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Sir William Cash MP
Chair of the European Scrutiny Committee
House of Commons
London
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2 May 2018

Dear Sir William

Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Directive 2010/13/EU on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services in view of changing market realities (9479/16)

I am writing to inform the Committee of the progress and the timetable of the final phase of negotiations on the revision of the Audiovisual Media Services Directive (AVMSD).

A revision process is currently in the final stage of interinstitutional trilogue negotiations between the European Parliament, Council and Commission. Following a 23-month revision process, a preliminary political agreement on the main elements of revised rules was reached on 26 April 2018. The trilogue negotiations will officially conclude in June when the representatives of the aforementioned institutions will meet to finalise the last remaining technical details of the proposal.

The Directive sets out a regulatory regime for the entire audiovisual sector, including linear television, on-demand services and video-sharing platforms more broadly, and is as such highly complex and fragmented. This has resulted in numerous conflicting priorities for different Member States and many difficult compromises. As a consequence, the final text crosses two of the UK's red lines, namely i) an introduction of optional levies for video-on-demand and linear services, which give Member States an option of requiring these services to contribute financially towards national film funds in the country of operation; and ii) a considerable extension of the scope of the definition of video-sharing platforms, to include social media and live-streaming services. Our concern with the latter provision related to additional burdens on industry, however we acknowledge that the final text aligns with the UK's Digital Charter proposals. Whilst the UK continued to oppose these two provisions, we recognise that our position was in the minority.

I am pleased to say that certain UK concerns, especially around the issues of regulatory clarity, have been addressed, and we continue to actively engaging with the Presidency and other Member States to influence the final wording of the Directive in its final stage.

The concluding interinstitutional trilogue meeting is scheduled for 6 June 2018. After formal confirmation by the Council and the European Parliament's plenary vote, which are expected in summer and autumn 2018 respectively, the new rules will have to be transposed into national law within 2 years, which means that we will be required to implement this Directive before the end of the Implementation Period.

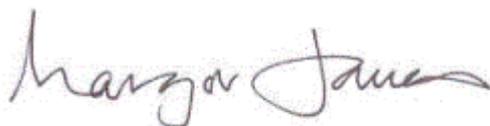
A summary of the timeline is as follows:

Last informal trilogue meeting to finalise draft text	6 June 2018
Editing and translating the text into EU28 official languages	June - July 2018 (TBC)
Update in the EYCS Council meeting	22-23 May 2018
Acceptance of the proposal in the EU Parliament	Summer 2018 (TBC)
Acceptance of the proposal in the EYCS Council	November 2018 (TBC)
Implementation period	Nov 2018 - Nov 2020 (TBC)

I look forward to keeping the Committee updated on the progress of this proposal in due course. I hope this update is helpful and enables the Committee to lift the scrutiny reserve on this file.

I am copying this letter to Lord Boswell of Aynho, Chairman of the European Union Committee, Les Saunders at DExEU and Agim Zekaj, DCMS scrutiny coordinator.

Yours ever



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Minister for Digital and the Creative Industries