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28.9.2005

***I REPORT

on the proposal for a decision of the European Parliament and of the Council concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007) (COM(2004)0470 – C6-0093/2004 – 2004/0151(COD))

Committee on Culture and Education

Rapporteur: Ruth Hieronymi

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Symbols for procedures

- * Consultation procedure *majority of the votes cast*
- **I Cooperation procedure (first reading)

 majority of the votes cast
- **II Cooperation procedure (second reading)

 majority of the votes cast, to approve the common position

 majority of Parliament's component Members, to reject or amend
 the common position
- *** Assent procedure
 majority of Parliament's component Members except in cases
 covered by Articles 105, 107, 161 and 300 of the EC Treaty and
 Article 7 of the EU Treaty
- ***I Codecision procedure (first reading)

 majority of the votes cast
- ***II Codecision procedure (second reading)

 majority of the votes cast, to approve the common position

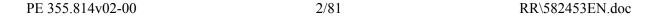
 majority of Parliament's component Members, to reject or amend
 the common position
- ***III Codecision procedure (third reading)

 majority of the votes cast, to approve the joint text

(The type of procedure depends on the legal basis proposed by the Commission.)

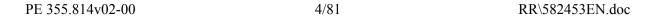
Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in *bold italics*. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). These suggested corrections are subject to the agreement of the departments concerned.



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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a decision of the European Parliament and of the Council on the implementation of a programme of support for the European audiovisual sector (MEDIA 2007)

(COM(2004)0470 - C6-0093/2004 - 2004/0151(COD))

(Codecision procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2004)0470)¹,
- having regard to Articles 251(2) of the EC Treaty, pursuant to which the Commission submitted the proposal to Parliament (C6-0093/2004),
- having regard to Rule 67 of its Rules of Procedure,
- having regard to the report of the Committee on Culture and Education and the opinions of the Committee on Foreign Affairs, the Committee on Budgets, the Committee on Industry, Research and Energy, the Committee on Civil Liberties, Justice and Home Affairs, and the Committee on Women's Rights and Gender Equality (A6-0278/2005),
- 1. Approves the Commission proposal as amended;
- 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend the proposal substantially or replace it with another text;
- 3. Instructs its President to forward its position to the Council and Commission.

Text proposed by the Commission

Amendments by Parliament

Amendment 1 Recital 1

(1) The European audiovisual sector has a key role to play in the emergence of European citizenship because it is one of the principal vectors for conveying cultural values to Europeans and especially young people. Community support is designed to enable the European audiovisual sector to *play its part in consolidating* European citizenship. It is intended to enhance

(1) The European audiovisual sector has a key role to play in the emergence of European citizenship because it is one of the principal vectors for conveying *the Union's common, shared, fundamental, social and* cultural values to Europeans and especially young people. Community support is designed to enable the European audiovisual sector to *promote intercultural dialogue*,

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¹ OJ C ffff, 23.11.2004, p. asfasdfa.

competitiveness and, in particular, to increase the market share in Europe of non-national European works.

increase mutual awareness amongst Europe's cultures and develop its political, cultural, social and economic potential, which constitutes genuine added value in the task of making European citizenship a reality. It is intended to enhance competitiveness and, in particular, to increase the market share in Europe of nonnational European works.

Justification

By virtue of its potential the audiovisual sector has a key role to play in making European citizenship a reality, since it is able to exert its influence across all sectors: cultural, social, economic and political.

Amendment 2 Recital 2

- (2) It is also necessary to promote active citizenship and to do more to combat all forms of exclusion, including racism and xenophobia.
- (2) It is also necessary to promote active citizenship and to do more to ensure respect for the principle of human dignity, promote equality between women and men and combat all forms of discrimination and exclusion, including racism and xenophobia.

Justification

The European audiovisual sector should help reinforce respect for the principle of human dignity, promote equality between women and men and combat all forms of discrimination.

Amendment 3 Recital 2a (new)

(2 a) The increasing presence and empowerment of women in the audiovisual sector can bring about a change in its content and attract a female audience and is crucial for gender equality in society as a whole.

Amendment 4 Recital 4

- (4) Community support to the audiovisual sector is also in keeping with the new strategic aim defined for the Union by the Lisbon European Council, namely to boost
- (4) Community support to the audiovisual sector is also in keeping with the new strategic aim defined for the Union by the Lisbon European Council, namely to boost

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employment, economic reform and social cohesion in a knowledge-based economy. In its conclusions, the Council stated that "the content industries create added value by exploiting and networking European cultural diversity". This approach was confirmed in the conclusions of the Brussels European Council

training, employment, economic reform and social cohesion in a knowledge-based economy. In its conclusions, the Council stated that "the content industries create added value by exploiting and networking European cultural diversity". This approach was confirmed in the conclusions of the Brussels European Council.

Justification

At the Lisbon European Council, emphasis was placed on the requirement for more training (in order to enable the new employment-market requirements to be met) and on regular training in order to enable workers to remain competitive.

Amendment 5 Recital 6, indent 2 a (new)

- digitisation should make a decisive contribution to strengthening the audiovisual sector and should be a central feature of MEDIA 2007. Support for digital services and European catalogues must be made a priority in order to overcome the fragmentation of the European audiovisual market.

Justification

Digitisation can create a critical mass of European content to optimise revenue and to reduce the dependence of European film companies on structures controlled by the dominating non-European operators.

Amendment 6 Recital 6 a (new)

(6 a) The MEDIA programme should encourage authors (scriptwriters and directors) in the creative process and encourage them to develop and adopt new creative techniques which will strengthen the innovative capacity of the European audiovisual sector.

Amendment 7 Recital 6 a (new)

(6a) There is more than one platform of digitalisation in the projections of films, depending on different uses, users and needs. Pilot projects of the MEDIA programme could be a test ground from which new standards could be drawn as needed by the audiovisual sector.

Amendment 8 Recital 7

- (7) The preparatory action "Growth and Audiovisual: i2i Audiovisual", complementary to the MEDIA Plus and MEDIA Training programmes, marked a further stage in implementing the policy of Community support for the audiovisual sector. It was intended specifically to provide a remedy for the problems of access to funding of small and *medium sized* enterprises in this sector. The evaluation of "Growth and Audiovisual: i2i Audiovisual" confirmed that it met the sector's needs and confirmed the need to pursue Community action along these lines.
- (7) The preparatory action "Growth and Audiovisual: i2i Audiovisual", complementary to the MEDIA Plus and MEDIA Training programmes, marked a further stage in implementing the policy of Community support for the audiovisual sector. It was intended specifically to provide a remedy for the problems of access to funding of small and mediumsized enterprises in this sector. The evaluation of "Growth and Audiovisual: i2i Audiovisual" confirmed that it met the sector's needs and confirmed the need to pursue Community action along these lines, but that it should be more closely geared towards the specific needs of the sector.

Justification

An evaluation of the preparatory i2i actions shows that greater attention needs to be paid to actual access to financing for SMEs.

Amendment 9 Recital 8

- (8) For the purposes of implementing Community support, the specific nature of the audiovisual sector must be taken into account and it must be ensured that administrative and financial procedures are simplified as far as possible and adapted to the aims pursued and the sector's practices and requirements.
- (8) The European audiovisual sector is characterised by its considerable potential for growth, innovation and dynamism, by the fragmentation of the market as a function of cultural and linguistic diversity and, consequently, by a large number of medium-sized, small and very small enterprises with chronic undercapitalisation. For the purposes of

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implementing Community support, the specific nature of the audiovisual sector must be taken into account and it must be ensured that administrative and financial procedures in relation to the amount of support are strictly simplified as far as possible and adapted to the aims pursued and the sector's practices and requirements. In particular, simplification must lead to a reduction in the time between the planning of projects and making them accessible to the public.

Justification

There is an urgent need to simplify administrative and financial procedures.

Amendment 10 Recital 8 a (new)

(8a) Throughout the EU one major obstacle to competition is an almost complete lack of companies specialising in providing loan financing in the audiovisual sector.

Justification

Because of the lack of special financial institutes, the audiovisual sector, in contrast to other sectors of the economy characterised by medium-sized enterprises, has not yet been able to develop sufficient experience in handling financial services.

Amendment 11 Recital 8 a (new)

(8a) All actions adopted under this programme must be compatible with the Charter of Fundamental Rights of the European Union and, in particular, Article 11 thereof on freedom of expression and media pluralism.

Justification

MEDIA freedom and pluralism are fundamental principles that must be respected in the implementation of the programme.

Amendment 12 Recital 8 b (new)

(8b) The Commission and the Member States should review their support for the audiovisual sector, in particular the results of the preparatory i2i measure, to establish to what extent future support can simplify the development of specialist offers for SMEs in terms of loan financing.

Justification

It has been apparent since the first MEDIA programme that quantitatively and qualitatively effective national support for films can also create better access to European funding and loan financing for the audiovisual sector.

Amendment 13 Recital 8 c (new)

(8c) In instances where loan finance systems have been developed in the Member States to promote national audiovisual projects and to mobilise private capital it is necessary to examine how such capital can be made available, with the support of MEDIA 2007, for non-national European projects.

Justification

Financing for SMEs needs to be facilitated through specialist credit institutes.

Amendment 14 Recital 9

(9) Article 3 of the Treaty establishing the European Community stipulates that for all activities it envisages the Community shall aim to eliminate inequalities and to promote equality, for men and women.

(9) Article 3 of the Treaty establishing the European Community stipulates that for all activities it envisages the Community shall aim to eliminate inequalities and to promote equality for men and women, while Article 13 of the same Treaty indicates that the Community shall take appropriate action to combat discrimination based on sex, racial or ethnic origin, religion or

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belief, disability, age or sexual orientation. The programme will meet the access needs of citizens with disabilities, in particular people with special needs and hearing problems.

Justification

The MEDIA programme should also help in the fight against all forms of discrimination.

Amendment 15 Recital 9 a (new)

(9a) Article II-82 of the Treaty establishing a Constitution for Europe says that the Union shall respect the diversity of cultures and languages, and it is therefore necessary to take account of the specific requirements of the small countries of the Union and countries with different linguistic regions.

Justification

It is important to mention the draft Treaty, which specifically refers to respect for cultural and linguistic diversity.

Amendment 16 Recital 10

(10) Increased transparency and dissemination of information about the European audiovisual market can make operators in the sector, and especially small and medium-sized enterprises, more competitive. They also make it easier for Community action to be evaluated and followed up. Participation by the European Union in the European Audiovisual Observatory should help it to achieve these aims.

(10) Increased transparency and dissemination of information about the European audiovisual market can make operators in the sector, and especially small and medium-sized enterprises, more competitive. *Increased transparency and dissemination encourage private investors' confidence by improving understanding of the industry's potential.* They also make it easier for Community action to be evaluated and followed up. Participation by the European Union in the European Audiovisual Observatory should help it to achieve these aims.

Justification

Knowing the market better means better assessment of the investment risk.

Amendment 17 Recital 11

(11) It should be emphasised that any strategy for cooperation between players in the audiovisual sector must comply with the European Union's competition law.

(11) In a Europe of 25 Member States cooperation is increasingly becoming a strategic response to strengthen the competitiveness of the European film industry. There is therefore a need for greater support for EU-wide networks at all MEDIA programme levels - training, development, distribution and promotion. This applies in particular to cooperation with players from the Member States which joined the Union after 30 April 2004. It should be emphasised that any strategy for cooperation between players in the audiovisual sector must comply with the European Union's competition law.

Justification

Cooperation, as a decisive contribution to the competitiveness of the European film industry, needs to be developed with the support of the MEDIA programme.

Amendment 18 Recital 11 a (new)

(11a) Public support to cinema at European, national, regional or local level is essential to overcome the sector's structural difficulties and allow the European audiovisual industry to meet the challenge of globalisation. Public support schemes should be in accordance with Article 87(3)(d) and Article 151(4) of the EC Treaty and should not be subject to liberalisation offers in the framework of international trade negotiations.

Justification

It is important to preserve State aid for cinema in Europe. The MEDIA programme is a good example of effective public support to the audiovisual sector. National and regional schemes should not be unduly questioned by EC or national anti-trust authorities. The EU should avoid making any commitment to liberalisation of audiovisual services in the framework of GATS to preserve its freedom to implement active support policies in the audiovisual field.

Amendment 19

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Recital 12 a (new)

(12a) Cooperation between MEDIA and Eurimages needs to be strengthened, but without leading to integration in financial and administrative matters.

Justification

The great experience that Eurimages has in pan-European projects could provide effective support for the MEDIA 2007 tasks.

Amendment 20 Article 1, paragraph 2

- 2. The audiovisual sector is an essential vector for conveying and developing European cultural values. The programme is intended to strengthen the audiovisual sector economically to enable it to play its cultural *role* more effectively.
- 2. The audiovisual sector is an essential vector for conveying and developing European fundamental, social and cultural values and for creating highly skilled future-oriented jobs. Its creativity is a positive factor for competitiveness and cultural appeal with the public. The programme is intended to strengthen the audiovisual sector economically to enable it to play its cultural roles more effectively by developing an industry with powerful and diversified content and a valuable and accessible heritage.

Justification

The audiovisual industry is one of the fastest growing sectors in Europe and hence, in addition to transmitting cultural values, it also makes a major contribution to job creation.

Amendment 21 Article 1, paragraph 2, point (a)

- (a) preserve and enhance European cultural diversity and its cinematographic and audiovisual heritage, guarantee its accessibility to European citizens and promote intercultural dialogue;
- (a) preserve and enhance European *linguistic and* cultural diversity and its cinematographic and audiovisual heritage, guarantee its accessibility to European citizens and promote intercultural dialogue;

Justification

It is important to also refer to linguistic diversity.

Amendment 22 Article 1, paragraph 2, point (b)

- (b) increase the circulation of European audiovisual works inside and outside the European Union;
- (b) increase the circulation of European audiovisual works inside and outside the European Union *through greater cooperation between players*;

Justification

The fragmentation of the European audiovisual market calls for closer cross-border cooperation.

Amendment 23 Article 1, paragraph 2, point (c)

- (c) strengthen the competitiveness of the European audiovisual sector *in the framework of an open and competitive* European *market*;
- (c) strengthen the competitiveness of the European audiovisual sector and European audiovisual works on the European and international markets favourable to employment by promoting links between those who work in the sector:

Justification

There needs to be greater emphasis on markets outside the European Union, too. This applies not only to the developed markets in North America, for example, but also to developing markets. In Africa, Asia and South America there is a significant potential market penetration for Europe which, at the same time, can make a substantial contribution to promoting cultural and social diversity.

Amendment 24 Article 1, paragraph 4, point (b)

- (b) strengthening the production structure of the European audiovisual sector, particularly SMEs;
- (b) strengthening the *financing and* production structure of the European audiovisual sector, particularly SMEs;

Justification

There is an urgent need to provide better access to credit facilities, in particular for SMEs.

Amendment 25 Article 1, paragraph 4, point (d)

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(d) following and supporting market developments with regard to digitisation.

(d) following and supporting market developments with regard to digitisation, including the promotion of attractive digital catalogues of European films on digital platforms.

Justification

Because of the importance of television for disseminating European audiovisual works, MEDIA 2007 must make a decisive contribution to developing the digitisation of the sector.

Amendment 26 Article 1, paragraph 4, point (d a) (new)

(da) improving the marketing of European audiovisual works.

Justification

In view of the commitment whereby European cultural diversity is to be entrenched and preserved by means of the MEDIA 2007 programme, the marketing of European audiovisual works must be made one of the programme's priorities. Promotion is the cornerstone of marketing.

Amendment 27 Article 2, paragraph 2 a (new)

> 2a. In the exceptional event of a change in the programming period, the amount originally adopted shall be changed only with strict regard for proportionality.

Justification

This is to prevent differing deadlines, imposed by decisions on the financial perspective, from undermining the financial stability of the programme.

Amendment 28 Article 3, paragraph 3

3. enable, through special scholarships, professionals from the new Member States to take part in the training activities set out in paragraph 1 of this Article.

3. enable, through special scholarships, professionals from the new Member States and from other Member States that have a low audiovisual production capacity and/or cover a small geographical and/or linguistic area to take part in the training activities set out in paragraph 1 of this

Article.

Justification

Under the present programme it is also extremely difficult for professionals from countries with a low audiovisual production capacity and/or small geographical area and/or linguistic area to benefit from the training measures described in point 1 of this article.

Amendment 29 Article 4, paragraph 1, point (b)

- (b) support the elaboration of financial plans for companies and projects for European productions, *including* financing of co-productions.
- (b) support the elaboration of financial plans for companies and projects for European productions, *in particular* financing of co-productions.

Justification

Co-productions are becoming increasingly important and are therefore a decisive factor in the competitiveness of the European film industry.

Amendment 30 Article 5, point (d)

- (d) encourage the digitisation of European audiovisual works;
- (d) encourage the digitisation of European audiovisual works *and develop a competitive digital market*;

Justification

Because of the importance of television for disseminating European audiovisual works, MEDIA 2007 must make a decisive contribution to developing the digitisation of the sector.

Amendment 31 Article 5, point (e a) (new)

(ea) encourage the use of subtitling as a less costly support to the distribution and diffusion of European films outside their national borders.

Justification

Subtitling allows viewers to experience audiovisual works in a more authentic way and facilitates learning of languages. Subtitling benefits people with hearing disabilities, whose rights are highlighted in Article II-86 of the Treaty establishing a Constitution for Europe.

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Amendment 32 Article 6, point (d)

- (d) encourage promotion of Europe's cinematographic and audiovisual heritage.
- (d) encourage promotion of Europe's cinematographic and audiovisual heritage and improve the European and international public's access to it.

Justification

There is a need for greater stress on promoting public access to the rich European cultural heritage on the global stage.

Amendment 33 Article 6, point (e a) (new)

(ea) improve the promotion and marketing of European audiovisual works on digital platforms.

Justification

Ensuring the emergence of successful services for digital distribution of European audiovisual works should be a key objective of the future MEDIA 2007 programme.

Amendment 34 Article 8, paragraph 4

- 4. The programme is also open to cooperation with other third countries which have concluded association and cooperation agreements with the European Union incorporating clauses on the audiovisual sector and on the basis of supplementary appropriations and specific arrangements to be agreed upon. Western Balkan countries referred to in paragraph 1 that do not wish to participate fully in the programme may benefit from cooperation with the programme under the conditions provided for in this paragraph.
- 4. The programme is also open to cooperation with other third countries which have concluded association and cooperation agreements with the European Union incorporating clauses on the audiovisual sector and on the basis of supplementary appropriations and specific arrangements to be agreed upon. Western Balkan countries referred to in paragraph 1 and European countries covered by the European Neighbourhood Policy that do not wish to participate fully in the programme may benefit from cooperation with the programme under the conditions provided for in this paragraph.

Justification

European countries covered by the European Neighbourhood Policy, especially Ukraine should not be excluded from the MEDIA 2007 programme if additional finances become

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available. The European Parliament has committed itself to supporting Ukraine's 'deep aspirations for European integration' in the resolution on the results of the Ukraine elections on 13 January 2005. European countries covered by the European Neighbourhood policy can be treated equally with the Western Balkan countries as far as the MEDIA programme is concerned.

Amendment 35 Article 9, paragraph 3 a (new)

3a. The Commission shall adhere to the proportionality principle in connection with eligibility criteria and the documents to be supplied and filled in.

Justification

Given that a stated aim of the programme is to facilitate access by SMEs, procedures need to be simplified so as to make them more flexible and to facilitate access to the programme.

Amendment 36 Article 9, paragraph 4

- 4. Financial aid awarded under the terms of the programme may not exceed 50% of the final costs of the operation supported. However, in the cases expressly provided for in the Annex, financial aid may be as high as 75%.
- 4. Financial aid awarded under the terms of the programme may not exceed 50% of the final costs of the operation supported. However, in the cases expressly provided for in the Annex, financial aid may be as high as 75%. Furthermore, such aid shall be granted, ensuring that award procedures are transparent and objective.

Justification

The most objective yardstick for determining which works make the greatest contribution to the development of the European audiovisual industry is commercial success - box office receipts. Products which find most favour are those which are most consumed and the industry's prime objective is to encourage consumption. Automatic aid is linked to the number of viewers.

Amendment 37 Article 12, paragraph 1

- 1. The European network of MEDIA Desks shall act as an implementing body for disseminating information on the programme at national level whilst abiding
- 1. The European network of MEDIA Desks shall act as an implementing body for disseminating information on the programme at national level, *in particular*

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by Article 54 (2)(c) and (3) of Council Regulation 1605/2002 as defined at point 2.2 of the Annex.

for cross-border projects, whilst abiding by Article 54 (2)(c) and (3) of Council Regulation 1605/2002 as defined at point 2.2 of the Annex.

Justification

There is a need for greater support for cross-border projects in order to increase European cooperation between players.

Amendment 38 Article 12, paragraph 1 a (new)

1a. The cooperation of MEDIA Desks in networks, especially proximity networks, shall be encouraged in order to facilitate exchange and contacts between professionals, create public awareness of key events in the programme as well as prizes and awards. The MEDIA Desks' role of information- and service-supplier is valuable for the emergence of new audiovisual centres.

Amendment 39 Article 12, paragraph 2 a (new)

2a. Encourage the setting-up of the MEDIA desks and the MEDIA antennae in the countries or regions with low production capacity in accordance with the priorities set out in article 1(4), point (c), and promote their visibility.

Justification

Midterm evaluation of the MEDIA Training and the MEDIA Plus programmes carried out on behalf of the Commission showed that the visibility of the programmes for the target audiences is mainly connected to the organisational structure. 48.67% of the beneficiaries in the sample had heard about MEDIA Plus from the MEDIA Desks. Therefore, a well-spread network of the MEDIA Desks and Antennae is crucial for the visibility of the programme. The countries and regions of the new Member States need particular attention and assistance to catch up, due to their very low production capacities.

Amendment 40 Article 13, paragraph 1, point (a)

- (a) promoting the fundamental *principle* of freedom of expression;
- (a) promoting the fundamental *principles* of freedom of expression *and media pluralism and independence*;

Freedom of expression and media pluralism are fundamental principles which should receive particular attention in implementing the programme.

Amendment 41 Article 13, paragraph 1, point (b)

- (b) encouraging awareness of the importance of cultural diversity and multiculturalism in Europe and the need to combat racism and xenophobia;
- (b) encouraging awareness of the importance of cultural diversity and multiculturalism in Europe and better mutual recognition of its different cultures as a means of making European citizenship a reality and creating an inclusive society, and of the need to combat all forms of discrimination, including racism and xenophobia;

Amendment 42 Article 13, paragraph 1, point (d)

- (d) helping to combat all forms of discrimination based on sex, race or ethnic origin, religion or beliefs, disabilities, age or sexual orientation.
- (d) helping to combat all forms of discrimination based on sex, race or ethnic origin, religion or beliefs, disabilities, age or sexual orientation and to promote equality between women and men;

Justification

The MEDIA programme should help promote the principle of gender equality and combat all forms of discrimination.

Amendment 43 Article 13, paragraph 1, point (e)

- (e) contributing to the debate on and information about the European Union as an area of peace, prosperity and security.
- (e) contributing to the debate on and information about the European Union as an area of *equality*, peace, *democracy*, *freedom*, prosperity, security *and justice*.

Justification

In the European Union, as an area of freedom, security and the rule of law, the 'security'

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aspect must never be separated from the 'freedom' aspect.

Amendment 44 Article 13, paragraph 1 a (new)

1a. The Commission should ensure cooperation between this programme and other Community programmes in the area of education, training, research and the information society.

Justification

Cooperation between the Community programmes should increase the efficiency of the individual programmes.

Amendment 45 Article 13, paragraph 2

- 2. Particular attention shall be paid to consistency and complementarity between the programme and Community policies on cultural cooperation with third countries.
- 2. The Commission should ensure effective cooperation between this programme and actions in the education and audiovisual field in the context of cooperation between the Union and nonmember states and the relevant international organisations, in particular the Council of Europe (Eurimages and the European Audiovisual Observatory).

Justification

Cooperation with non-Member States and international organisations is intended to increase the efficiency of the programmes.

Amendment 46 Article 13, paragraph 2 a (new)

2a. The Commission shall take steps to ensure that the activities carried out under this programme complement other Community and Europe-wide activities in the field of education and training, relating to film and the audiovisual sector.

There is a need for greater coherence among all Europe-wide support programmes, both national and international, relating to film and the audiovisual sector in order to better respond to the needs of the European industry. The examples include support under Structural Funds, training and cultural programmes, the support by the European Investment Bank, Eurimages, etc.

Amendment 47 Article 14, paragraph 1, subparagraph 1

- 1. The Commission shall monitor the programme regularly. The results of the process of monitoring and evaluation shall be taken into account in the implementation of the programme.
- 1. The Commission shall ensure that the actions covered by this Decision are subjected to prior evaluation, monitoring and ex-post evaluation. It shall ensure that the programme is accessible and is implemented in a transparent manner.

Justification

The programme needs to be monitored and evaluated at the appropriate times, so as to ensure democratic scrutiny.

Amendment 48 Article 14, paragraph 3

- 3. The Commission shall present to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions:
- (a) an interim evaluation report on the results and the qualitative and quantitative aspects of implementing the programme by 31 December 2010 at the latest;
- (b) a Communication on the continuation of the programme by 31 December 2011 at the latest;
- (c) an ex-post evaluation report by 31 December 2015 at the latest.

- 3. The Commission shall present to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions:
- (a) an interim evaluation report on the results and the qualitative and quantitative aspects of implementing the programme, *three years after its adoption*;
- (b) a Communication on the continuation of the programme, *four years after its adoption*;
- (c) a detailed ex-post evaluation report covering the implementation and results of the programme, on completion of its implementation.

Justification

The programme needs to be monitored and evaluated at the appropriate times, so as to ensure democratic scrutiny.

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Amendment 49 Article 14, paragraph 3, point (a)

- (a) an interim evaluation report on the results and the qualitative and quantitative aspects of implementing the programme by 31 December 2010 at the latest;
- (a) an interim evaluation report on the results, on matching the programme to the technological context and its impact on the European market, and on the qualitative and quantitative aspects of implementing the programme by 31 December 2010 at the latest; the report shall in particular make it possible to assess the effectiveness of structural improvement measures in countries that have recently joined the Union;

Justification

MEDIA 2007 usefully makes provision for priority action intended for these countries; it should be strengthened if it proves insufficient.

Amendment 50 Article 18, indent 1

- by encouraging transparency in the market and ensuring that operators have access to financial and legal statistics and information, thereby enhancing the European audiovisual sector's ability to compete and develop;
- by encouraging transparency in the market *via an improved comparability of data collected in the different countries* and ensuring that operators have access to financial and legal statistics and information, thereby enhancing the European audiovisual sector's ability to compete and develop;

Justification

Improved access to information for national and European institutions is of importance for the European audiovisual sector.

Amendment 51 Article 18, indent 2 a (new)

- by initiating research, to complement the financial evaluation, in coordination with the European Audiovisual Observatory, into audiences, their habits and preferences.

Such audience research is necessary and useful to guide policy for boosting the audiovisual market, the promotion of films and audiovisual works and more appropriate programming and distribution.

Amendment 52 Annex, Chapter 1, point 1.1.2, Actions to be implemented, indent 2 a (new)

- Set a maximum charge for providing and making available the material of the 25 Member States' national film libraries when that material is to be used by SMEs producing films or programmes with similar content or by independent film producers who are nationals of or have their registered office in a Member State of the EU. Where the material is used for commercial purposes and the aim of the producer who requested the material is to create a similar product, financial negotiation is possible, provided that the principles of pluralism and knowledge and dissemination of the cultural heritage are always observed;

Justification

A maximum charge would mean an end to the arbitrary evaluation of the material provided.

Amendment 53 Annex, Chapter 1, point 1.2.1, Operational objective

- Encourage exchanges between existing training institutions and/or activities.
- Encourage exchanges *and regular cooperation* between existing training institutions and/or activities.

Justification

Cooperation is the basis for efficiency.

Amendment 54 Annex, Chapter 1, point 1.2.1, Action to be implemented

Encourage the programme beneficiaries to intensify coordination of their initial and further training activities in order to

Encourage the programme beneficiaries to intensify coordination of their initial and further training activities in order to

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develop a European network.

develop a European network, which can receive Community support, in particular for cooperation involving players, including television broadcasters, from Member States which acceded to the European Union after 30 April 2004, Member States with a low audiovisual production capacity and/or restricted geographical or linguistic area.

Justification

Cooperation in further training is essential for enhancing the professionalism of the audiovisual sector and TV broadcasters should therefore be involved in this.

Amendment 55 Annex, Chapter 1, point 1.2.5, Title and Objective

1.2.5 Enable, through special scholarships, the professionals from the new Member States to take part in the training activities set out in 1.1.1 of this Annex

Operational objective

 Facilitate the participation by professionals from the new Member States in the projects supported by the programme.

Action to be implemented

- Contribute to setting up a grant mechanism.

1.2.5 Enable, through special scholarships, the professionals from the new Member States and from other Member States that have a low audiovisual production capacity and/or cover a small geographical and/or a linguistic area to take part in the training activities set out in 1.1.1 of this Annex

Operational objective

- Facilitate the participation by professionals from the new Member States and from other Member States that have a low audiovisual production capacity and/or cover a small area and/or a linguistic area in the projects supported by the programme.

Action to be implemented

 Contribute to setting up a grant mechanism.

Justification

Under the present programme it is also extremely difficult for professionals from countries with a low audiovisual production capacity and/or small geographical area and/or linguistic area to benefit from the training measures described in point 1 of this article.

Amendment 56 Annex, Chapter 1, point 2.1, Operational objectives, indent 2 a (new)

- encourage the development of new talents and professionals through the establishment of the Pier Paolo Pasolini Prize for New Talents.

Justification

Pier Paolo Pasolini still inspires the young generations of cinema specialists of new and old Member States. The scholarship named after him would be the prize given to young talents at the Cannes Festival during the Day of Europe, which would therefore become the PPPasolini Prize - Young Talents. This would help to improve the visibility of such scholarships and of the MEDIA programme itself.

Amendment 57 Annex, Chapter 1, point 2.1, Action to be implemented, indent 1

- Support the development of audiovisual projects or project catalogues.

- Support the development of audiovisual projects or project catalogues, in particular for cooperation involving players from Member States which acceded to the European Union after 30 April 2004 and/or Member States with a low audiovisual production capacity and/or restricted geographical or linguistic area.

Justification

Support for operators from smaller countries and/or countries with a low audiovisual capacity is principally intended to reduce the imbalance in production capacity in the EU, to involve them in a European network and hence to help create a common European audiovisual market.

Amendment 58 Annex, Chapter 1, point 2.2, Operational objectives, indent 2

- Encourage the search for financial partners at European level to achieve synergy between public and private investors and the devising of distribution strategies right from the production phase.
- As a follow-up to the preparatory i2i measures, encourage the search for financial partners at European level to achieve synergy between public and private investors and the devising of distribution strategies right from the production phase.

Justification

SMEs were only able to benefit from the preparatory i2i measures if they had recourse to

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financial institutes specialising in the audiovisual sector. However, Europe-wide there is an almost total lack of such institutes.

Amendment 59 Annex, Chapter 1, point 2.2, Action to be implemented, indent 2

- Support financial companies active in drawing up investment plans for the development and co-production of audiovisual works with potential for international distribution.
- Support *for access by SMEs, in particular independent production companies, to* financial companies active in drawing up investment plans for the development and co-production of audiovisual works with potential for international distribution.

Justification

Since there is an almost total lack of credit institutes specialising in the audiovisual sector Europe-wide, it is particularly difficult for SMEs to obtain the capital they need.

Amendment 60 Annex, Chapter 1, paragraph 2.2, Actions to be implemented, indent 2 a (new)

- encourage financial intermediaries to support the development and co-production of audiovisual works with potential for international distribution:

Justification

In order to increase opportunities for access to capital, it is important not only to ensure direct access by SMEs (Am. 30), but also to make use of recognised financial intermediaries that are specialised in the audiovisual sector and that are ready to support the development and co-production of audiovisual works with potential for international distribution.

Amendment 61 Annex, Chapter 1, point 3, Action to be implemented

- Support dubbing and subtitling for distribution and dissemination, through all available channels, of European audiovisual works for the benefit of producers, distributors and broadcasters.
- Support dubbing and subtitling for distribution and dissemination, through all available channels, *in particular digitisation*, of European audiovisual works for the benefit of producers, distributors and broadcasters.

Because of the importance of television for disseminating European audiovisual works, MEDIA 2007 must make a decisive contribution to developing the digitisation of the sector.

Amendment 62 Annex, Chapter 1, point 3.1, Operational objective No 1

- Encourage cinematographic distributors to invest in the co-production, acquisition and promotion of non-national European films.
- Encourage cinematographic distributors to invest in the co-production, acquisition, *rights of exploitation* and promotion of non-national European films.

Justification

Rights of exploitation will help distributors ensure the distribution of non-national European films in their own countries.

Amendment 63 Annex, Chapter 1, point 3.2, Actions to be implemented, indent 2

- Grant special support to films of interest for the development of European cultural diversity, in particular in the form of aid for the release of a non-national European works catalogue over a given period.
- Grant special support to films of interest for the development of European *linguistic* and cultural diversity, in particular in the form of aid for the release of a non-national European works catalogue over a given period.

Justification

It is important to also refer to linguistic diversity.

Amendment 64 Annex, Chapter 1, point 3.3, Actions for Objective N.1, indent 1

- Encourage independent producers to produce works (drama, documentary and animation) involving the participation of at least *two* broadcasters from several Member States, *belonging to different linguistic areas*. The selection criteria for the beneficiaries will include provisions aiming to differentiate between the projects according to the size of their budget.
- Encourage independent producers to produce works (drama, documentary and animation) involving the participation of at least *three* broadcasters from several Member States *or at least two broadcasters from several Member States belonging to different linguistic areas*. The selection criteria for the beneficiaries will include provisions aiming to differentiate between the projects according to the size of their budget.

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The requirement to collaborate with at least three broadcasters is too onerous for producers from areas with a low audiovisual production capacity and/or small geographical area and/or linguistic area. The participation of two broadcasters, as in the present MEDIA plus programme, should be sufficient. [The word 'two' in the English version of the Commission text appears to be an error. – Translator's note.]

Amendment 65 Annex, Chapter 1, point 3.3, Actions for Objective N.2

- Support the side costs (such as financial costs, insurance and completion guarantee costs) connected with the production of works (drama, documentary and animation) involving the participation of at least three broadcasters from several Member States, belonging to different linguistic areas.
- Support the side costs (such as financial costs, insurance and completion guarantee costs) connected with the production of works (drama, documentary and animation) involving the participation of at least three broadcasters from several Member States or at least two broadcasters from several Member States belonging to different linguistic areas.

Justification

The requirement to collaborate with at least three broadcasters is too onerous for producers from areas with a low audiovisual production capacity and/or small geographical area and/or linguistic area. The participation of two broadcasters, as in the present MEDIA Plus programme, should be sufficient.

Amendment 66 Annex, Chapter 1, point 3.3, Operational objective No 3

- Encourage the international distribution of European television programmes.
- Encourage the international distribution of European television programmes made by independent producers. Distribution of such programmes requires the approval of the independent producer, who should receive an appropriate percentage of the proceeds.

Justification

One important aim of the MEDIA programme is to encourage and support independent producers.

Amendment 67 Annex, Chapter 1, point 3.3, Actions to be implemented, indent 2

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- Grant special support to films of interest for the enhancement of Europe's cultural diversity and audiovisual heritage.
- Grant special support to films of interest for the enhancement of Europe's *linguistic and* cultural diversity and audiovisual heritage.

It is important to also refer to linguistic diversity.

Amendment 68

Annex, Chapter 1, point 4.2, Operational objectives and Actions to be implemented, indent 2

- Prioritise and support festivals contributing to the promotion of works from Member States or regions with low audiovisual production capacity and of works produced by young Europeans, and enhancing cultural diversity and intercultural dialogue.
- Prioritise and support festivals contributing to the promotion of works from Member States or regions with low audiovisual production capacity and of works produced by young Europeans, and enhancing *linguistic and* cultural diversity and intercultural dialogue.

Justification

.It is important to also refer to linguistic diversity.

Amendment 69

Annex, Chapter 1, point 4.2, Operational objectives and action to be implemented, indent 5

- Encourage and support the organisation of events with wide media coverage such as prize awards.
- Encourage and support the organisation of events with wide media coverage such as prize awards *and European film festivals*.

Justification

The foundation for improved access to European audiovisual works needs to be laid in schools in order to encourage a long-term interest in, and appreciation of, European works.

Amendment 70 Annex, Chapter 1, point 4.2, indent 5 a (new)

- support participation in festivals by young professionals and professionals from the countries with low audiovisual production capacity.

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Considering the need for the young producers and the producers from the countries with low production capacity to promote their production on the markets and festivals and the relatively high costs linked to such representation, it would be important to expand the programme's support scheme to this area.

Amendment 71 Annex, Chapter 1, point 4.3, Actions to be implemented, indent 5 a (new)

- As part of the process of systematically collecting cinematographic works forming part of the national heritage of the Member States and the European heritage, and as provided by the Recommendation of the European Parliament and of the Council on film heritage and the competitiveness of related industrial activities, arrangements should be made for exploring the possibility of establishing a network of databases encompassing the European Audiovisual heritage together with the relevant organisations, in particular the Council of Europe (Eurimages and the European Audiovisual Observatory)

Justification

The existence of a single European catalogue would be instrumental in promoting freedom of expression and multilingualism. At the same time, this would also make it easier for interested parties to access specific documents of historical importance.

Amendment 72 Annex, Chapter 1, point 4.4, title

Encourage promotion of Europe's cinematographic and audiovisual heritage

Encourage promotion of *and access to* Europe's cinematographic and audiovisual heritage

Justification

There is a need for greater stress on promoting public access to the rich European cultural heritage on the global stage.

Amendment 73

Annex, Chapter 1, point 4.4, Operational objectives and action to be implemented, indent 1 a (new)

- Support for archives of the European cinematographic and audiovisual heritage.

Justification

Greater emphasis needs to be placed on promoting access to Europe's rich cultural heritage.

Amendment 74 Annex, Chapter 1, point 4.4, indent 1 b (new)

- Support for the aspect of the European cinematographic and audiovisual heritage on new and innovative distribution platforms.

Justification

The new and innovative distribution platforms, on-line technology and DVD make major new means of distribution possible.

Amendment 75 Annex, Chapter 2, point 2.2, point (e)

(e) encouraging cross-border cooperation between professionals;

(e) encouraging cross-border cooperation between professionals, *institutions and networks*;

Justification

In addition to professionals, institutions and networks from the audiovisual sector should participate through MEDIA desks and MEDIA antennae in a cross-border context to enhance cooperation.

Amendment 76 Annex, Chapter 2, point 3, title

3. Information about the European audiovisual market and *participation IN* the European Audiovisual Observatory

3. Information about the European audiovisual market and *participation in* the European audiovisual Observatory *and cooperation with the Eurimages Support Fund*

Justification

If the European Union and the Council of Europe were to conclude a collaboration agreement as regards the audiovisual sector, the vast experience built up in Euroimages could be pooled, and relations improved between large and small producing countries, thus

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enabling films from the latter to be readily distributed.

Amendment 77 Annex, Chapter 2, point 3

The programme provides the legal basis for the expenditure necessary to monitor Community audiovisual policy measures.

It provides for the European Union to continue participating in the European Audiovisual Observatory. This will ease access to information for operators and dissemination in the sector. It will also contribute to greater transparency in the production process.

The programme provides the legal basis for the expenditure necessary to monitor Community audiovisual policy measures.

It provides for the European Union to continue participating in the European Audiovisual Observatory. This will ease access to information for operators and dissemination in the sector. It will also contribute to greater transparency in the production process. The programme could likewise enable the European Union to explore possibilities to cooperate with the Council of Europe's Eurimages Support Fund for the co-production of cinematographic works, with a view to promoting the competitiveness of the European audiovisual sector on the international market. Such cooperation should not be financial.

Justification

If the European Union and the Council of Europe were to conclude a collaboration agreement as regards the audiovisual sector, the vast experience built up in Euroimages could be pooled, and relations improved between large and small producing countries, thus enabling films from the latter to be readily distributed.

EXPLANATORY STATEMENT

The audiovisual sector in Europe

Audiovisual works are both cultural and economic goods and services. Developing European audiovisual works is therefore of crucial importance for both the future of cultural diversity and for economic growth and employment in the EU.

However, at the same time the great wealth of linguistic and cultural diversity in Europe is the cause of the greatest structural problem of the audiovisual market in Europe - its fragmentation into a large number of national markets. The results are a lack of cross-border circulation of European works and regular undercapitalisation of the small and very small enterprises which are the distinguishing feature of the fragmented audiovisual market.

This explains why American films have an absolutely dominant position on the European audiovisual market with about 70%; 20% are national films and only 10% are cross-border European films. The EU has a trade deficit with the USA of over \$8 billion per annum. In this way, the audiovisual sector enables the United States to make substantial profits from exports, and Europe is one of the most important markets for the USA. These figures show that the EU has completely failed to make effective use of its own audiovisual market, and they also show the unused opportunities for growth and employment in Europe.

A glance at the audiovisual sector as a whole shows the growing development prospects for the European markets. The market share of audiovisual European works is roughly 40 to 45% for television, 30% for cinema and 20% for videos and DVDs.

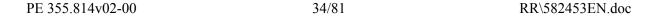
The audiovisual industry is one of the most rapidly growing sectors in Europe. Current estimates suggest that it will rise to 5.4% in the next few years, reaching a volume of EUR 351 billion in 2008. European content is still the basis for audiovisual works throughout the world, and in particular in the USA. Europe, like no other part of the world, is therefore able to withstand competition in the audiovisual sector with the USA - if we draw the appropriate conclusions.

The most important thing is to make structural improvements in cross-border European cooperation at all stages of development and distribution and to overcome the chronic undercapitalisation of SMEs.

Midterm evaluation of MEDIA Plus

The main task of the MEDIA (1996-2000) and MEDIA Plus (2001-2006) programmes was therefore, to initiate and to support cross-border cooperation in the audiovisual sector in Europe.

The objectives and support instruments under MEDIA, the European film support programme, have largely proved their worth and have made a major contribution to developing the audiovisual sector in Europe.





Approximately 90% of non-national European films have been supported by the MEDIA programme. The Europa Cinema network, a successful instrument with the support of the MEDIA programme, shows up to 38% of non-national European films.

As the evaluation shows, for every euro invested the MEDIA Plus programme has generated EUR 5.75 in follow-up investments, EUR 2.83 in education, EUR 7.2 in distribution and EUR 4.19 in the area of development.

Current figures for the European audiovisual sector show that, given the market shares, the status quo can be maintained in competition with the USA but cannot be further developed.

- Over one billion people visited the cinema in the EU in 2004, a figure not recorded since 1990.
- 1 005 million cinema tickets were sold in the 25 Member States an increase of 6% over 2003.
- 764 films were produced in the EU in 2004 a slight increase of 2% over 2003 (750 films).
- The market share of American films was stable compared to 2003 at **71%**, with the market share of European films at **26%**, as in 2003.

New challenges

In addition to the need for greater cooperation and improved access to funding facilities for the audiovisual sector in Europe, digital technology and the enlargement of the EU have created further major challenges which MEDIA 2007 in particular must help to meet.

The Commission's proposal, MEDIA 2007-2013, is based on experience of the first two MEDIA programmes and has three major objectives:

- 1. Preserving and enhancing European cultural diversity and its cinematographic heritage through support for intercultural dialogue;
- 2. Improving the distribution of European works both within and outside the Union;
- 3. Strengthening the competitiveness of the European film industry.

The following horizontal priorities are intended to achieve these objectives:

- 1. Integration of the creative and cultural aspects within the economic actions proposed;
- 2. Strengthening SMEs through improved access to funding and greater cooperation;
- 3. Reducing the imbalance between countries with high and low production capacities;
- 4. Support for digitisation at all stages of the development, production and distribution chain.

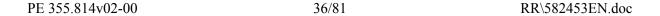
As with MEDIA Plus, the emphasis in MEDIA 2007 is on pre-production and post-production; support for production is the responsibility of the Member States. Support will be concentrated on professional training and project development, cross-border distribution and publicity for European works.

The proposed appropriations of EUR 1.055 million for 2007 to 2013 are the minimum needed to achieve the objectives of the programme. The programme will support 27 countries (25 Member States plus Bulgaria and Romania) with enormous differences in development. The budget line of the new MEDIA 2007 programme will also integrate the i2i financing action of the European Investment Bank and participation by the EU in the European Audiovisual Observatory.

However, there is an urgent need with all these measures for far-reaching simplification of application forms and procedures; in particular, to reduce the time between planning the projects and making them accessible to the public.

With a view to significantly strengthening the competitiveness of the European audiovisual sector, and on the basis of the proposed programme, MEDIA 2007-2013 will have three main priorities:

- 1. Strengthening of cooperation at all programme levels of MEDIA training, development, distribution and promotion to provide a systematic basis for cross-border cooperation through networks, thereby making a lasting contribution to overcoming the weaknesses of fragmented national markets, while at the same time preserving and promoting the cultural wealth of the individual States.
- 2. The chronic undercapitalisation of the European audiovisual sector must be overcome through regular access for SMEs from all Member States to special financial services. Experience with the i2i initiative of the European Investment Bank has shown that the main beneficiaries of this instrument are major production companies. SMEs have only been able to use this instrument if they can have recourse to financial institutes specialising in the audiovisual sector. However, in Europe as a whole there is an almost total lack of such credit institutes. The exception is France, with 60% of beneficiaries of i2i support. A major effort is therefore needed in the MEDIA 2007 programme to facilitate access to funding for SMEs through specialist financial institutes. With the help of MEDIA 2007, existing special national audiovisual forms of financing are to be made available to non-national European SMEs. The special know-how of these financial institutes should be passed on, as far as possible, to financial institutes in other Member States.
- 3. The digital switch-over for television will be implemented throughout the EU during the life of MEDIA 2007-2013. Because of the importance attached to television as a medium for audiovisual European works, MEDIA 2007 must make a decisive contribution now to the digitisation of the European audiovisual sector and to the development and distribution of audiovisual works



OPINION OF THE COMMITTEE ON CIVIL LIBERTIES, JUSTICE AND HOME AFFAIRS

for the Committee on Culture and Education

on the proposal for a decision of the European Parliament and the Council concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007)

(COM(2004)0470 - C6-0093/2004 - 2004/0151(COD))

Draftsman: Ignasi Guardans Cambó

AMENDMENTS

The Committee on Civil Liberties, Justice and Home Affairs calls on the Committee on Culture and Education, as the committee responsible, to incorporate the following amendments in its report:

Text proposed by the Commission¹

Amendments by Parliament

Amendment by Luciana Sbarbati

Amendment 1 Recital 1

(1) The European audiovisual sector has a key role to play in the emergence of European citizenship because it is one of the principal vectors for conveying cultural values to Europeans and especially young people. Community support is designed to enable the European audiovisual sector to *play its part in consolidating* European citizenship. It is intended to enhance competitiveness and, in particular, to

(1) The European audiovisual sector has a key role to play in the emergence of European citizenship because it is one of the principal vectors for conveying *common* and shared cultural values to Europeans and especially young people. Community support is designed to enable the European audiovisual sector to promote intercultural dialogue, increase mutual awareness amongst Europe's cultures and develop its

¹ OJ C ... / Not yet published.

increase the market share in Europe of nonnational European works. political, cultural, social and economic potential, which constitutes genuine added value in the task of making European citizenship a reality. It is intended to enhance competitiveness and, in particular, to increase the market share in Europe of non-national European works.

Justification

By virtue of its potential the audiovisual sector has a key role to play in making European citizenship a reality, since it is able to exert its influence across all sectors: cultural, social, economic and political.

Amendment 2 Recital 2

(2) It is also necessary to promote active citizenship and to do more to combat all forms of exclusion, including racism and xenophobia.

(2) It is also necessary to promote active citizenship and a greater mutual understanding between European citizens, and to do more to combat discrimination and all forms of exclusion, including racism and xenophobia.

Justification

European citizens must develop an awareness of being part of a common reality. The European Union, through programmes such as MEDIA, must help to develop a feeling of belonging.

Amendment 3 Recital 3

- (3) Community support to the audiovisual sector takes account of Article 151 of the Treaty, which stipulates that:
- the Community shall contribute to the flowering of the cultures of the Member States, while respecting their national and regional diversity and at the same time bringing the common cultural heritage to the fore;
- the Community shall take cultural aspects into account in its action under other

- (3) Community support to the audiovisual sector takes account of Article 151 of the Treaty, which stipulates that:
- the Community shall contribute to the flowering of the cultures of the Member States, while respecting their national and regional diversity and at the same time bringing the common cultural heritage to the fore;
- the Community shall take cultural aspects into account in its action under other

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provisions of this Treaty, in particular in order to respect and to promote the *diversity* of its cultures.

provisions of this Treaty, in particular in order to respect and to promote the *cultural* and linguistic diversities of the Member States of the European Union, with due regard to the respect of its minorities.

Amendment 4 Recital 4

(4) Community support to the audiovisual sector is also in keeping with the new strategic aim defined for the Union by the Lisbon European Council, namely to boost employment, economic reform and social cohesion in a knowledge-based economy. In its conclusions, the Council stated that "the content industries create added value by exploiting and networking European cultural diversity". This approach was confirmed in the conclusions of the Brussels European Council.

(4) Community support to the audiovisual sector is also in keeping with the new strategic aim defined for the Union by the Lisbon European Council, namely to boost *training*, employment, economic reform and social cohesion in a knowledge-based economy. In its conclusions, the Council stated that "the content industries create added value by exploiting and networking European cultural diversity". This approach was confirmed in the conclusions of the Brussels European Council.

Justification

At the Lisbon European Council, emphasis was placed on the requirement for more training (in order to enable the new employment-market requirements to be met) and on regular training in order to enable workers to remain competitive.

Amendment 5 Recital 8 a (new)

(8a) All actions adopted under this programme must be compatible with the Charter of Fundamental Rights of the European Union and, in particular, Article 11 thereof on freedom of expression and media pluralism.

Justification

MEDIA freedom and pluralism are fundamental principles that must be respected in the implementation of the programme.

Amendment 6 Recital 9 (9) Article 3 of the Treaty establishing the European Community stipulates that for all activities it envisages the Community shall aim to eliminate inequalities and to promote equality, for men and women.

(9) Article 3 of the Treaty establishing the European Community stipulates that for all activities it envisages the Community shall aim to eliminate inequalities and to promote equality for men and women, while Article 13 of the same Treaty indicates that the Community shall take appropriate action to combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

Justification

The MEDIA programme should also help in the fight against all forms of discrimination.

Amendment 7 Recital 9 a (new)

(9a) Article 22 of the Charter of Fundamental Rights of the European Union indicates that the Union shall respect cultural and linguistic diversity; it is, therefore, necessary to pay attention to the specific needs of the smaller countries of the Union and those with more than one linguistic area.

Justification

It is important to refer to the Charter of Fundamental Rights, which specifies very explicitly respect for cultural and linguistic diversity.

Amendment 8 Article 1, paragraph 2, point (a)

- (a) preserve and enhance European cultural diversity and its cinematographic and audiovisual heritage, guarantee its accessibility to European citizens and promote intercultural dialogue;
- (a) preserve and enhance European cultural diversity and its cinematographic and audiovisual heritage, guarantee its accessibility to all European citizens, promote media pluralism and freedom of expression, and promote intercultural dialogue, both within the Union and between the Union and its neighbours;

Justification

Within the Union itself and between the Union and its neighbours, there are cultural diversities that must be recognised and preserved.

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Amendment 9 Article 1, paragraph 2, point (c)

- (c) strengthen the competitiveness of the European audiovisual sector in the framework of an open and competitive European market.
- (c) strengthen the competitiveness of the European audiovisual sector in the framework of an open and competitive European market *by promoting links between those who work in the sector*.

Justification

Promoting the idea that a given initiative can be shared by a variety of operators of different nationalities is a good way of underpinning a project which by enlarging the market will prevent it from fragmenting.

Amendment 10 Article 1, paragraph 4, point (b)

- (b) strengthening the production structure of the European audiovisual sector, particularly SMEs;
- (b) strengthening the production structure of the European audiovisual sector, particularly SMEs, with specific attention being paid to their funding mechanisms;

Justification

The funding of the audiovisual sector is one of the biggest challenges, and it is a particularly difficult one for SMEs. Particular attention must, therefore, be paid to this area, which is vital to the survival of the sector.

Amendment 11 Article 1, paragraph 4, point (d a) (new)

(da) improving the marketing of European audiovisual works and establishing comprehensive promotion strategies and campaigns for each work.

Justification

In view of the commitment whereby European cultural diversity is to be entrenched and preserved by means of the MEDIA 2007 programme, the marketing of European audiovisual works must be made one of the programme's priorities. Promotion is the cornerstone of marketing.

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Amendment 12 Article 5, point (d)

- (d) encourage the digitisation of European audiovisual works;
- (d) encourage the digitisation of European audiovisual works in order to facilitate the marketing thereof and the preservation of Europe's audiovisual heritage;

Justification

The use of digital technologies will make European audiovisual works more accessible (thanks to the new means of broadcasting audiovisual content) and will therefore increase the dissemination of those products outside their countries of origin. Competitiveness in a globalised world will increasingly depend upon the use of new technologies at the development, production and distribution stages.

Amendment 13 Article 6, point (d a) (new)

(da) improve the promotion of European audiovisual works by providing European audiovisual producers with sufficient additional resources for the purpose.

Justification

Encouraging the drawing-up of promotion and communication campaigns relating to the marketing of European audiovisual works and financing the cost of such activities to European audiovisual producers are essential courses of action if Europe is to compete with other markets which invest three times as much in promoting their works as in producing them.

Amendment 14 Article 9, paragraph 4

- 4. Financial aid awarded under the terms of the programme may not exceed 50% of the final costs of the operation supported. However, in the cases expressly provided for in the Annex, financial aid may be as high as 75%.
- 4. Financial aid awarded under the terms of the programme may not exceed 50% of the final costs of the operation supported. However, in the cases expressly provided for in the Annex, financial aid may be as high as 75%.

Furthermore, such aid shall be granted, ensuring that award procedures are transparent and objective.

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Justification

The most objective yardstick for determining which works make the greatest contribution to the development of the European audiovisual industry is commercial success - box office receipts. Products which find most favour are those which are most consumed and the industry's prime objective is to encourage consumption. Automatic aid is linked to the number of viewers.

Amendment 15 Article 13, paragraph 1, point (a)

- (a) promoting the fundamental *principle* of freedom of expression;
- (a) promoting the fundamental *principles* of freedom of expression *and media pluralism*;

Justification

MEDIA freedom and pluralism are fundamental principles that must be respected in the implementation of the programme.

Amendment 16 Article 13, paragraph 1, point (b)

- (b) encouraging awareness of the importance of cultural diversity and multiculturalism in Europe and the need to combat racism and xenophobia;
- (b) encouraging awareness of the importance of cultural diversity and multiculturalism in Europe and better mutual recognition of its different cultures as a means of making European citizenship a reality and creating an inclusive society, and of the need to combat all forms of discrimination, including racism and xenophobia;

Amendment 17 Article 13, paragraph 1, point (e)

- (e) contributing to the debate on and information about the European Union as an area of peace, prosperity and security.
- (e) contributing to the debate on and information about the European Union as an area of peace, *democracy*, prosperity, *freedom* and security.

Justification

The 'security' dimension should never be separated from that of freedom in the European Union, which is an area of freedom, security and justice.

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Amendment 18 Annex, Chapter 1, paragraph 4.4, indent 1 a (new)

- Improve the promotion of European audiovisual works by providing European audiovisual producers with sufficient additional resources for the purpose.

Justification

Whenever we talk about the European audiovisual sector and the need to make its industry more competitive against its major rival (the USA), we always complain about the situation revealed by the statistics without stopping to think why the world's most successful audiovisual market should enjoy such success. Where promotion is concerned the investment made by European studios has proved to be clearly inadequate.

Amendment 19 Annex, Chapter 1, paragraph 4.4, indent 1 b (new)

> - Encourage the drawing-up of promotion and communication campaigns relating to the marketing of European audiovisual works.

Justification

Whenever we talk about the European audiovisual sector and the need to make its industry more competitive against its major rival (the USA), we always complain about the situation revealed by the statistics without stopping to think why the world's most successful audiovisual market should enjoy such success. Where promotion is concerned the investment made by European studios has proved to be clearly inadequate.

Amendment 20 Annex, Chapter 2, paragraph 1.3 a (new)

> 1.3a. Cooperation in the audiovisual field Joint actions involving international audiovisual film and programme financing bodies must be encouraged.

Justification

The MEDIA programme may make funding available for participation in other European audiovisual production support mechanisms.

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PROCEDURE

Title	Proposal for a decision of the European Parliament and the Council concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007)				
References	COM(2004)0470 - C6-0093/2004 - 2004/0151(COD)				
Committee responsible	CULT				
Committee asked for its opinion Date announced in plenary	LIBE 15.9.2004				
Enhanced cooperation					
Draftsman Date appointed	Ignasi Guardans Cambó 5.10.2004				
Discussed in committee	26.5.2005 13.7.2005				
Date amendments adopted	13.7.2005				
Result of final vote	for: 44 against: 1 abstentions: 0				
Members present for the final vote	Alexander Nuno Alvaro, Alfredo Antoniozzi, Edit Bauer, Mihael Brejc, Kathalijne Maria Buitenweg, Giusto Catania, Charlotte Cederschiöld, Carlos Coelho, Agustín Díaz de Mera García Consuegra, Rosa Díez González, Antoine Duquesne, Kinga Gál, Lilli Gruber, Adeline Hazan, Lívia Járóka, Timothy Kirkhope, Magda Kósáné Kovács, Wolfgang Kreissl-Dörfler, Stavros Lambrinidis, Henrik Lax, Sarah Ludford, Edith Mastenbroek, Jaime Mayor Oreja, Hartmut Nassauer, Bogdan Pęk, Lapo Pistelli, Martine Roure, Luciana Sbarbati, Inger Segelström, Ioannis Varvitsiotis, Manfred Weber, Stefano Zappalà, Tatjana Ždanoka				
Substitutes present for the final vote	Richard Corbett, Panayiotis Demetriou, Gérard Deprez, Ignasi Guardans Cambó, Luis Francisco Herrero-Tejedor, Sylvia-Yvonne Kaufmann, Jean Lambert, Katalin Lévai, Herbert Reul, Marie-Line Reynaud, Kyriacos Triantaphyllides				
Substitutes under Rule 178(2) present for the final vote	Markus Pieper				

OPINION OF THE COMMITTEE ON FOREIGN AFFAIRS

for the Committee on Culture and Education

on the proposal for a decision of the European Parliament and the Council concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007)

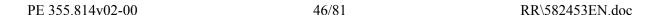
(COM(2004)0470 - C6-0093/2004 - 2004/0151(COD))

Draftsperson: Alojz Peterle

SHORT JUSTIFICATION

The Commission's proposal for a new programme for the support of the European audiovisual sector 'MEDIA 2007' builds on the experience from the MEDIA Plus and the MEDIA Training programmes. It integrates into a single programme the Community action intervening in the pre-production and post-production phases. The previous consists mainly of training activities, while the latter is divided between support to distribution and promotion of the European audiovisual works. The creative process is supported at all levels of the production chain, with an aim to enable the sector to exploit fully the potential of the European Internal Market.

The new programme stems from the Commission's assessment that the European audivisual sector is fragmented both in terms of production structures and cultural frameworks. Although this fragmentation allows for rich cultural diversity and independent production industries, it also prevents the European industries from obtaining larger market shares on the international markets and competing successfully with American counterparts, both at home and overseas. The draftsperson supports the general thrust of the Commission proposal and particularly welcomes its emphasis on making the European industries more competitive on the global markets. At the same time, he emphasises the potential of the audiovisual media as a channel providing important opportunities for communicating the key values underlying European policies, as well as promoting intercultural understanding and Europe's rich cultural heritage. He believes that better coordination with other programmes, both national and international, would benefit the target groups of the activities. Finally, he would like to see more support for the audiovisual industries of the new Member States of the Union, which suffer from considerably low production capacities.



AMENDMENTS

The Committee on Foreign Affairs calls on the Committee on Culture and Education, as the committee responsible, to incorporate the following amendments in its report:

Text proposed by the Commission¹

Amendments by Parliament

Amendment 1 Article 1, paragraph 2, point (a)

- (a) preserve and enhance European cultural diversity and its cinematographic and audiovisual heritage, guarantee its accessibility *to European citizens* and promote intercultural dialogue;
- (a) preserve and enhance European cultural diversity and its cinematographic and audiovisual heritage, guarantee its accessibility *globally* and promote intercultural dialogue;

Justification

There is a need for greater stress on promoting the rich European cultural heritage and its accessibility on the global stage.

Amendment 2 Article 1, paragraph 2, point (c)

- (c) strengthen the competitiveness of the European audiovisual sector in the framework of an open and competitive European market.
- (c) strengthen the competitiveness of the European audiovisual sector and the European audiovisual works on the European and international markets.

Justification

There is a need for a greater focus on markets outside of the European Union. This does not only concern the developed markets, such as in North America, but also developing markets, such as in Africa, Asia and South America, where Europe has a huge potential for market penetration and can at the same time contribute significantly to promoting cultural and social diversity and economic and political exchange.

Amendment 3

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¹ Not yet published in OJ.

Article 6, point (d)

(d) encourage promotion of Europe's cinematographic and audiovisual heritage.

(d) encourage promotion of Europe's cinematographic and audiovisual heritage and improve the European and international public's access to it.

Justification

There is a need for greater stress on promoting the public access to the rich European cultural heritage on the global stage.

Amendment 4 Article 8, paragraph 4 a (new)

4a. The Commission shall investigate possibilities for the gradual opening of the programme to all countries covered by the European Neighbourhood Policy, subject to the conclusion of the relevant agreements between the Community and the concerned countries.

Justification

The programme has a potential to contribute to achieving better penetration on the new markets in the European neighbourhood and also promoting intercultural understanding through cooperation with the European Neighbourhood Policy countries. The programme is at present open to some third countries (EFTA states, which are members of the EEA, accession countries benefiting from a pre-accession strategy, Western Balkans countries, other states which are parties to the Council of Europe Convention on Transfrontier Television¹) but not all ENP countries.

Amendment 5 Article 12, paragraph 2 a (new)

2a. Encourage the setting-up of the MEDIA Desks and the MEDIA Antennae in the countries or regions with low

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¹ It has been ratified by 29 Council of Europe member states (Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Finland, Former Yugoslav Republic of Macedonia, France, Germany, Hungary, Italy, Latvia, Liechtenstein, Lithuania, Malta, Moldova, Norway, Poland, Portugal, Romania, San Marino, Slovakia, Slovenia, Spain, Switzerland, Turkey, United Kingdom) and by the Holy See. The Convention will enter into force with respect to Albania on 1 September 2005.

production capacity in accordance with the priorities set out in Article 1(4), point (c), and promote their visibility.

Justification

Midterm evaluation of the MEDIA Training and the MEDIA Plus programmes carried out on behalf of the Commission showed that the visibility of the programmes for the target audiences is mainly connected to the organisational structure. 48.67% of the beneficiaries in the sample had heard about MEDIA Plus from the MEDIA Desks. Therefore, a well-spread network of the MEDIA Desks and Antennae is crucial for the visibility of the programme. The countries and regions of the new Member States need particular attention and assistance to catch up, due to their very low production capacities.

Amendment 6 Article 13, paragraph 2 a (new)

2a. The Commission shall take steps to ensure that the activities carried out under this programme complement other Community and Europe-wide activities in the field of education and training, relating to film and the audiovisual sector.

Justification

There is a need for greater coherence among all Europe-wide support programmes, both national and international, relating to film and the audiovisual sector in order to better respond to the needs of the European industry. The examples include support under Structural Funds, training and cultural programmes, the support by the European Investment Bank, Eurimages, etc.

Amendment 7 Annex, Chapter 1, subparagraph 4.2, indent 5 a (new)

> - support participation in festivals by young professionals and professionals from the countries with low audiovisual production capacity.

Justification

Considering the need for the young producers and the producers from the countries with low production capacity to promote their production on the markets and festivals and the relatively high costs linked to such representation, it would be important to expand the

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programme's support scheme to this area.

Amendment 8 Annex, Chapter 1, subparagraph 4.4, title

Encourage promotion of Europe's cinematographic and audiovisual heritage

Encourage promotion of *and access to* Europe's cinematographic and audiovisual heritage

Justification

There is a need for greater stress on promoting public access to the rich European cultural heritage on the global stage.

Amendment 9 Annex, Chapter 1, subparagraph 4.4, indent 1 a (new)

- support for the archives of Europe's cinematographic and audiovisual heritage.

Justification

There is a need for greater stress on promoting public access to the rich European cultural heritage on the global stage.

Amendment 10 Annex, Chapter 1, subparagraph 4.4, indent 1 b (new)

- support for the issue of the European cinematographic and audiovisual heritage on new and innovative platforms of distribution.

Justification

There is a need for greater stress on promoting public access to the rich European cultural heritage on the global stage. The new and innovative platforms of distribution, such as the online technologies and DVDs, would allow for new opportunities for that.

PROCEDURE

Title	Proposal for a decision of the European Parliament and the Council concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007)				
References	COM(2004)0470 - C6-0093/2004 - 2004/0151(COD)				
Committee responsible	CULT				
Committee asked for its opinion Date announced in plenary	AFET 15.9.2004				
Enhanced cooperation					
Draftsman Date appointed	Alojz Peterle 13.9.2004				
Discussed in committee	21.6.2005 13.7.2005				
Date amendments adopted	13.7.2005				
Result of final vote	for: 59 against: 2 abstentions: 3				
Members present for the final vote	Vittorio Emanuele Agnoletto, Angelika Beer, Panagiotis Beglitis, Bastiaan Belder, André Brie, Elmar Brok, Philip Claeys, Véronique De Keyser, Giorgos Dimitrakopoulos, Camiel Eurlings, Anna Elzbieta Fotyga, Alfred Gomolka, Klaus Hänsch, Richard Howitt, Anna Ibrisagic, Georgios Karatzaferis, Ioannis Kasoulides, Bogdan Klich, Joost Lagendijk, Vytautas Landsbergis, Edward McMillan-Scott, Cecilia Malmström, Francisco José Millán Mon, Pasqualina Napoletano, Annemie Neyts-Uyttebroeck, Baroness Nicholson of Winterbourne, Raimon Obiols i Germà, Vural Öger, Justas Vincas Paleckis, Alojz Peterle, Tobias Pflüger, João de Deus Pinheiro, Mirosław Mariusz Piotrowski, Michel Rocard, José Ignacio Salafranca Sánchez-Neyra, Jacek Emil Saryusz-Wolski, György Schöpflin, Marek Maciej Siwiec, István Szent-Iványi, Konrad Szymański, Antonio Tajani, Charles Tannock, Paavo Väyrynen, Inese Vaidere, Geoffrey Van Orden, Karl von Wogau, Luis Yañez-Barnuevo García, Josef Zieleniec				
Substitutes present for the final vote	Philip Bushill-Matthews, Proinsias De Rossa, Árpád Duka-Zólyomi, Michael Gahler, Milan Horáček, Sajjad Karim, Jo Leinen, Erik Meijer, Janusz Onyszkiewicz, Doris Pack, Aloyzas Sakalas, Marcello Vernola				
Substitutes under Rule 178(2) present for the final vote	Sylwester Chruszcz, Neena Gill, Jean Lambert, Tadeusz Zwiefka				

OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND GENDER EQUALITY

for the Committee on Culture and Education

on the proposal for a decision of the European Parliament and of the Council concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007)

(COM(2004)0470 - C6-0093/2004 - 2004/0151(COD))

Draftswoman: Marie Panayotopoulos-Cassiotou

SHORT JUSTIFICATION

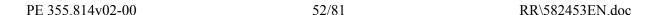
The MEDIA 2007 programme proposed by the European Commission, with a budget of €1 055 million, is a follow-up to the MEDIA Plus and MEDIA Training programmes, which end on 31 December 2006.

The new programme seeks to:

- preserve and enhance European cultural diversity and its cinematographic and audiovisual heritage, guarantee its accessibility for European citizens and promote intercultural dialogue;
- increase the circulation of European audiovisual works inside and outside the European Union;
- strengthen the competitiveness of the European audiovisual sector in the framework of an open and competitive market with a view to achieving the objectives of the Lisbon Strategy.

The MEDIA 2007 programme should help expand and stimulate the development potential of the European audiovisual industry by creating a favourable socio-economic climate, particularly for small and medium-sized enterprises.

The European audiovisual sector has not only great political and cultural value but also considerable social and economic potential. A more competitive audiovisual industry will have positive effects on growth and employment for the whole Union. In the Lisbon European



Council's conclusions, it was stated that the 'content industries create added value by exploiting and networking European cultural diversity'.

Apart from its economic implications, the audiovisual sector is an important vector for fostering and developing the fundamental, social and cultural values of the Union and it therefore plays a key role in building a European cultural identity.

Your draftswoman therefore believes it is essential that the measures taken under the programme should be implemented in compliance with the key principles of human dignity, the promotion of equality between women and men and combating all forms of discrimination.

AMENDMENTS

The Committee on Women's Rights and Gender Equality calls on the Committee on Culture and Education, as the committee responsible, to incorporate the following amendments in its report:

Text proposed by the Commission¹

Amendments by Parliament

Amendment 1 Recital 1

(1) The European audiovisual sector has a key role to play in the emergence of European citizenship because it is one of the principal vectors for conveying cultural values to Europeans and especially young people. Community support is designed to enable the European audiovisual sector to play its part in consolidating European citizenship. It is intended to enhance competitiveness and, in particular, to increase the market share in Europe of nonnational European works.

(1) The European audiovisual sector has a key role to play in the emergence of European citizenship because it is one of the principal vectors for conveying *the Union's fundamental, social and* cultural values to Europeans and especially young people. Community support is designed to enable the European audiovisual sector to play its part in consolidating European citizenship. It is intended to enhance competitiveness and, in particular, to increase the market share in Europe of non-national European works.

Justification

The programme should help convey not only the cultural values but also the fundamental and social values of the Union to help build European citizenship.

¹ Not yet published in OJ.

Amendment 2 Recital 2

- (2) It is also necessary to promote active citizenship and to do more to combat all forms of exclusion, including racism and xenophobia.
- (2) It is also necessary to promote active citizenship and to do more to ensure respect for the principle of human dignity, promote equality between women and men and combat all forms of discrimination and exclusion, including racism and xenophobia.

Justification

The European audiovisual sector should help reinforce respect for the principle of human dignity, promote equality between women and men and combat all forms of discrimination.

Amendment 3 Recital 2 a (new)

(2a) The audiovisual sector has a key role to play in combating gender stereotypical portrayal and influencing and changing the mentality, attitudes and behaviour of society as a whole.

Amendment 4 Recital 2 b (new)

(2b) The increasing presence and empowerment of women in the audiovisual sector can bring about a change in its content and attract a female audience and is crucial for gender equality in society as a whole.

Amendment 5 Recital 9

- (9) Article 3 of the Treaty establishing the European Community stipulates that for all activities it envisages the Community shall aim to eliminate inequalities and to promote equality, for men and women.
- (9) The measures provided for under the programme should contribute to eliminating inequalities and promoting equality between women and men in accordance with Article 3 of the Treaty establishing the European Community.

Justification

Measures under the MEDIA programme should help to strengthen gender equality and efforts to combat all forms of discrimination.

Amendment 6 Article 1, paragraph 2, first subparagraph

- 2. The audiovisual sector is an essential vector for conveying and developing European cultural values. The programme is intended to strengthen the audiovisual sector economically to enable it to play its cultural role more effectively.
- 2. The audiovisual sector is an essential vector for conveying and developing European *fundamental*, *social and* cultural values. The programme is intended to strengthen the audiovisual sector economically to enable it to play its cultural role more effectively.

Justification

The programme should help convey not only the cultural values but also the fundamental and social values of the Union to help build European citizenship.

Amendment 7 Article 1, paragraph 3, point (a)

- (a) upstream of audiovisual production: the acquisition and improvement of skills in the audiovisual field and the development of European audiovisual works;
- (a) upstream of audiovisual production: the acquisition and improvement of skills in the audiovisual field *with special attention to women, young people and migrants* and the development of European audiovisual

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works;

Amendment 8 Article 3, paragraph 1, introduction

- 1. strengthen the skills of European audiovisual professionals in the fields of development, production, distribution/dissemination and promotion, in order to improve the quality and potential of European audiovisual works. The programme shall support notably action in the following areas:
- 1. strengthen, in accordance with the principles of equal opportunity and equal pay, the skills of European audiovisual professionals in the fields of development, production, distribution/dissemination and promotion, in order to improve the quality and potential of European audiovisual works. The programme shall support notably action in the following areas:

Justification

Measures to strengthen the skills of audiovisual professionals must comply with the principles of equal opportunity and equal pay to ensure universal access to training.

Amendment 9 Article 12, paragraph 2, indent 1

- have an adequate number of staff, with professional and linguistic capacities appropriate for work in an environment of international cooperation;
- have an adequate number of staff, with professional and linguistic capacities appropriate for work in an environment of international cooperation *and equality of* participation between women and men;

Amendment 10 Article 12, paragraph 2, indent 3 a (new)

- ensure that the principles of equal

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opportunity and equal pay are applied.

Justification

The MEDIA Desks must operate in accordance with the principles of equal opportunity and equal pay for all.

Amendment 11 Article 13, paragraph 1, point (d)

- (d) helping to combat all forms of discrimination based on sex, race or ethnic origin, religion or beliefs, disabilities, age or sexual orientation.
- (d) helping to promote equality between women and men and combat all forms of discrimination;

Justification

The MEDIA programme should help promote the principle of gender equality and combat all forms of discrimination.

Amendment 12 Article 13, paragraph 1, point (e)

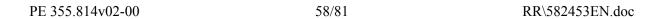
- (e) contributing to the debate on and information about the European Union as an area of peace, prosperity and security.
- (e) contributing to the debate on and information about the European Union as an area of *equality*, peace, *freedom*, prosperity, security *and justice*.

Justification

In addition to being an area of peace, prosperity and security, the European Union is also an area of equality for all, freedom and justice and the MEDIA Programme should help convey these values to citizens.

PROCEDURE

Title References	Proposal for a decision of the European Parliament and of the Council concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007) COM(2004)0470 – C6-0093/2004 – 2004/0151(COD)				
Committee responsible	CULT				
Committee asked for its opinion Date announced in plenary	FEMM 7.7.2005				
Enhanced cooperation	No				
Draftsman Date appointed	Marie Panayotopoulos-Cassiotou 20.06.2005				
Discussed in committee	14.7.2005				
Date amendments adopted	14.7.2005				
Result of final vote	for: 26 against: 1 abstentions: 0				
Members present for the final vote	Edit Bauer, Emine Bozkurt, Hiltrud Breyer, Edite Estrela, Věra Flasarová, Nicole Fontaine, Lissy Gröner, Zita Gurmai, María Esther Herranz García, Anneli Jäätteenmäki, Lívia Járóka, Rodi Kratsa-Tsagaropoulou, Urszula Krupa, Pia Elda Locatelli, Astrid Lulling, Angelika Niebler, Marie Panayotopoulos-Cassiotou, Amalia Sartori, Eva-Britt Svensson, Konrad Szymański, Anna Záborská				
Substitutes present for the final vote	Jillian Evans, Mary Honeyball, Sophia in 't Veld, Karin Jöns, Karin Resetarits, Zuzana Roithová, Marta Vincenzi				
Substitutes under Rule 178(2) present for the final vote	Zita Pleštinská				



OPINION OF THE COMMITTEE ON BUDGETS

for the Committee on Culture and Education

on the proposal for a decision of the European Parliament and of the Council concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007)

(COM(2004)0470 - C6-0093/2004 - 2004/0151(COD))

Draftswoman: Brigitte Douay

SHORT JUSTIFICATION

In its communication on the financial perspective $2007-2013^1$ the Commission proposed that the new MEDIA 2007 programme be brought under heading 3 (Citizenship), to which a sum of \in 24 705 million has been allocated. The MEDIA programme forms part of measures to promote culture and European citizenship, which account for 15% of the overall budget.

COMMISSION PROPOSAL

In July 2004 the Commission submitted a proposal for a decision of the European Parliament and the Council concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007) (COM(2004) 0470²), which will bring together the current MEDIA Plus and MEDIA Training programmes.

The overall objectives of the new programme will be to preserve and enhance European cultural diversity and Europe's cinematographic and audiovisual heritage, increase the circulation of European audiovisual works and enhance the competitiveness of the European audiovisual industry.

The programme will take due account of four horizontal priorities, namely:

- fostering creativity in the audiovisual sector and knowledge and dissemination of Europe's cinematographic and audiovisual heritage;

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¹ COM(2004)0487.

² OJ C 12, 18.1.2005, p. 25.

- bolstering production structures, particularly within SMEs;
- reducing the imbalances in the market between high production capacity countries and countries with lower production capacity;
- following and supporting market developments with regard to digitisation.

The programme seeks to simplify Community action, which comprises the following two phases:

- **1. Pre-production:** This phase covers training and development. Support will mainly take the form of grants for training projects with European added value and for independent production companies for the development of individual projects, with small and medium-sized enterprises being afforded easier access to MEDIA 2007.
- **2. Post-production:** This phase covers distribution and promotion. Support for the distribution phase remains a priority for the consolidation of the European single market and for developing the industry. As regards promotion, unlike the decision currently in force, the Commission proposal does not list commercial events and audiovisual festivals among the activities covered.

The Commission is proposing a significant increase in resources for the audiovisual sector, with an overall budget of €1 055 which breaks down as follows:

	2007	2008	2009	2010	2011	2012	2013	TOTAL
Commit. apps.	105	112	133	150	171	184	200	1 055
Payment apps.	70.493	108.119	121.877	152.945	192.217	200.497	208.852	1 055

Of this total, \in 969.754 m will be earmarked for operating expenditure and \in 85.2 m for administrative expenditure, including a \in 76.8 m contribution to the funding of the education and culture executive agency.

The MEDIA Plus programme is allocated €453 m¹ and MEDIA Training €59.4 m². In all, the Commission is proposing an increase of approximately 51.3% for the future programme.

As a rule, Community cofinancing cannot be higher than 50%. However, in some specific cases it can cover up to 75% of costs.

The Commission will give the executive agency responsibility for running the programme.

REMARKS

The draftswoman welcomes the Commission proposal, particularly the proposed

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¹ € 350 m + € 103.6 m, enlargement adjustment - Decision No 846/2004.

² € 52 m + € 7.4 m, enlargement adjustment - Decision No 845/2004.

simplification, and calls accordingly on the Commission to ensure that the programme is implemented in a transparent and consistent manner.

Over and above the innovative measures put forward by the Commission, the draftswoman has the following proposals to make:

- 1. As regards training, the draftswoman welcomes the measures seeking to foster mobility of students and professionals within Europe through mobility grants for the new Member States, but considers that these mobility arrangements should be open to professionals from all the Member States.
- 2. It needs to be emphasised that the amount shown in Article 2 is for guidance only, until such time as agreement is reached on the financial perspective. Amendments are tabled to the draft legislative resolution and to Article 2 of the proposed decision with this in mind.
- 3. Given that one of the objectives of the MEDIA 2007 programme is to facilitate access by SMEs, a new paragraph 9(3a) is proposed with a view to simplifying procedures, so as to make them more flexible and to take account of the specific needs of this vulnerable sector¹.
- 4. To ensure that the procedure is effective, the Committee on Budgets' standard approach of advocating the use of the advisory procedure should be followed. An amendment is tabled to Article 11 to this end. This is a horizontal amendment which also affects Articles 10(2) and 15 and section 1.1. of Chapter 2 of the annex.
- 5. Lastly, it is important to ensure democratic scrutiny by means of suitable arrangements for programme monitoring and evaluation. Five amendments have been tabled in this connection, to Article 10 (paragraph 2, new points (da) and (db), and new paragraph 3a), and to Article 14.

AMENDMENTS

The Committee on Budgets calls on the Committee on Culture and Education, as the committee responsible, to incorporate the following amendments in its report:

Draft legislative resolution

Amendment 1 Paragraph 1 a (new)

1a. Stresses that the appropriations set out in the legislative proposal for the post-2006 period are dependent on the decision on the next multiannual financial framework;

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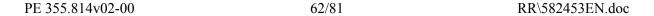
¹ Mid-term evaluation of the MEDIA Plus and MEDIA Training programmes. Consortium members: MEDIA Consulting Group, Sector and April.

Amendment 2 Paragraph 1 b (new)

1b. Calls on the Commission to submit, where appropriate, a proposal to adjust the financial reference amount for this programme once the next multiannual financial framework has been adopted;

Justification

The financial reference amount cannot be established until the financial perspective has been adopted. Once it has been adopted, the Commission should submit a legislative proposal with a view to determining the reference amount in accordance with the ceiling set in the financial framework.



Amendment 3 Article 2, paragraph 1

- 1. The budget for implementing this programme for the period set out in Article 1(1) is fixed at €1 055 million.
- 1. The *indicative* budget for implementing this programme for the *seven-year* period *running from 1 January 2007* set out in Article 1(1) is fixed at €1 055 million.

Justification

The financial reference amount is for guidance only until such time as the financial perspective is adopted. Once it has been adopted, the Commission should submit a legislative proposal with a view to determining the reference amount in accordance with the ceiling set in the financial framework (see amendment to legislative resolution).

Amendment 4 Article 9, paragraph 3 a (new)

3a. The Commission shall adhere to the proportionality principle in connection with eligibility criteria and the documents to be supplied and filled in.

Justification

Given that a stated aim of the programme is to facilitate access by SMEs, procedures need to be simplified so as to make them more flexible and to facilitate access to the programme.

Amendment 5 Article 10, paragraph 2, point (d a) (new)

(da) project selection proposals;

Justification

With a view to ensuring transparency and democratic scrutiny, Commission proposals for the selection of projects should be submitted to the committee.

Amendment 6

Article 10, paragraph 2, point (d b) (new)

(db) the choice of pilot projects, as provided for in Article 7.

Justification

With a view to ensuring transparency and democratic scrutiny, Commission proposals for the selection of projects should be submitted to the committee.

Amendment 7 Article 10, paragraph 3 a (new)

3a. The Commission shall give the European Parliament and the Council regular and timely notice of the implementation of the programme, in particular the use of the available resources.

Justification

The two arms of the budgetary authority should receive regular, timely information in order to ensure that the programme is monitored and assessed in an effective manner.

Amendment 8 Article 11, paragraph 2

2. Where reference is made to this paragraph, Articles 4 and 7 of Decision 1999/468/EC shall apply. The period laid down in Article 4(3) of Decision 1999/468/EC shall be set at two months.

deleted

(This amendment applies to the entire legislative proposal before us; should it be adopted, suitable adjustments will need to be made throughout the text, with particular reference to Articles 10(2) and 15 and section 1.1. of Chapter 2 of the annex.)

Justification

The advisory procedure is the Committee on Budgets' standard approach to ensuring that procedures are effective. This is a horizontal amendment that also affects Articles 10(2) and section 1.1. of Chapter 2 of the annex.

Amendment 9

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Article 14, paragraph 1, first subparagraph

- 1. The Commission shall monitor the programme regularly. The results of the process of monitoring and evaluation shall be taken into account in the implementation of the programme.
- 1. The Commission shall ensure that the actions covered by this Decision are subjected to prior evaluation, monitoring and ex-post evaluation. It shall ensure that the programme is accessible and is implemented in a transparent manner.

Justification

The programme needs to be monitored and evaluated at the appropriate times, so as to ensure democratic scrutiny.

Amendment 10 Article 14, paragraph 3

- 3. The Commission shall present to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions:
- (a) an interim evaluation report on the results and the qualitative and quantitative aspects of implementing the programme by 31 December 2010 at the latest;
- (b) a Communication on the continuation of the programme by 31 December 2011 at the latest;
- (c) an ex-post evaluation report by 31 December 2015 at the latest.

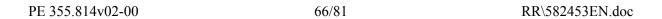
- 3. The Commission shall present to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions:
- (a) an interim evaluation report on the results and the qualitative and quantitative aspects of implementing the programme, *three years after its adoption*;
- (b) a Communication on the continuation of the programme, *four years after its adoption*;
- (c) a detailed ex-post evaluation report covering the implementation and results of the programme, on completion of its implementation.

Justification

The programme needs to be monitored and evaluated at the appropriate times, so as to ensure democratic scrutiny.

PROCEDURE

Title	Proposal for a decision of the European Parliament and of the Council concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007)				
References	COM(2004)0470 - C6-0093/2004 - 2004/0151(COD)				
Committee responsible	CULT				
Committee asked for its opinion Date announced in plenary	BUDG 15.9.2004				
Enhanced cooperation	yes				
Drafts(wo)man Date appointed	Brigitte Douay 31.1.2005				
Discussed in committee	13.7.2005				
Date suggestions adopted	0.0.0000				
Result of final vote	for: 14 against: 0 abstentions: 1				
Members present for the final vote	Brigitte Douay, Bárbara Dührkop Dührkop, Salvador Garriga Polledo, Ingeborg Gräßle, Nathalie Griesbeck, Catherine Guy-Quint, Anne Elisabet Jensen, Wiesław Stefan Kuc, Janusz Lewandowski, Vladimír Maňka, Nina Škottová, Helga Trüpel, Yannick Vaugrenard, Kyösti Tapio Virrankoski				
Substitutes present for the final vote	Lidia Joanna Geringer de Oedenberg				
Substitutes under Rule 178(2)					



OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY

for the Committee on Culture and Education

on the proposal for a decision of the European Parliament and of the Council concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007)

(COM(2004)0470 - C6-0093/2004 - 2004/0151(COD))

Draftswoman: Catherine Trautmann

SHORT JUSTIFICATION

In its conclusions, the Lisbon European Council reaffirmed the importance of the audiovisual industry in providing added value for all EU policies and strengthening European citizenship.

MEDIA 2007 has responded to the evaluation of earlier programmes by regrouping them to improve their coherence and legibility. MEDIA 2007 is strategic for two reasons, the skills economy and competitiveness, both Lisbon objectives. It puts into practice the EC Treaty's recommendation that the Union should respect the wealth of its cultural and linguistic diversity, and ensure that the European cultural heritage is safeguarded and developed.

The MEDIA programmes have contributed to the growth of the European audiovisual industry and shown their ability to exercise structural leverage by their efforts to meet the needs and expectations of the professionals.

By digitalisation and networking, MEDIA 2007 is encouraging full use of the European audiovisual heritage, strengthening transnational collaboration and helping to disseminate new kinds of content.

A European market that still awaits structuring in a context of radical change.

The market is further fragmented by the disparity between the 25 Member States, greater media concentration and the existence of small-scale businesses.

Compared with the United States, European companies are ill prepared for developments in the market: the trans-frontier dissemination of European works is still too limited. Disparities

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are growing between the EU and the US film industry. This failure of market structuring places the EU at a particular disadvantage. Europe is a substantial market that is not managing to exploit its true potential.

With the digital technologies, the audiovisual industry has undergone dramatic expansion, with proliferating new modes of dissemination. DVDs, games and video on demand are rapid growth sectors. This digital revolution is fuelling strong demand for audiovisual content, which MEDIA should take into account.

This is the first post-enlargement programme: in the new countries, investment capacity, public aid and orders are very much more limited. MEDIA should establish a proportional system that favours the 'small' countries. The need to safeguard film production in the candidate countries justifies greater European support.

Funding is still a delicate issue. Access to bank lending is crucial for independent producers and distributors. 'i2i' should be used to attract the banks by reducing their risk exposure and finding ways to compensate for the absence of specialised lending institutions in a number of countries.

In this connection the allocation of EUR 1 055 thousand million represents a minimum threshold for seven years and 27 countries, and is sparse in view of future challenges. National funding is all the more indispensable for the success of MEDIA objectives.

THE CONTENT OF MEDIA 2007

The European dimension for initial and further training of professionals is a positive step. The quality objective must continue to be high.

Simplifying access to the available aid must be effective to avoid strengthening monopolies. The active support of independent producers and small structures should be continued. Cooperation and coordination of the professional networks should be encouraged.

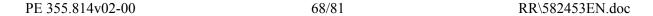
The priority share dedicated to distribution is an essential factor for development as it is still a weak link in the chain. Aid for digitalisation should speed up the refitting of cinema theatres.

Integrating promotion and the cost of distributing a film from the production stage is a positive step. As the automatic allocation of aid is extended, aid is seen more as a reward for success than as an encouragement to take risks. Thus European support may be moving away from its purpose of cultural diversity. Hence the need to improve the criteria for helping with the distribution of films.

The forthcoming TSF directive will need to provide a suitable framework to assist the dissemination of works supported by MEDIA 2007.

IMPLEMENTING ARRANGEMENTS

The success of MEDIA depends on its efficient financial management and complementarity with the other programmes (information and communications technologies, R&D and



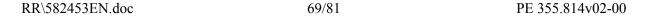


training) and funding sources (Structural Funds). The growth of the European content industry must be a priority for all of the Commission, to facilitate the commitment of public and private finance.

The role of the executive agency that is to handle the management of MEDIA should be spelt out and its funding should be provided for outside MEDIA.

The MEDIA Desks should be strengthened in their role in disseminating information on MEDIA and passing on the expectations and requirements of the professionals.

The EU's participation in the European Audiovisual Observatory is valuable as the transparency and reliability of information encourage private investors' confidence. It could be entrusted with coordinating a platform for economic, legal and sociological research to assess market requirements, and the impact of new cultural attitudes and audiovisual supports. In this way MEDIA would have the means for its further development and effective action.



AMENDMENTS

The Committee on Industry, Research and Energy calls on the Committee on Culture and Education, as the committee responsible, to incorporate the following amendments in its report:

Text proposed by the Commission¹

Amendments by Parliament

Amendment 1 Recital 8

(8) For the purposes of implementing Community support, the specific nature of the audiovisual sector must be taken into account and it must be ensured that administrative and financial procedures are simplified as far as possible and adapted to the aims pursued and the sector's practices and requirements.

(8) For the purposes of implementing Community support, the specific nature of the audiovisual sector must be taken into account and it must be ensured that administrative and financial procedures are simplified as far as possible and adapted to the aims pursued and the sector's practices and requirements. Simplification must in particular make it possible to reduce timelags between the proposal and its access by the public.

Justification

Effective control of film production scheduling for films or audiovisual works is a real saving of resources.

Amendment 2 Recital 10

(10) Increased transparency and dissemination of information about the European audiovisual market can make operators in the sector, and especially small and medium-sized enterprises, more competitive. They also make it easier for Community action to be evaluated and followed up. Participation by the European Union in the European Audiovisual Observatory should help it to achieve these

(10) Increased transparency and dissemination of information about the European audiovisual market can make operators in the sector, and especially small and medium-sized enterprises, more competitive. *Increased transparency and dissemination encourage private investors' confidence by improving understanding of the industry's potential.* They also make it easier for Community action to be evaluated

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¹ Not yet published in OJ.

aims.

and followed up. Participation by the European Union in the European Audiovisual Observatory should help it to achieve these aims.

Justification

Knowing the market better means better assessment of the investment risk.

Amendment 3 Article 1, paragraph 2

- 2. The audiovisual sector is an essential vector for conveying and developing European cultural values. The programme is intended to strengthen the audiovisual sector economically to enable it to play its cultural role more effectively.
- 2. The audiovisual sector is an essential vector for conveying and developing European cultural values. Its creativity is a positive factor for competitiveness and cultural appeal with the public. The programme is intended to strengthen the audiovisual sector economically to enable it to play its cultural role more effectively by developing an industry with powerful and diversified content and a valuable and accessible heritage. The creation of a large and well-informed European audience is necessary in order to succeed in finalising the objectives of the MEDIA 2007 programme. European image and multimedia education programmes can help achieve this.

Justification

The growing consumption of cultural goods has not meant a parallel rise in the number of cultural references. The importance of the image in our society justifies treating it as a subject of knowledge in itself.

Amendment 4 Article 1, paragraph 2, point (c)

- (c) strengthen the competitiveness of the European audiovisual sector in the framework of *an open and* competitive European market.
- (c) strengthen the competitiveness of the European audiovisual sector in the framework of *a* competitive European market *favourable to employment*.

Justification

The audiovisual industry is the United States export sector that generates the most money, and Europe is a large market here. The EU trade deficit with the United States is about USD 8 000 million a year. The figures show not only that the trade deficit is not going down, but also that the EU is not making the best possible use of its own market. Yet this industry is undoubtedly one of the most promising areas for employment and economic growth.

Amendment 5 Article 1, paragraph 4, point (a)

- (a) fostering *creativity* in the audiovisual sector and knowledge and dissemination of Europe's cinematographic and audiovisual heritage;
- (a) fostering *creative work, of any length,* in the audiovisual sector and knowledge and dissemination of Europe's cinematographic and audiovisual heritage;

Justification

The addition should make it possible to include short films in consideration for support.

Amendment 6 Article 1, paragraph 4, point (d)

- (d) following and supporting market developments with regard to digitisation.
- (d) anticipating the effects of proliferating supports and following and supporting market developments with regard to digitisation and the consequent wide range of distribution methods..

Justification

To be still more effective, MEDIA should not just be 'following' technological developments but anticipating if not encouraging them. It is important to point out that the new methods of dissemination should not be ignored when stimulating the circulation of European works.

Amendment 7 Article 2, paragraph 2 a (new)

2a. In the exceptional event of a change in the programming period, the amount originally adopted shall be changed only

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with strict regard for proportionality.

Justification

This is to prevent differing deadlines, imposed by decisions on the financial perspective, from undermining the financial stability of the programme.

Amendment 8 Article 3, paragraph 3

- 3. enable, through special scholarships, professionals from the new Member States to take part in the training activities set out in paragraph 1 of this Article.
- 3. enable, through special scholarships, professionals from the new Member States and from regions within other Member States that have a low audiovisual production capacity, cover a small area, or in which a regional language is spoken, to take part in the training activities set out in paragraph 1 of this Article.

Justification

Under the present programme it is also extremely difficult for professionals from countries with a low audiovisual production capacity and/or small geographical area and/or linguistic area to benefit from the training measures described in point 1 of this article.

Amendment 9 Article 6, point (d a) (new)

(da) improve the promotion of European audiovisual works by contributing substantially to additional resources for European audiovisual producers for that purpose.

Justification

Encouraging the preparation of promotion and information campaigns for the marketing of European audiovisual works, and funding the costs that European audiovisual producers involved in such activities incur, are essential measures to improve competitiveness with other markets that invest three times more in promoting their works than in producing them.

Amendment 10 Article 9, paragraph 7

- 7. Any sums reimbursed under the programme, those from the MEDIA programmes (1991 to 2006) and sums not used by selected projects shall be allocated to the requirements of the MEDIA 2007 programme.
- 7. Any sums reimbursed under the programme, those from the MEDIA programmes (1991 to 2006) and sums not used by selected projects shall be allocated to the requirements of the MEDIA 2007 programme. In particular, they may serve the funding of new research programmes or innovative activities, pilot projects, joint activities with the programmes dedicated to education or lifelong learning.

Justification

To mobilise unused funds for activities that meet the twofold Lisbon objective of competitiveness and skills.

Amendment 11 Article 12, paragraph 1 a (new)

1a. The cooperation of MEDIA Desks in networks, especially proximity networks, shall be encouraged in order to facilitate exchange and contacts between professionals, public awareness of key events in the programme as well as prizes and awards. The MEDIA Desks' role of information and services supplier is valuable for the emergence of new audiovisual centres.

Amendment 12 Article 13, paragraph 1, point (a)

- (a) promoting the fundamental *principle* of freedom of expression;
- (a) promoting the fundamental *principles* of freedom of expression, *creative freedom*, and the pluralism of information;

Justification

MEDIA is a good example of the European approach to cultural diversity.

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Amendment 13 Article 14, paragraph 2

- 2. The Commission shall ensure that the programme is evaluated regularly, externally and independently.
- 2. The Commission shall ensure that the programme is evaluated regularly, externally and independently. Such evaluation shall be carried out with a view to complementarity with the research programmes on innovation and information and communications technologies, particularly in the Seventh Framework Programme for research and technological development.

Justification

Concordance between the schedules for MEDIA 2007 and the Seventh FPRD should make it possible to define new research into the media, communication, the development of European content, the impact of new technologies and audience habits.

Amendment 14 Article 14, paragraph 3, point (a)

- (a) an interim evaluation report on the results and the qualitative and quantitative aspects of implementing the programme by 31 December 2010 at the latest;
- (a) an interim evaluation report on the results, on matching the programme to the technological context and its impact on the European market, and on the qualitative and quantitative aspects of implementing the programme by 31 December 2010 at the latest; the report shall in particular make it possible to assess the effectiveness of structural improvement measures in countries that have recently joined the Union:

Justification

MEDIA 2007 usefully makes provision for priority action intended for these countries; it should be strengthened if it proves insufficient.

Amendment 15 Article 18, indent 1

- by encouraging transparency in the market and ensuring that operators have access to financial and legal statistics and
- by encouraging transparency in the market
 by harmonising data collected in the
 different countries and ensuring that

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information, thereby enhancing the European audiovisual sector's ability to compete and develop; operators have access to financial and legal statistics and information, thereby enhancing the European audiovisual sector's ability to compete and develop;

Justification

In order to structure itself the European audiovisual market needs cooperation between the Member States and professionals for access to data.

Amendment 16 Article 18, indent 2 a (new)

- by initiating research, to complement the financial evaluation, in coordination with the European Audiovisual Observatory, into audiences, their habits and preferences.

Justification

Such audience research is necessary and useful to guide policy for boosting the audiovisual market, the promotion of films and audiovisual works and more appropriate programming and distribution.

Amendment 17 Annex, Title 1, point 1.2.5

1.2.5 Enable, through special scholarships, the professionals from the new Member States to take part in the training activities set out in 1.1.1 of this Annex

1.2.5 Enable, through special scholarships, the professionals from the new Member States and from regions within other Member States that have a low audiovisual production capacity, cover a small area or in which a regional language is spoken to take part in the training activities set out in 1.1.1 of this Annex

Operational objective

 Facilitate the participation by professionals from the new Member States in the projects supported by the programme.

Operational objective

- Facilitate the participation by professionals from the new Member States and from regions within other Member States that have a low audiovisual production capacity, cover a small area or in which a regional language is spoken in the projects supported by the programme.

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Action to be implemented

 Contribute to setting up a grant mechanism.

Action to be implemented

 Contribute to setting up a grant mechanism.

Justification

Under the present programme it is also extremely difficult for professionals from countries with a low audiovisual production capacity and/or small geographical area and/or linguistic area to benefit from the training measures described in point 1 of this article.

Amendment 18 Annex, title 1, point 2.2, indent 1

 Support the side costs of private financing of production and co-production projects presented by SMEs (such as financial expenses, insurance and completion guarantee costs). - Support the side costs of private financing of production and co-production projects presented by SMEs (such as financial expenses, insurance and completion guarantee costs) so as to permit more widespread access to bank loans for a large number of companies by reducing the risks.

Justification

Access to bank lending is a crucial aspect for independent producers and distributors. The banks are not acting as lenders, or if they are their rates and terms are prohibitive, in view of the risks peculiar to the industry and the financial fragility of most small companies. So there is a need to attract the banks to independent producers and distributors by reducing the risk factor.

Amendment 19 Annex, Title 1, point 3.3, indent 2

- Encourage independent producers to produce works (drama, documentary and animation) involving the participation of at least *two* broadcasters from several Member States, *belonging to different linguistic areas*. The selection criteria for the beneficiaries will include provisions aiming to differentiate between the projects according to the size of their budget.
- Encourage independent producers to produce works (drama, documentary and animation) involving the participation of at least *three* broadcasters from several Member States *or at least two broadcasters from several Member States belonging to different linguistic areas*. The selection criteria for the beneficiaries will include provisions aiming to differentiate between the projects according to the size of their budget.

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Justification

The requirement to collaborate with at least three broadcasters is too onerous for producers from areas with a low audiovisual production capacity and/or small geographical area and/or linguistic area. The participation of two broadcasters, as in the present MEDIA plus programme, should be sufficient. [The word 'two' in the English version of the Commission text appears to be an error. – Translator's note.]

Amendment 20 Annex, Title 1, point 3.3, indent 5

– Support the side costs (such as financial costs, insurance and completion guarantee costs) connected with the production of works (drama, documentary and animation) involving the participation of at least three broadcasters from several Member States, belonging to different linguistic areas.

- Support the side costs (such as financial costs, insurance and completion guarantee costs) connected with the production of works (drama, documentary and animation) involving the participation of at least three broadcasters from several Member States or at least two broadcasters from several Member States belonging to different linguistic areas.

Justification

The requirement to collaborate with at least three broadcasters is too onerous for producers from areas with a low audiovisual production capacity and/or small geographical area and/or linguistic area. The participation of two broadcasters, as in the present MEDIA plus programme, should be sufficient.

Amendment by Pilar del Castillo Vera

Amendment 21 Annex, Title 1, point 4.4, indent 1 a (new)

- Improve the promotion of European audiovisual works by contributing substantially to additional resources for European audiovisual producers for that purpose.

Justification

When discussing the European audiovisual sector and the need to foster the industry's competitiveness with its main competitor, the United States, we always deplore the data that the statistics throw up without stopping to think of the real reasons for the success of the audiovisual market with the greatest impact worldwide. In the area of promotion the investment effort of European studios has shown itself to be quite clearly inadequate.

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PROCEDURE

Title	Proposal for a decision of the European Parliament and of the Council concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007)				
References	COM(2004)0470 - C6-0093/2004 - 2004/0151(COD)				
Committee responsible	CULT				
Committee asked for its opinion Date announced in plenary	ITRE 15.9.2004				
Enhanced cooperation	no				
Draftsman Date appointed	Catherine Trautmann 7.10.2004				
Discussed in committee	23.11.2004 24.5.2005 30.8.2005				
Date amendments adopted	30.8.2005				
Result of final vote	for: 41 against: 1 abstentions: 0				
Members present for final vote	Ivo Belet, Šarūnas Birutis, Joan Calabuig Rull, Pilar del Castillo Vera, Den Dover, Lena Ek, Nicole Fontaine, Adam Gierek, Umberto Guidoni, András Gyürk, Fiona Hall, David Hammerstein Mintz, Rebecca Harms, Ján Hudacký, Romana Jordan Cizelj, Werner Langen, Nils Lundgren, Angelika Niebler, Reino Paasilinna, Miloslav Ransdorf, Vladimír Remek, Herbert Reul, Teresa Riera Madurell, Mechtild Rothe, Paul Rübig, Andres Tarand, Britta Thomsen, Patrizia Toia, Catherine Trautmann, Nikolaos Vakalis, Alejo Vidal-Quadras Roca, Dominique Vlasto				
Substitutes present for the final vote	Jan Christian Ehler, Norbert Glante, Françoise Grossetête, Cristina Gutiérrez-Cortines, Satu Hassi, Edit Herczog, Gunnar Hökmark, Lambert van Nistelrooij, Francisca Pleguezuelos Aguilar, Vittorio Prodi				
Substitutes under Rule 178(2) present for the final vote					

PROCEDURE

Title	Proposal for a decision of the European Parliament and of the Council concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007)						
References	COM(2004)0470 - C6-0093/2004 - 2004/0151(COD)						
Legal basis	Articles 251(2), 150(4) and 157(3) EC						
Basis in Rules of Procedure	Rule 51						
Date submitted to Parliament	15.7.2004						
Committee responsible Date announced in plenary	CULT 15.9.2004						
Committee(s) asked for opinion(s) Date announced in plenary	LIBE 15.9.2004 FEMM 7.7.2005	ITRE 15.9.2004	EMPL 15.9.2004	CONT 15.9.2004	AFET 15.9.2004		
Not delivering opinion(s) Date of decision	EMPL 20.9.2004	CONT 23.5.2005					
Enhanced cooperation Date announced in plenary							
Rapporteur(s) Date appointed	Ruth Hieronymi 22.9.2004						
Previous rapporteur(s)							
Simplified procedure Date of decision							
Legal basis disputed Date of JURI opinion		/					
Financial endowment amended Date of BUDG opinion		/					
European Economic and Social Committee consulted Date of decision in plenary							
Committee of the Regions consulted Date of decision in plenary							
Discussed in committee	25.11.2004	31.1.2005	21.4.2005	11.7.2005	30.8.2005		
Date adopted	12.9.2005						
Result of final vote	for: 28 against: abstentions:						
Members present for the final vote	María Badía i Cutchet, Christopher Beazley, Guy Bono, Marielle De Sarnez, Marie-Hélène Descamps, Věra Flasarová, Milan Gal'a, Claire Gibault, Vasco Graça Moura, Lissy Gröner, Luis Herrero-Tejedor, Ruth Hieronymi, Manolis Mavrommatis, Marianne Mikko, Ljudmila Novak, Doris Pack, Zdzisław Zbigniew Podkański, Christa Prets, Karin Resetarits, Pál Schmitt, Nikolaos Sifunakis, Hannu Takkula, Helga Trüpel, Tomáš Zatloukal						
Substitutes present for the final vote	Ivo Belet, Ig	nasi Guardans	Cambó, Gyula	Hegyi, Åsa W	estlund		
Substitutes under Rule 178(2) present for the final vote							
Date tabled – A6	28.9.2005 A6-0278/2005						

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Comments ...