Basic information

2013/2180(INI) INI - Own-initiative procedure	Procedure completed
Preparing for a fully converged audiovisual world **Subject** 3.30.01 Audiovisual industry and services 3.30.06 Information and communication technologies, digital technologies 3.30.08 Press, media freedom and pluralism 3.30.25 International information networks and society, internet 3.50.15 Intellectual property, copyright 4.60 Consumers' protection in general	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CULT Culture and Education	VERHEYEN Sabine (PPE)	17/06/2013
	Shadow rapporteur KAMMEREVERT Petra (S&D) HIRSCH Nadja (ALDE) TRÜPEL Helga (Verts/ALE) MCCLARKIN Emma (ECR) MICHELS Martina (GUE/NGL)	

Committee for opinion	Rapporteur for opinion	Appointed
ITRE Industry, Research and Energy	The committee decided not to give an opinion.	
IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.	
JURI Legal Affairs	CASTEX Françoise (S&D)	14/10/2013
LIBE Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Communications Networks, Content and Technology	KROES Neelie

Key events

Date	Event	Reference	Summary
24/04/2013	Non-legislative basic document published	COM(2013)0231	Summary
12/09/2013	Committee referral announced in Parliament		
21/01/2014	Vote in committee		
28/01/2014	Committee report tabled for plenary	A7-0057/2014	Summary
12/03/2014	Decision by Parliament	T7-0232/2014	Summary
12/03/2014	Results of vote in Parliament		
12/03/2014	End of procedure in Parliament		

Technical information

Procedure reference	2013/2180(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CULT/7/13728

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE522.809	06/11/2013	
Amendments tabled in committee		PE524.687	13/12/2013	
Committee opinion	JURI	PE523.005	18/12/2013	
Committee report tabled for plenary, single reading		A7-0057/2014	28/01/2014	Summary
Text adopted by Parliament, single reading		T7-0232/2014	12/03/2014	Summary

European Commission

Document type	Reference	Date	Summary
Commission document (COM)	COM(2013)0231	24/04/2013	Summary
Commission response to text adopted in plenary	SP(2014)457	11/08/2014	

National parliaments

Document type	Parliament/Chamber	Reference	Date	Summary
Contribution	SE_PARLIAMENT	COM(2013)0231	09/07/2013	
Contribution	RO_SENATE	COM(2013)0231	10/07/2013	
Contribution	UK_HOUSE-OF-LORDS	COM(2013)0231	24/07/2013	

Preparing for a fully converged audiovisual world

2013/2180(INI) - 24/04/2013 - Non-legislative basic document

BACKGROUND: the Commission's Green Paper shows that **lines are blurring quickly** between the familiar twentieth-century consumption patterns of **linear broadcasting received by TV sets versus on-demand services delivered to computers**. Moreover, with every smartphone enabling converged production as well as consumption, there might be a future shift from 'lean-back' consumption to active participation.

The Green Paper also indicates that connectable TVs will move from 40.4 million devices end of 2012 to a presence in a majority of EU TV households by 2016.

As regards usage of the functions enabled through added connectivity to the internet, the reported rate in the UK in 2012 – which is the highest in the EU - as 11% of the installed base, in comparison with 44% in China, 18% in Korea and 17% in India. In the US, it is envisaged that there will be an increase from the current 22.5% of US households using connected TVs including OTT (Over the Top) connections and game consoles to **up to 43.1 % by 2016.**

While linear general viewing times are still around 4 hours a day across the EU, **the converged experience progressively becomes a reality** and market players develop and adapt business models. Technology already allows the user to create, distribute and access all types of content irrespective of time, place or device.

In this context, the Commission's vision is to seize the opportunity of this changing technological environment to ensure the widest possible access to European diversified content for all Europeans and, the widest choice of high quality offers. The technological ability to deliver content to be legally accessible to viewers throughout the EU could also incentivise market players to create new types of content.

CONTENT : the objective of the Green Paper is to **open a broad, public discussion on the implications of the on-going transformation of the audiovisual media landscape**, characterised by a steady increase in the convergence of media services and the way in which these services are consumed and delivered.

What is convergence? : Convergence can be understood as the progressive merger of traditional broadcast services and the Internet. This results in viewing possibilities extending from TV sets with added internet connectivity, through set-top boxes delivering video content OTT to audiovisual media services provided via PCs, laptops or tablets and other mobile devices. Consumers use tablets or smartphones while simultaneously watching TV, for instance to find out more about what they are watching or to interact with friends or with the TV programme itself.

Action at EU level: the need for private economic actors to further innovate and for policy makers to ensure the right framework conditions, and to reflect on possible public policy responses, results in the following questions:

- How to transform the process of convergence in a larger European market into economic growth and business innovation in Europe?

- What are the implications of convergence for values such as media pluralism, cultural diversity, and the protection of consumers, including specific groups such as minors?

As convergence will become gradually more tangible over the next decade, it might have an impact in future on a number of legal instruments including the Audiovisual Media Services Directive (AVMS Directive), the E-Commerce Directive and the electronic communications framework.

The Green Paper also discusses the following issues:

- the impact of connected TV on the market and the opportunity for greater opening up of audiovisual content (still limited in Europe in comparison to global competitors) and the application of competition rules to this specific sector;
- possible financing models since progressive convergence, changing consumer behaviour and emerging new business models impact the financing of audiovisual production;
- problems relating to interoperability and the need for standardisation, bearing in mind both its advantages (allowing scale economies and interoperability) and its drawbacks (risk of freezing innovation);

- infrastructure and access to radio spectrum (need to increase the bandwidth required;)
- the values that underpin the regulation of audiovisual media services in Europe, data protection and promotion of European cultural diversity;
- the problem of media freedom and pluralism and the need to filter content effectively in order to protect consumers;
- advertising and personalisation of content offers (online behavioural advertising, and industry standardisation initiatives such as Do Not Track (DNT);
- protection of minors and the weaknesses in the current regulatory regime;
- accessibility problems for the disabled.

With regard to the **revision of the ADVS Directive**, (the priority in the context of the Green Paper), the Commission considers that the technology-neutral approach of the Directive means that the same services are regulated in the same manner irrespective of the device on which they are consumed. However, the AVMSD makes a distinction between linear (television broadcasts) and non-linear (on- demand) services.

Given convergence between media, the Green Paper asks whether there is evidence of **market distortion** caused by the regulatory differentiation between linear and non-linear services? If yes, what would be the best way to tackle these distortions while protecting the values underpinning the EU regulatory framework for audiovisual media services?

Wide consultation: the Green Paper calls on all interested parties to respond to the questions asked. The consultation does not presuppose any specific outcome. Nonetheless, it may pave the way towards possible regulatory and other policy responses in the longer term, in particular linking up Commission initiatives such as the Better Internet for Kids Coalition, possible activities to follow up the report of the High Level Group on Media Freedom and Pluralism, as well as work on self-regulatory initiatives.

Observations to the issues raised in the Green Paper should be sent to the Directorate- General for Communications Networks, Content and Technology of the European Commission by **31/08/2013.**

Preparing for a fully converged audiovisual world

2013/2180(INI) - 28/01/2014 - Committee report tabled for plenary, single reading

The Committee on Culture and Education adopted the own-initiative report by Sabine Verheyen (EPP, DE) on preparing for a fully converged audiovisual world in response to the Commission Green Paper on the subject. It noted that technical media convergence had become a reality – particularly for broadcasting, the press and the internet – and European policies concerning media, culture and networks needed to adapt the regulatory framework to the new conditions and ensure that a uniform level of regulation could be established and enforced, including as regards new entrants to the market from the EU and third countries.

Convergent markets: Members stressed the likely creation of **dominant market positions** and stated that regulation was required where content gateways control access to media and impact directly or indirectly on the shaping of opinion. They recalled that such gateways could include TV platforms (like satellite, cable and IPTV), devices (like connected TVs and games consoles) or over-the-top services. The committee called on the Commission and Member States to monitor developments in this regard and to make full use of the possibilities offered by European competition and anti-trust law and, if necessary, introduce measures to safeguard diversity, and also to draw up a regulatory framework for convergence that is adapted to these developments.

Access and findability: the report asked the Commission to ensure, in a legally binding manner, **compliance with the principles of internet neutrality**, and reiterated that net neutrality rules did not remove the need to apply ‘must-carry’ rules for managed networks or specialised services such as cable TV and IPTV. It called on the Commission to:

- check the extent to which operators of content gateways tend to abuse their position in order to prioritise their own content, and to develop measures to rule out any future abuse;
- define what a platform is and to establish, if necessary, regulation that also covers technical networks’ transfer of audiovisual content;
- investigate where measures to **secure the accessibility and findability of audiovisual media were needed** and how they could be enforced, while recalling that regulatory measures should only be taken if a platform provider, by means of apps, exploited a dominant market position or gatekeeper function in order to favour or discriminate against particular content.

Members were concerned that ‘appisation’ could lead to market access problems for producers of audiovisual content.

Safeguarding diversity and funding: the report emphasises that new advertising strategies that used new technologies to increase their effectiveness (screenshots, consumer profiling, multi-screen strategies) **raised the issue of protecting consumers**, their private lives and their personal data. With this in mind, Members stressed the need to come up with a set of consistent rules to apply to these strategies. They also called on the Commission to:

- examine the extent to which market distortions as regards quantitative and qualitative bans on advertising have arisen as a result of the unequal treatment of linear and non-linear services under Directive 2010/13/EU;
- determine how the refinancing, funding and production of quality European audiovisual content can be secured in a future-proof and balanced manner;

Infrastructure and frequencies: Members regretted there were still vast areas across Europe with limited internet infrastructure, and reminded the Commission that it was vital for consumers to have access to high-speed internet.

They also urged industry actors to work together on a voluntary basis in order to ensure that there was a common framework for media standards, so that a more consistent approach applied across different media. On frequencies, Members stressed that DVB-T/T2 offered excellent long-term opportunities for the joint use of the 700 MHz frequency band by broadcasting and mobile communications.

Values: the committee regretted the Green Paper's lack of a specific reference to the dual nature of audiovisual media as cultural and economic assets. It drew attention to the fact that including audiovisual culture and media in international free trade agreements represented a contradiction of the EU's commitment to promote cultural diversity and to respect **Member States' sovereignty over their own cultural heritage.**

Members encouraged Europe's audiovisual industry to continue to develop consistent, attractive services, especially on-line, so as to enrich the range of European audiovisual content on offer.

Regulatory framework: Members called on the Commission to conduct an impact assessment so as to look into whether, in the light of developments in all audiovisual media services accessible to European citizens, the scope of the AVMS Directive was still relevant.

Lastly, the report stressed the importance of protection of minors, and the **equal treatment of all data packages**, regardless of content, application, origin and destination.

Preparing for a fully converged audiovisual world

2013/2180(INI) - 12/03/2014 - Text adopted by Parliament, single reading

The European Parliament adopted by 613 votes to 34 with 30 abstentions, a resolution on Preparing for a Fully Converged Audiovisual World, in reply to the Commission's Green Paper on the subject.

Parliament considered that technical media convergence was now a reality, particularly for broadcasting, the press and the internet. In this context, European policies concerning media, culture and networks should **adapt the regulatory framework to the new conditions**, while ensuring that a uniform level of regulation can be established and enforced, including as regards new entrants to the market from the EU and third countries.

Convergent markets: if the increasing trend towards horizontal concentration in the industry and vertical integration along the value chain can provide new business opportunities they may also create **dominant market positions**. Parliament stressed that **regulation is required** where content gateways control access to media and impact directly or indirectly on the shaping of opinion.

Members recalled that the term 'content gateway' may include TV platforms (like satellite, cable and IPTV), devices (like connected TVs and games consoles) or over-the-top (OTT) services. Parliament invited the Commission and the Member States to consider these developments:

- to make full use of the possibilities offered by European competition and anti-trust law and, if necessary, to introduce measures to safeguard diversity;
- to draw up a regulatory framework for convergence that is adapted to these developments.

Access and findability: to guarantee a pluralist supply of information and a diversity of opinion and culture, the resolution called on the Commission, to ensure, in a legally binding manner, **compliance with the principles of internet neutrality**. It recalled the net neutrality rules did not remove the need to apply **'must-carry'** rules for managed networks or specialised services such as cable TV and IPTV. Parliament called on the Commission to:

- check the extent to which operators of content gateways tend to abuse their position in order to prioritise their own content, and to develop measures to rule out any future abuse;
- define what a platform is and to establish, if necessary, regulation that also covers technical networks' transfer of audiovisual content;
- investigate where measures to secure the accessibility and findability of audiovisual media are needed and how they can be enforced.

The resolution nonetheless recalled that regulatory measures should only be taken if a platform provider, by means of apps, exploits a dominant market position or gatekeeper function in order to favour or discriminate against particular content.

Furthermore, whilst encouraging the creation of applications ('apps') Members expressed the fear that 'appisation' can lead to market access problems for producers of audiovisual content.

Safeguarding diversity and funding models: Parliament emphasised that new advertising strategies that use new technologies to increase their effectiveness (screenshots, consumer profiling, multi-screen strategies) raise the issue of **protecting consumers, their private lives and their personal data**. With this in mind, Members stressed the need to come up with a set of consistent rules to apply to these strategies. They called on the Commission to:

- examine the extent to which market distortions as regards quantitative and qualitative bans on advertising have arisen as a result of the unequal treatment of linear and non-linear services under Directive 2010/13/EU (Directive 'AMS');
- determine how the refinancing, funding and production of quality European audiovisual content can be secured in a future-proof and balanced manner.

Infrastructure and frequencies: Members regretted there are still vast areas across Europe with limited internet infrastructure. They reminded the Commission that in order to unlock the potential of a converged audiovisual world, it was vital for consumers to have access to **high-speed internet**.

Parliament also invited industry actors to work together on a voluntary basis in order to ensure that there is a **common framework for media standards**, so that a more consistent approach applies across different media. With regard to frequencies, Members stressed that **DVB-T/T2** offered excellent long-term opportunities for the joint use of the 700MHz frequency band by broadcasting and mobile communications.

Values: Parliament regretted the Green Paper's lack of a specific reference to the dual nature of audiovisual media as cultural and economic assets. It reminded the Commission that including audiovisual culture and media in international free trade agreements contradicted the EU's commitment to promote cultural diversity and identity as well as its **obligations vis-à-vis respecting Member States' sovereignty over their own cultural heritage**. Underlining that having a large number of platforms is no guarantee of diversity of content, Members encouraged Europe's audiovisual industry to continue to develop consistent, attractive services, especially on-line, so as to **enrich the range of European audiovisual content on offer**.

Regulatory framework: Parliament called on the Commission to conduct an impact assessment to look into whether, in the light of developments in all audiovisual media services accessible to European citizens, the scope of the Audiovisual Media Services (AMS) Directive is still relevant.

The resolution stressed the importance of **protection of minors and equality of treatment** of all data packages, regardless of content, application, origin and destination.

Finally, the Commission was invited to examine whether **copyright law** needs to be adapted to enable linear and non-linear content on the various platforms and their cross-border accessibility to be appropriately evaluated.