

THE INTERNATIONAL UNION OF CINEMAS (UNIC) WELCOMES THE PRELIMINARY POLITICAL AGREEMENT ON THE AUDIOVISUAL MEDIA SERVICES DIRECTIVE

Brussels, 30 April 2018

The International Union of Cinemas (UNIC), the European trade grouping representing cinema exhibitors and their national associations in 37 territories across the EU and beyond, welcomes the preliminary political agreement on **the Audiovisual Media Services Directive (AVMSD)**.

We welcome the agreed position on Article 13.2 in particular, concerning the financial contributions of all audiovisual media services, including online, as we believe it goes a long way to ensure a level playing field across the industry.

Europe's cinema landscape depends on close collaboration and risk-sharing between various stakeholders across the film value chain. Cinema exhibitors contribute to the creation and promotion of national and non-national European films in several ways (rental rates, income tax, VAT, local entertainment tax and film levies) and recognise the cultural and economic value of a diverse and competitive European film production sector.

Given these significant investments and as a matter of principle, we support the claim that, in countries where such direct film levies exist, all beneficiaries of local films should also contribute to the sustainability of the cinema system. This of course includes international VOD platform providers, which should contribute to national film funds – when and where applicable – if they create revenues on the basis of selling films in countries where such obligations exist for other players in the value chain.

The new Article 13.2 perfectly reflects this key concern to ensure fairer competition between all stakeholders and UNIC welcomes the flexibility granted to Member States to request financial contributions from media service providers established in other countries but targeting their national audiences. We believe this is a positive step towards the creation of a fair level playing field between new and existing players.

About UNIC

The International Union of Cinemas/Union Internationale des Cinémas (UNIC) is the European grouping of cinema trade associations and key operators, covering 37 territories across Europe and further afield. In 2017, cinemas across UNIC territories accounted for over 1.3 billion admissions and generated over €8 billion in box office revenues – representing a quarter of the global theatrical market for films.

We promote the social, cultural and economic benefits of a vibrant cinema-going culture and provide a voice for cinema operators on issues of shared interest.