

Audiovisual - Film, TV & Radio EU response All Europe Countries USA News Working Conditions

US-Europe trade war reaches audiovisual sector

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American film production giants embrace Trump's new offensive trade policy against the EU and oppose the Audiovisual Directive, which aims to secure independent production and preserve cultural diversity.

Following US President Donald Trump's threatened trade war against dozens of countries around the world, the Motion Picture Association (MPA), which represents the interests of Disney, Netflix, Paramount, Amazon Prime/MGM, Sony Pictures, Universal and Warner Bros, has found fertile ground for a more aggressive trade policy and further expansion in the European and global market.

The MPA has sent a memorandum to the United States Trade Representative (USTR) outlining what it considers to be unfair trade practices. It opposes not only the European Digital Services Act (DSA) and Digital Markets Act (DMA), but also the Audiovisual Media Services Directive (AVMS). The issue prompted a group of MEPs, led by Emma Rafowicz, who sent a letter to the President of the European Commission, Ursula von der Leyen, and Commissioners Henna Virkkunen and Glenn Micallef urging them to protect the AVMS Directive.

The memorandum was drafted at the request of the United States Trade Representative, "for comments to assist in reviewing and identifying unfair trade practices and initiating all necessary actions to investigate harm from non- reciprocal trade arrangements". The MPA responded with a multi-page paper and a comment that it "appreciates the Trump administration's interest in addressing and dissuading our international trading partners from adopting restrictive, unfair, and often discriminatory measures".

Among the EU countries named by the MPA for unfair trade practices are Belgium, France, Germany, Italy, Spain and Poland, but the list also includes many other non-EU countries such as Australia, Brazil, South Africa and South Korea.

According to the MPA, the full potential of U.S. audiovisual exports is being hindered by a number of unfair trade practices, as countries around the world maintain content restrictions, quotas, advertising restrictions and limitations on foreign investment, traditionally aimed at both theatrical distribution channels and pay-TV.

n the European market, the memorandum makes extensive reference to the Audiovisual Media Services Directive (AVMSD), which came into force in 2018 and has been at least partially implemented by all member states.

The AVMSD requires EU Member States to ensure that broadcasters reserve a majority of their transmission time for European works, excluding time allotted to certain categories of programming, such as news and sports. In addition, 10% of transmission time must be dedicated to works produced by independent producers, with an additional requirement that an adequate proportion of this sub-quota must be dedicated to recent works.

It also requires EU Member States to ensure that video on demand (VOD) services reserve at least a 30% share in their catalogues for European works and ensure prominence of these works.

ember States may impose a higher overall quota as well as sub-quotas, such as for local works or works in a specific language.

The AVMSD also allows EU Member States to require media service providers targeting the audience in their territory to contribute financially to the production of European works. These investment obligations typically require media service providers to invest directly in European or domestic works or contribute to a national film fund. According to MPA more than half of EU Member States have imposed investment and all the above obligations could fuel “an inflationary trend in production costs and work against the objective of supporting and attracting foreign investment and opening the market to new entrants”.



Brussels, 17 march 2025

Parlement européen

Emma Rafowicz
Member of Parliament (S&D)

European Commission
Rue de la Loi 200 / Wetstraat 200 -
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To the attention of:
Ursula von der Leyen, President of the European Commission
Henna Virkkunen, Executive Vice-President for Tech Sovereignty, Security and Democracy
Glenn Micallef, Commissioner for Intergenerational Fairness, Youth, Culture and Sport

Concerning: Europe needs to preserve the AVMS directive

Dear President Ursula von der Leyen, dear Vice-President Virkkunen, dear Commissioner Micallef,

In a memorandum published on February 21, the Trump administration threatened the European Union with trade reprisals in the context of the application to American tech giants of several pieces of European legislation, in particular the Digital Services Act (DSA) and the Digital Markets Act (DMA).

In this memorandum, another crucial piece of legislation for Europe's cultural and creative industries is called into question: the Audiovisual Media Services Directive (AVMS).

The Commission, through a spokesperson, reacted on February 25, stating that DSA and DMA will apply to all digital companies operating in the internal market, whatever their nationality. At the same time, the Commission stated that "the EU will react swiftly and decisively to defend its rights and regulatory autonomy against unjustified measures".

While we welcome this stance, we regret the absence of any mention of the AVMS Directive, which is clearly targeted in the memorandum.

Indeed, the regulations referred to in the memorandum concern the "financing of local productions by streaming services", referring directly to the investment obligations introduced by the AVMS Directive.

This directive, which could be revised in 2026, is currently under crossfire from American streaming platforms who would like unfettered access to the European market and therefore the dismantling of this directive, which sets out quota and investment obligations.

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The targeting of the AVMS Directive by the Association of American Film and Television Producers has raised concerns among MEPs who have addressed a letter to the President of the European Commission, Ursula von der Leyen, and Commissioners Henna Virkkunen and Glenn Micallef. In their letter, the MEPs stress that the Audiovisual Media Directive is "under attack from American streaming platforms, which want unfettered access to the European market and the dismantling of the Directive". According to the MEPs, this would mark the end of Europe's conquest of its cultural sovereignty and would be a fatal blow to national ecosystems that favor independent production and hence cultural diversity.

Read the memorandum here.

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Photo source