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## TV without Frontiers: Commission proposes modernised rules for digital era TV and TV-like services

A proposal to update the EU's 1989 "TV without Frontiers" Directive, to keep pace with rapid technological and market developments in Europe's audiovisual sector, was tabled by the European Commission today. In line with the principle of better regulation, the proposal aims to reduce the regulatory burden on Europe's providers of TV and TV-like services and to give more flexibility for financing audiovisual content by new forms of advertising. The proposal will also create a level playing field for all companies that offer TVlike services, irrespective of the technology used to deliver them (e.g. broadcast, high-speed broadband, third generation mobiles). The Commission therefore proposes replacing disparate national rules on protection of minors, against incitement to racial hatred and against surreptitious advertising with a basic, EU-wide minimum standard of protection for audiovisual on demand services. This new policy approach should accelerate the advent of a seamless single market for TV and TV-like services and promote a strong and creative European content industry.

"My aim is for Europe's audiovisual content industry to flourish under one of the most modern and flexible set of rules in the world", said Information Society and Media Commissioner Viviane Reding. "The new rules should open up multimedia opportunities, boosting competition and consumer choice, while promoting public interest objectives such as the protection of minors and cultural diversity. Existing rules, which have been made redundant by technological and market developments, must be abolished to take a decisive step towards Audiovisual Media without Frontiers in Europe's single market."

Under the Commission proposal, the modernised TV without Frontiers Directive would govern TV and TV-like services. To open up the present EU rules to technological developments, the proposal distinguishes between "linear" services (e.g. scheduled broadcasting via traditional TV, the internet, or mobile phones, which "pushes" content to viewers), and "non-linear" ones, such as on-demand films or news, which the viewer "pulls" from a network. Today's TV broadcasting rules would apply to linear services in a modernised, more flexible form, whereas non-linear ones would be subject only to a basic set of minimum principles, e.g. to protect minors, prevent incitement to racial hatred and outlaw surreptitious advertising. Harmonising these rules EU-wide will ensure that audiovisual media service suppliers need only

comply with the rules of the Member State in which they are established, and not with the disparate rules of all the Member States receiving their services.

## More flexible advertising rules

For scheduled broadcasting, the Commission proposes to remove red tape, make existing rules more flexible for new forms of advertising, and encourage self- and coregulation. Instead of detailed prescriptions on how often and under which conditions programmes may be interrupted by advertising, the modernised Directive would simplify the existing EU rules. In the future, broadcasters would be able to choose the best moment to insert advertising in programmes, rather than being obliged, as they are now, to allow at least 20 minutes between advertising breaks. However, the quantity of advertising would not be allowed to increase as the Commission proposes to maintain the existing 12 minutes per hour ceiling.

The new Directive would also support new forms of advertising, such as split-screen, virtual and interactive advertising. Product placement would, for the first time, be explicitly defined and provided with a clear legal framework. Except in news, current affairs and children's programmes, clearly identified product placement would be permitted in Europe, both in linear and non-linear audiovisual services. To prevent surreptitious advertising, consumers would be informed at the start of a programme that product placement is in use. These new rules should remove legal uncertainty, provide additional funding for European productions and thus enhance the competitiveness of Europe's audiovisual sector.

In line with the Commission's better regulation policy, the proposed modernisation of the TV without Frontiers Directive does not affect private correspondence, electronic versions of newspapers or magazines, web sites not primarily intended to provide audiovisual media content, mere audio transmissions or radio. This takes account of input from an intensive EU-wide consultation launched in July (see <u>IP/05/908</u>), in which representatives of the audiovisual sector, telecom operators, internet service providers, consumer organisations and other stakeholders had taken an active part.

The modernisation of the EU rules on audiovisual media content is part of the i2010 strategy which aims at a European Information Society for growth and jobs (see IP/05/643).

Further information:

Press pack

http://europa.eu.int/information\_society/newsroom/cf/itemlongdetail.cfm?item\_id=2343 MEMO/05/475

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