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

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The purpose of this report is to evaluate the results of the MEDIA plus and MEDIA Training programmes. To recall, the MEDIA plus and MEDIA Training programmes covered the years 2001-2006. Their main objective was to boost the competitiveness of the European audiovisual industry and to encourage the distribution of works outside their country of origin. The main findings of the report are as follows:

Economic and structural difficulties: the most significant challenge faced by the programme was the entry of ten new EU Member States and their incorporation into the programmes. This enlargement accentuated the heterogeneity of the European market. Investment capacity and state aid are at a much lower level in these countries compared to the rest of Europe. One further major challenge was the rapid development of new technologies – digital technology in particular. This made the situation concerning European film distribution worrying. Digital copies of films exist, but European films are not well represented on digital broadcasting platforms. The report finds that the European audiovisual market is still very fragmented – largely due the linguistic and cultural diversity of the different EU Member States. Similarly the production sector remains very fragmented characterised by poorly integrated, small structures whose survival hangs in the balance. The lack of training for European audiovisual professionals is also a worrying trend. Not enough resources are dedicated to project development - such a writing, financing arrangements and drawing up marketing plans. This stage, nevertheless remains vital for the quality and export potential of works. At the consumer stage the distribution sector remains fragmented along national lines and its competitiveness – both globally and within the EU is, as a result, weak.

General conclusions for the 2001 -2006 period: generally speaking, the report finds that the programme has contributed effectively to increased training, the development of a European dimension to certain works (including the pre-production phase), improved competitiveness; and the distribution of works. Thus, the non-financial effects of the MEDIA programme have had a lasting, structured impact on the whole sector and the distribution of works depend directly on continued European financing.

The report finds that the decentralised MEDIA setup appears to be an efficient way of developing knowledge about the programme– although efficiency depends very much on the persons in charge. The most striking effects of the programme are those of a qualitative nature namely building networks, joint collaborations, increasing market knowledge and increasing awareness of European products on international markets. Withdrawing support could lead to the disappearance of certain types of training, a reduced transnational distribution of works and less investment in works from countries with a low production capacity where MEDIA is a vital element in the financing of works.

Recommendations: the report also sets out a number of Recommendations. In short, they are:

- **To focus on adapting to the market:** for example, by allowing the programme to adapt to changes; finding way of anticipating sector changes; introducing a system of indicators for following up the programme's performance; and monitoring the market.
- **To adapt the action plan to the limitations faced by users:** for example, by rethinking and simplifying the means of accessing the programme; adapting the intervention measures to the temporary nature of the sector; and by focusing on MEDIA's human and organisational resources.
- **To exploit the network's potential:** for example, by developing a tool for measuring performance; and by providing MEDIA desks with effective tools and resources.
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- **To the aims and methods of the market in order to increase their relevance and effectiveness:** for example, to maintain momentum in terms of re-balancing the markets; and to revisit the relevant geographical level for certain lines of actions – such as selective distribution, automatic distribution, sales agent etc.

To conclude, the interim and final evaluations of the MEDIA Plus and MEDIA Training programme confirm the positive results of the programmes on the audiovisual sector. They reaffirm both their relevance and objectives, Furthermore, the evaluations confirm that Community action offers added value to the MEDIA sector. The report, therefore, finds that the programmes should be maintained, whilst adapting to changes in market requirements, which is precisely what the new MEDIA 2007 programme sets out to do.