



## *EC'S CONSULTATION ON NET NEUTRALITY IN EUROPE*

In the framework of the digital agenda, the European Commission has launched a wide-ranging consultation on the issue of net neutrality. The Commission requests ideas and suggestions on practices such traffic management, prioritizing one kind of internet traffic over another, the necessity of the EU to act further or the industry to take the lead.

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

The European Producers Club wishes to play its part in the European Commission's consultation process by submitting this document.

Before answering the questions included in the consultation, we feel it is absolutely essential to underline that, **should no tangible and effective action be taken to combat piracy, the development of broadband internet access and the free content movement could well signal the end of the European film and its industry.**

We believe that it falls within the European Commission's remit to encourage determined action on this momentous issue. Not only is it an absolutely vital question for the film industry but also for the European economy as a whole. If the public were to no longer accept the concept of intellectual property, we would soon be unable to protect or find a viable economic model for the production of creative content. We are sure the Commission is aware that this is not only an extremely significant part of the economy, but also the sector showing the highest rates of growth.

*Question 1: Is there currently a problem of net neutrality and the openness of the internet in Europe? If so, illustrate with concrete examples. Where are the bottlenecks, if any? Is the problem such that it cannot be solved by the existing degree of competition in fixed and mobile access markets?*

The main problem of the openness of the internet is, to us, the illegal file sharing. Sharing films, which are illegally downloaded, has a direct consequence onto traffic congestions. If there are some problems of congestions, they are mainly due to the illegal video sharing.

The openness of the internet in Europe may think o some consumer that all is possible and free to access. This is not the case. Internet is a place where there are some rules to respect, as in the real life, in particular, in matter of piracy.

*Question 2: How might problems arise in future? Could these emerge in other parts of the internet value chain? What would the causes be?*

If no one fights piracy and illegal file sharing, the main problem of congestion may increase and damage the all internet value chain.

The problem of free movement as well could continue if it is not stop, which reason could be opposed a personal data if there is no for the stole of a film?

*Question 3: Is the regulatory framework capable of dealing with the issues identified, including in relation to monitoring/assessment and subsequent enforcement?*

The regulatory framework is not able as of today to fight piracy with efficiency.

*Question 4: To what extent is traffic management necessary from an operators' point of view? How is it carried out in practice? What technologies are used to carry out such traffic management?*

Traffic management is already in place, with some benefices for the consumers. Consumers have expectations, the ISP have to answer. Traffic Management tools allow to answer these expectations. Our main concern would be not to apply traffic management systems to illegal file sharing.

*Question 5: To what extent will net neutrality concerns be allayed by the provision of transparent information to end users, which distinguishes between managed services on the one hand and services offering access to the public internet on a 'best efforts' basis, on the other?*

In any case, if you apply a special system you have to inform the consumers of the tools that are in place.

*Question 6: Should the principles governing traffic management be the same for fixed and mobile networks?*

*Question 7: What other forms of prioritisation are taking place? Do content and application providers also try to prioritise their services? If so, how – and how does this prioritization affect other players in the value chain?*

As the companies are more and integrated, there is already a prioritisation taking place. And actually the film industry is used as first-off product, to increase the number of consumers and the traffic. Agreements are signed between ISP and content providers, even with content creators. We think this should go on, in the respect of the national legislation, and of the cultural diversity. ISP, in their prioritisation should give the priority to European Content, as far as films and Europe are concerned.

*Question 8: In the case of managed services, should the same quality of service conditions and parameters be available to all content/application/online service providers which are in the same situation? May exclusive agreements between network operators and content/application/online service providers create problems for achieving that objective?*

ISP and content providers should anyway enter into quality-of-service agreements to give the consumer the insurance he will have the best possible quality of content.

*Question 9: If the objective referred to in Question 8 is retained, are additional measures needed to achieve it? If so, should such measures have a voluntary nature (such as, for example, an industry code of conduct) or a regulatory one?*

*Question 10: Are the commercial arrangements that currently govern the provision of access to the internet adequate, in order to ensure that the internet remains open and that infrastructure investment is maintained? If not, how should they change?*

The commercial arrangements that govern the provision of access should always be careful of the monopoly situation, as well as the state weight.

The internet companies are currently getting more and more vertically integrated and we should be careful not have at the end of the day, only one big company.

The government has to create the adequate condition to permit always continued experimentation, pioneering new choices for consumers.

*Question 11: What instances could trigger intervention by national regulatory authorities in setting minimum quality of service requirements on an undertaking or undertakings providing public communications services?*

*Question 12: How should quality of service requirements be determined, and how could they be monitored?*

The quality of service requirements should be determined at a professional level, by an agreement, opposed to a law.

*Question 13: In the case where NRAs find it necessary to intervene to impose minimum quality of service requirements, what form should they take, and to what extent should there be co-operation between NRAs to arrive at a common approach?*

*Question 14: What should transparency for consumers consist of? Should the standards currently applied be further improved?*

The question here concerns the measures that are in place and that are not visible to the consumers. As many of the measures (fight against piracy, traffic management) are quite complicated, and changing solutions, we think basis information only should be given to the consumer.

*Question 15: Besides the traffic management issues discussed above, are there any other concerns affecting freedom of expression, media pluralism and cultural diversity on the internet? If so, what further measures would be needed to safeguard those values?*

Internet is changing many things in our behavior: positively but also negatively.

We have to be careful to the content that is given to see to us and to our children. In matter of films, this regards the diversity of content. We need to protect our cultural diversity, our cultural heritage. We need to regulate in order to insure that European content in well exposed on the internet.

We have to be careful of the "freedom" it seems to give to some consumers. An open access to legal information doesn't mean an open access to all the information. In matter of films that's means that piracy has to be stop over by adequate measures, and strong political will.