streams from different channels, thus facilitating reinvestment by European producers in new projects and creative initiatives.**

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<sup>12</sup> Audiovisual Media Services Directive 2010/13/EU, recital 71

<sup>13</sup> Results also provided evidence of tendency for producers to transfer all intellectual property rights of a film/TV series to streamers/broadcasters in exchange of an upfront payment. Producers also indicated that broadcasters kept all the intellectual property rights in 11-35%<sup>14</sup> of contracts, and that streamers kept all the intellectual property rights on average in 38-62% of contracts. They also perceived an increasing tendency of the latter to demand full ownership of rights. [The European Media Industry Outlook](#), European Commission, 2023

- ❖ **CEPI calls on the European Union to develop a framework which supports the bargaining power of independent producers, in order to increase their capacity to retain and exploit the rights of the European works produced.**

### **Updating the geographical scope of the definition of European work**

A comprehensive review of the quota provisions and the current geographical scope of the definition of European works is essential. The existing quotas, which aim to promote the presence of European works on EU media service providers, **disproportionately benefit content originating from the UK**, which continues to co-produce extensively with major US studios.

According to the Media Outlook, UK content represents on average 9% of the works in catalogues; in all cases the presence of UK works neared the availability of non-national EU works and in five cases their viewership was ahead of these<sup>14</sup>. Additional data from the European Audiovisual Observatory shows that UK works represent 8% of European VOD catalogue, with all European works representing 34%. It is also worth noting that 29% of spending on European original content in 2023 went to UK works. Finally, the UK leads exports on VOD and TV in the EU<sup>15</sup>. By contrast, in 2020, the European Audiovisual Observatory found that UK content was predominant in European catalogues on-demand services with more than 50% of European series catalogues (22% of European film catalogues) offered on SVOD services originating from the UK<sup>16</sup>.

The inclusion of UK works in the scope of the definition of European works in the AVMSD compromises the Directive's goal of promoting production and distribution of European works. Rather than enhancing the circulation of European works, this practice distorts the intended purpose of the quota system and investment obligations. In addition, this situation enables the strong tradition of co-productions between the US and the UK to benefit from the status of European work.

Removing predominant UK works from the European works definition would open up more opportunities for European content to reach audiences through the quota obligation, without impacting access of European audiences to UK content.

- ❖ **CEPI calls on the European Commission to consider a review of the geographical scope of the definition of European work to preserve the integrity of the EU's audiovisual industry and strengthen its objective to promote audiovisual works from EU Member States.**

### **Territorial licensing, a key component to producing a diversity of content for a diversity of audiences**

The territorial licensing of rights is important for producers and for the audiovisual sector as a whole and a key component of its capacity to produce various and local content for audiences in all Member States.

In our dynamic digital landscape, finding the right balance between territoriality and cross-border content accessibility has become crucial. The European Commission should explore mechanisms that **strike a balance between enabling wider access to European works while preserving their territorial rights**. This balance will enable European works to generate revenues across borders, contributing to a thriving European audiovisual industry. By striking this equilibrium, we can ensure that our cultural heritage remains intact, while also fostering economic sustainability in the digital age.

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<sup>14</sup> [The European Media Industry Outlook](#), European Commission, 2023

<sup>15</sup> [YEARBOOK 2023/2024 Key trends](#), European Audiovisual Observatory, 2024

<sup>16</sup> [Film and TV content in VOD catalogues - 2020 Edition](#), European Audiovisual Observatory

The key financing principles that include copyright and exclusive territorial licensing are vital for the sustainable financing of films and audiovisual content. They also play a pivotal role in maintaining content and cultural diversity, fostering pluralism, and supporting a diverse range of distribution models that ultimately benefit EU consumers<sup>17</sup>. Without territorial licensing, the audiovisual sector, in the short term, could face annual losses of approximately 8.2 billion euros, with viewers experiencing a loss of about 9.3 billion euros<sup>18</sup>. In the long term, producers could lose around 3.6 billion euros annually, while viewers could face losses of about 4.5 billion euros<sup>19</sup>.

We strongly support creativity, innovation, and economic growth in Europe, and we believe that any potential reforms should be approached with great care. Imposing a general ban on access restrictions risks imposing a rigid ‘one-size-fits-all’ licensing model in Europe would negatively impact our sector’s operations and its capacity to co-finance the production of works.

- ❖ **CEPI encourages the European Commission to preserve the territoriality principle of the European audiovisual ecosystem as a way to maintain the broadest diversity of creation for all audiences across the EU.**

### **Fight against piracy**

Piracy significantly undermines the European film and TV industry. It infringes on IP rights, affects revenue generation, undermines legal safeguards for creators, resulting in financial losses and diminishing the incentive for creative endeavours, thereby destabilizing the market.

The Digital Services Act (DSA) includes critical provisions aimed at combatting online piracy, such as article 16, which provides a mechanism to report illegal content on certain online service providers. These measures are crucial for establishing a safer and more accountable digital environment, protecting the rights and investments of creators and producers. Therefore, effective implementation of the DSA is vital to safeguard intellectual property rights and maintain the sustainability of the European audiovisual sector. This includes holding digital platforms accountable for the content they host.

- ❖ **CEPI calls for the effective implementation of the DSA to safeguard intellectual property rights and maintain the sustainability of the European audiovisual sector**

### **3. Keeping independent producers at the core of social, sustainable and technical evolutions**

### **Developing an Artificial Intelligence which works for independent producers**

The potential of AI tools in the audiovisual sector is immense, offering opportunities for innovation and growth across the industry. Embracing the full potential of technological evolution, particularly the transformative emergence generative AI, is a significant development for the audiovisual sector.

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<sup>17</sup> [Opinion of the Committee on Culture and Education for the Committee on the Internal Market and Consumer Protection on the implementation of the 2018 Geo-blocking Regulation in the digital single market \(2023/2019\(INI\)\)](#), 2023

<sup>18</sup> [The impact of crossborder access to audiovisual content on EU consumers](#), Oxera and O&O, May 2016

<sup>19</sup> *Ibid.*

**Ensuring that the full potential of AI benefits all industry players is crucial.** It is not just about levelling the playing field, but also fostering innovation, creativity, and diversity in storytelling, for the entire ecosystem.

- ❖ **The EU should establish policies and initiatives that promote accessibility and ensure that the efficiencies resulting from AI are available to SMEs and VSEs, as well as support the development of AI tools tailored to independent producers' uses. Financial support is essential to bridge this gap and enable smaller players to harness the power of AI.**

Artificial intelligence models need a lot of data to train. Existing **copyright rules must be respected** and AI systems must be trained solely on lawfully accessed data, including the respect the opt-out rights of the rightsholders, and the obtention of proper licenses and permissions for copyrighted content used in AI training. AI systems must also provide meaningful transparency which is vital for addressing the challenges posed by AI-generated content, which can sometimes blur the lines between human and machine creation. Transparency is required to ensure that audiences are fully aware of the artificial nature of content created by or with AI.

- ❖ **CEPI calls on the European Commission to pay special care in the interest of rightholders and the respect of copyright law in the development of artificial intelligence systems and the implementation of the newly adopted AI Act.**

AI production, especially in animation, consumes massive amounts of energy, with supercomputers having a substantial carbon footprint. It's crucial to strike a balance between technological innovation and sustainability, ensuring that developments like AI are part of eco-friendly solutions.

### **Supporting sustainability of audiovisual independent productions**

In recent years, the audiovisual and film industry has increasingly recognized the importance of sustainability and sustainable production practices. While many private organisations have been working diligently to convey these messages, **the need for substantial public support is imperative to make a transformative impact.** Governments and public institutions can play a pivotal role in promoting eco-friendly practices by providing financial incentives, resources, educational initiatives, and regulatory frameworks that encourage sustainable production methods.

Investing in research and development of sustainable technologies in audiovisual work and filmmaking is also essential. It is also important to ensure that these technologies are accessible to everyone; it can drive broader adoption of eco-friendly practices across the industry, as well as ensuring that VSEs and SMEs are part of this technological evolution. Additionally, the development of regulatory frameworks that prioritize sustainability in audiovisual and film production, distribution, and consumption is vital.

Embracing sustainability is no longer an option but a necessity. With robust public backing, the European audiovisual and film industry can lead the way in environmental stewardship, setting a benchmark for other sectors to follow. This commitment to sustainability not only aligns with global environmental goals but also represents a strategic investment in the cultural and economic future of Europe's creative industries.

- ❖ **Substantial public support is imperative to make a transformative impact. Governments and public institutions can play a pivotal role in promoting eco-friendly practices by providing financial incentives, resources, educational initiatives, and regulatory frameworks that encourage sustainable production methods.**
- ❖ **The development of regulatory frameworks that prioritize sustainability in audiovisual and film production, distribution, and consumption is vital.**

### **Producers as social partners**

Producers are responsible for hiring talents and crew. As employers, they take part in discussion with the other social partners on a variety of topics which impact production teams. They also bear the responsibility to ensure that the production of a work takes place in the right environment.

Discussions around issues such as health and safety and prevention of gender-based violence are essential to develop tools and solutions for a safe work place and responsible productions, supported by adapted insurance systems. Diversity in front and behind the camera is also an important element to help the production of representative content for the widest audience, with a diverse workplace.

Training for producers, as well as crew, adapted education programmes for students in the audiovisual sector are important to help further discussion, create awareness and encourage best practices.

- ❖ **CEPI calls on the European Commission to continue to support exchanges between the social partners within the European Social Dialogue Committee, and to directly engage with the relevant stakeholders if necessary.**

### **Conclusion**

In this Vision Paper, we have presented guidance and recommendations to policy makers, regulators and industry stakeholders to work together to create a thriving, innovative and diverse European audiovisual environment. This vision will empower independent producers to grow and compete globally and will ensure that Europe remains a leader in cultural diversity, innovation, and creative excellence, shaping the future of audiovisual content worldwide.