Television broadcasting activities. 'Television without frontiers'

1995/0074(COD) - 26/06/2009 - Follow-up document

This report is the Seventh Annual Report from the Commission on the application of Directive 89/552 /EEC “Television without frontiers” between 2007 and 2008.

The main objective of this report is to describe and analyse the salient facts relating to the application of the TWFD during the reference period. On 11 December 2007, the Council and Parliament adopted Directive 2007/65/EC, to be transposed not later than 19 December 2009. This Directive, which entered into force on 19 December 2007, substantially amended the TWFD and re-named it "Audiovisual Media Services Directive" (AVMSD) (see COD/2005/0260). The new provisions of the Directive will also be referred to.

Recent technological developments and development of the television market in Europe: Pay-TV operators have generally reaped significant rewards for their activity while traditional free-to-air and public service broadcasters have suffered from stagnating or declining revenues. From a statistical perspective, the most recent data from 2006show net revenues of EU broadcasting companies at almost €79 billion (public service 39%, free-to-air commercial 28%, pay-TV 22%, thematic and teleshopping 11%). By November 2008, more than 4 000 broadcast services were established in the Member States[6]. In addition to 352 analogue and digital terrestrial national channels, some 1 742 channels were available over one or more platforms and at least 650 channels targeted the market of a Member State other than the country of establishment or countries outside the Union. In addition to the channels available nationally or originated in other Member States, it is estimated that more than 1 500 regional channels are available. Moreover, the European public can access more than 750 channels originating from third countries and delivered in at least one Member State.

By December 2008, more than 600 on-demand services were provided by audiovisual media services providers established in the European Union. Most of the non-linear services are provided via Internet or as IPTV services. Audiences have further fragmented as viewers have to a certain extent switched to new channels and on-demand services. However, viewers have not substantially modified their overall viewing patterns over the period under review. In certain countries viewing time increased in 2008 compared with 2006 (*e.g.* UK, Spain, Romania) while in others it declined (*e.g.* Czech Republic, Germany, Belgium, Netherlands). Hungary remains the country where daily viewing is longest (260 min/day), while Austria and Sweden are the Member States where viewers spend the least time watching TV per day (148 and 160 min/day, respectively).

New rules introduced by Directive 2007/65/EC: the new AVMSD provides the necessary level of harmonisation of rules to achieve internal market objectives by providing the legal framework for free circulation of audiovisual media services on the basis of the country of origin principle. Other new rules include those relating to safeguard measures in non-linear services, circumvention procedures in linear and non-linear services, advertising, short reporting, protection of minors and public order.

Enlargement – prospects: Croatia, Turkey and the Former Yugoslav Republic of Macedonia are candidate countries for membership of the European Union. After the alignment of Croatian legislation with the TWFD, the Council of the European Union provisionally closed Chapter 10 of the accession negotiations on information society and media on 18 December 2008. The Council decided to open the same chapter in the accession negotiations with Turkey on the same date on the basis of the compromise alignment of Turkish audiovisual legislation with European audiovisual legislation. As regards the

countries of the Stabilisation and Association process (Albania, Bosnia and Herzegovina, Montenegro and Serbia as well as Kosovo under UN Security Council Resolution 1244/99), the Commission is pursuing a strategy for the convergence of their audiovisual policies with European media standards, in cooperation with the Council of Europe. The Commission monitors the process, paying particular attention to the development of administrative and judicial capabilities.

Future reports: Article 26 of the re-named AVMSD stipulates that no later than 19 December 2011, and every three years thereafter, the Commission must submit to the European Parliament, the Council and the European Economic and Social Committee a report on the application of this Directive and, if necessary, make further proposals to adapt it to developments in the field of audiovisual media services, in particular in the light of recent technological developments, the competitiveness of the sector and levels of media literacy in all Member States. The report should also assess the issue of

television advertising accompanying or included in children's programmes, and in particular whether the quantitative and qualitative rules contained in the Directive have afforded the level of protection required. Therefore, the Member States will have to report to the Commission regarding these various issues. Furthermore, the accessibility of audiovisual media services to people with a visual or hearing

disability and the co- and self-regulatory regimes should also be referred to.

Conclusion: the Commission concludes that this report demonstrates that the Television without Frontiers Directive continues to function as an effective tool to ensure the free circulation of broadcasting services whilst guaranteeing an appropriate level of consumer protection and promotion of European works. The infringement procedures in connection with application of the advertising rules demonstrate the need for close monitoring. However, as stated in the previous report, the legal framework needed to be revised in order to address technological evolution and changes in the market. The adoption of Directive 2007/65 /CE, amending substantially the TWFD and modifying its title, responds to these various issues. The adequacy of this new instrument will continue to be monitored and will be addressed by the Commission in coming reports.