

# FACTSHEET

# Audio-visual content without borders

## Why it matters for consumers?

More and more consumers are interested in accessing films, TV shows, sport events or documentaries from broadcasters based in another country. Consumers look for the content of their choice online because it is not available in their country.

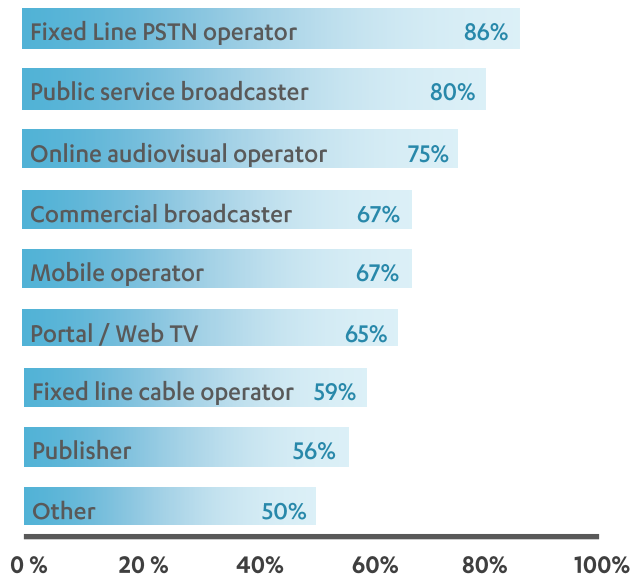
## The scale of the problem

A recent report indicates that the vast majority of digital content providers (68 %) restrict access to their online digital content services from other Member States<sup>1</sup>. This figure is even higher for broadcasters: 80% of public broadcasters and 67 % of commercial broadcasters block consumers based in another country from watching their content:

For example, SVT from Sweden 'geo-blocks' its 'simulcasting'<sup>2</sup> TV services (they are available only in Sweden). Sweden's commercial broadcaster TV4 also geo-blocks simulcasting except for live TV news. In Lithuania, LTV blocks international entertainment and TV3 geo-blocks international entertainment programmes. ZDF Mediathek, the livestream channel of Germany's ZDF, applies geo-blocking. Its cross-border access is only allowed for select programmes. RTL's TV Now makes simulcasting services available only in Germany while live TV news are available internationally (paid services). The BBC iPlayer of the (UK) channels BBC1, BBC2, BBC4 is available only in the United Kingdom<sup>3</sup>.

This reality does not match consumer expectations of how this should work in the EU. For example, a survey from our German member vzbv showed that 70% of German consumers would like to subscribe to foreign offers for sports, films and TV series. The demand for foreign content is even higher among young people<sup>4</sup>.

Proportion of digital content provider respondents implementing at least one type of geo-blocking-EU28



<sup>1</sup>Final report DG COMP e-commerce sector inquiry, p 15

<sup>2</sup> Simulcasting refers to the simultaneous broadcasting via more than one medium e.g. TV and online or radio.

<sup>3</sup> Impact Assessment, Part 2/3, page 81

<sup>4</sup> [http://www.vzbv.de/sites/default/files/digital\\_content\\_without\\_borders\\_factsheet\\_vzbv.pdf](http://www.vzbv.de/sites/default/files/digital_content_without_borders_factsheet_vzbv.pdf)



## 🗨️ EU online broadcasting plans

Following a proposal made in September 2016, EU legislators are considering rules which would encourage broadcasters to give consumers in other countries access to their online audio-visual content. This new law would simplify licensing rules which would allow broadcasters to show their movies and TV shows in another Member State via their online services. The regulation's so-called country-of-origin principle means that broadcasters only have to clear the rights for cross-border online broadcasting – of the original content without any adaptation – in the country where they are established.

To be effective, the regulation must:

- Ensure that the programmes licensed under the country-of-origin principle be as broad as possible and include all films, television series and programmes or sports events available on a broadcaster's online service.
- Broadcasters should be able to provide access to their content to all EU consumers. To do so, the regulation must provide clear and easy mechanisms for the clearance of rights by collecting societies.
- Make retransmissions of films or sport events by so-called over-the-top (OTT) providers – such as telco companies – easier.

## 🗨️ A boost for cultural diversity

The proposal will lead to a flowering of cultural diversity in the EU:

- Swedish-speaking citizens in Finland or Danish-speaking consumers in Germany would be able to watch content and access cultural products in their own language.
- Allowing people to watch films and movies from broadcasters based in another country would increase people's access to Europe's diverse film landscape. Under current rules, a small Italian documentary might never be licenced in another EU country. If geo-blocking would be no more consumers from other country who speak Italian could watch it in the original language.

The proposal will not put an end to territorial licensing – i.e. the practice that a rights holder allows a broadcaster to commercialise its content in a specific country – and therefore minimise income for rights holders. National licences will still be necessary for instance when broadcasters have to adapt the original content e.g. for dubbing or subtitling. European consumers will also continue to watch local films and series. A Portuguese consumer will not give up watching telenovelas just because he might also legally watch movies from a French pay-TV channel.



### First steps

#### Portability of online content

Thanks to a recently adopted EU law, consumers will – as of early 2018 – be able to use subscriptions to video-on-demand, music streaming services and online games when travelling across the EU. Outdated copyright rules had until now blocked consumers from accessing content they were subscribed to in their home country when they were abroad.