

European Platform on the Potential of Cultural and Creative Industries
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President José Manuel Barroso
European Commission
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BELGIUM

Brussels, May 3rd 2013

To: Mr. President José Manuel Barroso, President of the European Commission

Cc: Mrs. Androulla Vassiliou, Commissioner for Education, Culture,
Multilingualism, Sport, Media and Youth
Mr. Karel De Gucht, Commissioner for Trade
Mr. Michel Barnier, Commissioner for Internal Market and Services
Mrs. Neelie Kroes, Vice-President, Commissioner for the Digital Agenda
Mr. Antonio Tajani, Vice-President, Commissioner for Industry and
Entrepreneurship

Subject: Excluding cultural and audiovisual services from the mandate of the EC ahead of the negotiations on the EU-USA Transatlantic Trade and Investment Partnership (TTIP)

Dear President Barroso,

We, the undersigned board members of the European Platform on the Potential of Cultural and Creative Industries¹, turn to you as the President of the European Commission to express our concern with regards to the upcoming negotiations between the EU and the US on a Transatlantic Trade and Investment Partnership (TTIP).

We have taken note of the draft negotiation mandate which was approved by the College of Commissioners on 12th March, and are concerned by the fact that cultural and audiovisual services are not explicitly excluded from this mandate.

Indeed, the draft mandate only mentions under ‘objectives’ that “the parties will not encourage trade or foreign direct investment by (...) relaxing (...) policies or legislation aimed at protecting and promoting cultural diversity”, and that “The agreement shall not

¹The European Platform on the potential of Cultural and Creative Industries, created in 2008 in the context of the EU Structured dialogue with civil society, is a group of more than 40 organisations representing a wide range of cultural and creative sectors. Through policy recommendations and public advocacy, the platform aims to highlight the fundamental role of cultural and creative industries in Europe and unlock their full potential.

contain provisions that would risk prejudicing the Union's cultural and linguistic diversity, namely in the audio-visual sector".

The platform on the potential of Cultural and Creative Industries feels strongly that cultural and audiovisual services should be explicitly excluded from the European Commission's negotiating mandate, following the 'negative list' approach.

Such exclusion would be in line with the Lisbon Treaty's (Article 167, paragraph 4) requirement that the EU take culture into account in its action to foster intercultural respect and promote diversity. It would be in line with previous trade agreements the EU negotiated with third countries.

The EU is also bound by the UNESCO Convention on the protection and promotion of the diversity of cultural expressions, which is now part of European Law. On the other hand, this Convention has not been ratified by the US.

The Convention allows the EU and its member states to design cultural policies which contribute to the development of vibrant and diverse cultural and creative sectors in the EU.

Today, the domination of the global market by the US cultural and creative actors is very clear. Figures published recently by the European Commission show that the global market share of the US audiovisual industry has increased over the last years, as opposed to the relative decline of the EU audiovisual industry global market share.² In the music sector, US repertoire represents around 50% of all airplay and downloads in pan-European charts³.

Many (though not all) EU cultural industries markets are based on a regulatory framework and on specific national and European support schemes, and tend to be less homogeneous and less concentrated than the US market. For those reasons, liberalising trade in those sector may contribute to weaken European players on the EU market, and would not result in growing exports of European productions or services in the US.

Tomorrow, if the cultural and audiovisual services are not excluded from the TTIP negotiations, the imbalance could grow further to the detriment of Europe, in particular in the online environment.

As underlined by the European Commission in its latest Communication on the matter⁴, Europe's cultural and creative sectors:

- Account for up to 4.5% of EU's GDP and 8.5 million jobs;
- Have on average a higher percentage of youth employment;
- Are in a strategic position to produce well-documented spillover effects in other industries;
- Are key elements in global competition and in the EU's soft power.

²JRC technical report – "Statistical, Ecosystems and Competitiveness Analysis of the Media and Content Industries", 2012 - <http://ftp.jrc.es/EURdoc/JRC69435.pdf> p 98.

³"Music crossing borders – Monitoring the cross-border circulation of European Music repertoire within the European Union", commissioned by the European Music Office and Eurosonic Noorderlag, January 2012. http://www.emo.org/Publish/document/155/Report_Europeanrepertoire_Jan2012_Final.pdf

⁴European Commission Communication "Promoting cultural and creative sectors for growth and jobs in the EU", September 2012. <http://ec.europa.eu/culture/our-policy-development/documents/communication-sept2012.pdf>

The potential of Europe's cultural and creative sectors is huge, and at a time when the EU is trying to further unlock their potential, the consequences of opening up the cultural and audiovisual markets to more liberalisation could have serious consequences on an economic, cultural and social level.

As you mentioned in a speech delivered in Vienna on 4th April, "culture is the cement that binds Europe together". In line with your commitment to "support (...) the cultural activities that generate new ideas, innovation and social cohesion", we urge you to unambiguously support the exclusion of cultural and audiovisual services from the TTIP negotiations.

Moreover, it goes without saying that copyright is one of the main foundations for creativity and key for the sustainability of cultural and audiovisual sectors. Copyright is also acknowledged by the EU as a basis of creativity which is making an important contribution to European economic growth and jobs and to Europe's unique cultural diversity. Negotiations with the US should appropriately take this into account.

We kindly ask you to take this matter into consideration.

Yours sincerely,

On behalf of the European Platform on the Potential of Cultural and Creative Industries,



Yvette Masson-Zanussi
European Forum of Architectural Policies,
President of the Platform



Fabien Miclet
European Music Office
Secretariat of the Platform



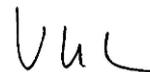
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