

European Parliament Rue Wiertz Altiero Spinelli 14E254 B-1047 Brussels

Paris, April 17th, 2013

Dear Róża Gräfin von Thun Und Hohenstein,

The European Producers Club is an association made up of the most important independent film producers (80) from all over Europe. Our main objective is to promote European cinema and help build a strong European film industry.

The EPC also runs the EPAA (European Producers Association Alliance) which brings together 35 national associations of producers that derive from 15 European countries.

In these two respects, the EPC represents the great majority of European film producers.

We are writing to you today to express our concerns regarding the mandate of Commissioner Karel de Gucht that is currently being negotiated in the context of the free trade agreement between the US and Europe.

Audiovisual services have always been excluded from the past negotiated mandates, under the category of a cultural exception. It seems that the present mandate includes them.

Accepting them in the field of negotiations of the Agreement of Free Trade will have the following consequences:

To open the audiovisual services means a necessary elimination of regulated obstacles. This may affect our industry on 3 levels:

- 1) The free market access signifies the end of the SMA directive that imposes broadcasting quotas for European works and national TV channels
- The national treatment clause that prohibits imposing different conditions for companies of different nationalities, such as access to public funding in some countries;
- 3) The clause of the preferred nation if this applies, the US will be entitled to preferential treatment reserved for productions

Accepting negotiations on audiovisual services (which include recalling the production, distribution, exhibition, TV broadcast, VOD, etc.) signifies opening all established funding systems to US companies.

This signifies in concrete terms an invasion of American films on all of our screens: movie theaters, DVD, TV, VOD, without any possibility to leave the least privileged place in our national cinemas, an expression of our culture.

These are our cultures that find themselves threatened and the recent declaration of Commissioner Androulla Vassiliou has not put our minds at ease.



As a matter of fact, when she states that everything will be done to protect cultural diversity within the meaning of Article 167 of the Treaty, she makes no commitment to remove audiovisual services out of the negotiating mandate.

Cultural diversity vs. exception: it is the challenge of our debate today and it frightens us. Is culture negotiable? Even under the guise of a respect for diversity? Is not the respect for cultural diversity subject to interpretation? And that all issues regarding commerce must be extreme? Who is to judge the application of the law?

These are the questions that cultural exception can respond to.

Considering culture as an exception, which it is when we look at the traditional rules of business, especially allowing to not respond to the following: how does one revive a culture that has disappeared, absorbed by another culture's more prevalent presence.

Therefore, we ask you to call, as all the professionals of Europe, upon the removal of audiovisual services in the mandate that is being negotiated of Commissioner De Gucht.

Thanks for your support,

Looking forward to hearing from you,

Alexandra Lebret

**Managing Director**