

Ministry of Education, Culture and Science
To the State Secretary for Culture and Media
Dr G. Uslu
PO Box 16375
2500 BJ The Hague

20 June 2022

Subject: Final report of the sector plan working group - Strengthening the Position of Dutch Cultural Audiovisual Productions

Dear Dr Uslu,

In response to the assignment, I would like to present the final report of the working group comprising representatives of the production and distribution chain in the audiovisual sector, including all end-of-chain operators. The working group was established at the beginning of this year, subsequent to the letter from your ministry of 15 December 2021, in order to cooperate in the development of a sector plan.

The working group thus responds to the request to present obstacles, preconditions and possible solutions in the form of a number of building blocks, in order to achieve improved and more balanced cooperation in the audiovisual sector. The building blocks are aimed at contributing to the sustainable reinforcement of the production, pluralism, quality and visibility of Dutch cultural audiovisual productions and promoting the development of a healthy ecosystem in the audiovisual sector.

Since the initial meeting at the beginning of this year, the working group has exchanged perspectives extensively on all topics within the assignment. The result is that the participants have expressed joint ambitions with regard to four building blocks. The first building block relates to increasing the available capacity of talent and professional skill. The second and third relate respectively to optimising the development and production process and to improving cooperation between parties in the chain. The fourth relates to improving the visibility of Dutch cultural audiovisual productions at home and abroad.

Within the time available for this report and taking into account the fact that the parties were meeting for the first time in this way, it was not possible to arrive at unanimous analyses and recommendations on all subjects. Although the film and media sectors are both part of the audiovisual sector and are closely interwoven, the financing and exploitation models for series, feature films, documentaries, animation films and innovative media productions differ, and hence also the perception of obstacles. At the same time, it is a milestone that a dialogue has been initiated between all parties in the chain, from its beginning, where productions are developed and realised, to distribution and screening, where a direct relationship with the audience is established. The members of the working group deserve full credit for their contribution to this achievement.

An important outcome of the process is that, partly in view of the continuous changes in the media landscape, the working group concludes that it will be valuable periodically to continue the open dialogue among all links in the chain. The NFF Professionals Program during the Netherlands Film Festival in September 2022 offers a good opportunity for the entire sector to discuss, deepen and enrich the proposed building blocks and their implementation. As is apparent from the building blocks presented by the working group, it is essential that subsequent steps include collaboration with other stakeholders in addition to the parties involved in this report. This includes training

courses, development institutions, festivals and funds, as well as other parties in the value chain such as cable companies.

Securing a healthy ecosystem in the audiovisual sector to strengthen the position of Dutch cultural audiovisual productions requires a long-term approach. The further development of the building blocks put forward by the working group in the form of a successful strategic plan will require close coordination between the government and the sector. It will also be crucial to continue to monitor the effectiveness of the chosen policy instruments, so that they remain aligned with practice and keep pace with international developments. This will optimise preconditions for talent to continue to realise the high ambitions in the future. And both Dutch cinematographic productions as well as series and innovative media productions will be able to compete with and stand out from the international offering.

It will of course be my pleasure to provide further explanation and to discuss the desired next steps.

Yours sincerely,

Doreen Boonekamp
Working group lead and chair



FINAL REPORT OF THE SECTOR PLAN WORKING GROUP

STRENGTHENING THE POSITION OF DUTCH CULTURAL AUDIOVISUAL PRODUCTIONS



20 JUNE 2022

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Introduction

In January 2022, a working group was launched in which for the first time filmmakers, producers, film distributors, mainstream and art-house cinemas, public and commercial broadcasters and video-on-demand (VOD) services were represented. This was unique: never before had a meeting been held of representatives of the entire production and distribution chain in audiovisual production under such circumstances.

The members jointly considered the request made by the Ministry of Education, Culture and Science in a letter dated 15 December 2021 (see Appendix) to deliver building blocks for a sector plan for improved, more balanced cooperation in the AV sector, to be delivered in the spring of 2022. The purpose of the building blocks is to contribute to sustainably strengthening the production, pluralism, quality and visibility of Dutch cultural audiovisual productions (this description is used by the government to refer to feature films, animated films, documentaries, innovative media productions and series) and secure a healthy ecosystem in the AV sector.

The working group met five times and exchanged views extensively on all subjects relevant to the assignment from the Ministry of Education, Culture and Science. The result is that the parties have expressed their joint ambitions with regard to four building blocks and their associated obstacles, preconditions and solutions.¹ The first building block relates to increasing the available capacity of talent and skill among creative,

technical and organisational professionals. The second and third building blocks respectively relate to optimising the development and production process and improving cooperation among parties in the value chain. The fourth building block relates to improving the visibility of Dutch cultural audiovisual productions both in the Netherlands and internationally.

Within the time available to produce this report, in combination with the fact that the parties were meeting for the first time, it was not possible to develop uniform analyses and recommendations on all subjects. A major gain is that a dialogue has been initiated among all parties in the value chain, from the initial development and realisation of productions to their distribution and final screening, when a direct relationship with the audience is established.

The working group concluded that in the future it will be valuable to continue this open dialogue between all links in the production and distribution chain including all end-of-chain operators – certainly in a landscape that is changing so rapidly. As an example of a current topic for further chain-wide consultation, the working group cited the Transparency Obligation, which came into effect on 7 June 2022.

¹ Both during the consultation and in the wording of the ambitions, the limits of competition law have been respected.



1 Background: Instigation of the Report and Current Developments

Instigation of the report

Subsequent to the [initial response](#) to the [recommendations](#) of the Council for Culture by the Ministry of Education, Culture and Science issued on 2 July 2018, which announced various measures in the context of culture and media policy, on 19 December 2019 a new [Letter to Parliament](#) was published. In this document, the Ministry of Education, Culture and Science announced new legislation in the form of an investment obligation in Dutch cultural audiovisual productions. The document also called on parties in the audiovisual production and distribution chain including all end-of-chain operators to put forward a joint vision and strategic plan in the autumn of 2020 aimed at increasing cooperation in the chain and enabling the sector to function more effectively.

From the Letter to Parliament of 19 December 2019: *'The investment obligation will strengthen the position of the Dutch cultural audiovisual content . However, a successful offering cannot be achieved without a well-functioning audiovisual sector in which the various partners in the chain work well together and strengthen one another. Dialogic also mentions this in its report. The researchers identify both market failures and system failures. This relates to the fragmentation of the production sector, the high concentration of markets for screening, the complexity of financing for audiovisual productions, the strong dependence of outside producers on public broadcasting, and the rapidity of production, which sometimes means that insufficient attention is paid to the quality of films and series. [...]*

Parallel to the new stimulus measure [...], we are calling on the parties in the production and distribution chain to propose a sector plan in the autumn of 2020. We expect a shared vision and strategic plan which will mitigate system failure, increase collaboration and enable the sector to function more effectively. The implementation of this plan will be included in the above-mentioned evaluation [of the investment obligation].'

Because the requested sector plan did not come about without further intervention during the turbulent COVID-19 period, the Minister of Education, Culture and Science, Ingrid van Engelshoven, agreed to instigate its development in the Culture and Corona Committee Debate of 29 September 2021. As a result, in December a lead was appointed to establish a working group and propose a number of building blocks for a sector plan in the spring of 2022 (see Section 2 for a more detailed description of the process).



Recent developments

Much has changed since the Letter to Parliament of 19 December 2019:

- In early 2020, aided by additional government investment in talent development, innovation and education, the development organisation FilmForward was launched. A network of regional education hubs for film and visual education in the region was also established. The launch of Screen Talent NL in September 2021 marked the first step in the development and strengthening of a network of regional talent and production hubs.
- On the instigation of the government, through the Netherlands Film Fund, further efforts were made towards ‘condensation’ (fewer productions but with larger budgets), more room for the development of screenplays and film plans by filmmakers, and a greater emphasis on artistic individuality and authenticity. The umbrella organisation for Dutch public broadcasters NPO (Stichting *Nederlandse Publieke Omroep*) also placed a focus on ‘larger budgets for fewer productions’ and excellent quality in the genre policy plan entitled *Mirror of the Netherlands (Spiegel van Nederland)*.
- Due to the importance of external productions for pluralism in the offering of public broadcasting, the minimum share of independent productions in the total programming budget was increased from 16.5 percent to 25 percent. The Ministry of Education, Culture and Science has also initiated a process to arrive at a joint approach by public broadcasters, the Film Fund and the Co-production Fund for Domestic Broadcasters (CoBO) for the funding, development, production and screening of documentaries, films and series.
- At the end of October 2020, an [Investment Obligation Bill](#) was submitted for debate. On 15 December 2021, it was announced that an investment obligation was to be included in the new [coalition agreement](#) entitled *Looking after each other, looking forward to the future (Omzien naar elkaar, vooruitkijken naar de toekomst)*.
- On 1 November 2020, the [Media Act 2008](#) was amended due to the implementation of the EU’s renewed Audiovisual Media Services Directive. On 18 January 2022, the associated [Policy Rule](#) on Quotas for Commercial Media Organisations 2022 was published by the Dutch Media Authority (*Commissariaat voor de Media*). This specifies that on request, commercial media services must report on the obligation for 30 percent of the works in their catalogues to be European. The reports required under this policy rule are expected for the first time in 2023 for the two preceding years.
- The outbreak of the coronavirus pandemic brought major consequences for society as a whole. AV production largely resumed quickly, partly thanks to sector-wide cooperation through the [COVID-19 Protocol for the AV sector](#), but at higher costs, in part due to the restrictions to combat the virus. For nearly two years, screenings at mainstream and art-house cinemas were impossible, or were possible only with limited audiences, resulting in a sharp drop in turnover.² Film festivals were obliged to present their programmes in hybrid form or

² [Film facts & figures of the Netherlands Summer 2022 Issue, Nederlands Filmfonds, May 2022.](#)



online. The sector made grateful use of the generic and specific support measures which were introduced. However, as established in a survey by the Cultural and Creative Sector Taskforce, the support measures did not reach the entire AV sector, nor were they sufficient to solve all the problems caused by the COVID-19 pandemic.

- At the same time, the pandemic stimulated the consumption of on-demand content and a growing number of VOD services have entered the market. Due to the increasing importance of local content, the demand from various media services for Dutch productions, especially series, has greatly increased, and with it the competition. This offers major opportunities, yet at the same time the scarcity of available labour and materials, due on the one hand to the resumption of work on AV productions delayed due to the pandemic and on the other the increase in production volume, is pushing up production costs, also for cinematographic productions.
- Advertising revenues for broadcasters fell sharply immediately after the outbreak of the pandemic, after which they recovered. It is still generally expected that an increasing proportion of this revenue will be diverted to the platforms in particular of large tech companies such as Google/YouTube and Meta.
- In April 2022, the periodic evaluation of the VAT Covenant for Film 2018 was successfully completed. All covenant partners regard the continuation of the covenant as important. Agreements have been made on issues including indexation of the payments made by film distributors and cinema operators for the production of mainstream Dutch films through the Abraham Tuschinski Fund. Building blocks have also been provided for a new implementing arrangement aimed at increasing certainty and transparency for producers and film distributors.

- On 23 May 2022, the *Outline Letter on Culture 2022 – Recovery, Renewal and Growth* ([hoofdlijnenbrief cultuur 2022 Herstel, vernieuwing en groei cultuur 2022](#)) was published. Specific stimuli for the AV sector include the replacement of digital projectors in art-house cinemas, a provision to ensure continuity in the AV sector with regard to uninsurable risks, the continuation in 2022 of the Production Incentive for high-end drama, documentary and animation series, and for the visibility of cinema films in public broadcasting in 2022.



2 Assignment and Process Description

Assignment

In the letter of 15 December 2021 (see Appendix), the Ministry of Education, Culture and Science introduced the working group lead and explained the request to parties in the production and distribution chain including all end-of-chain operators to cooperate in a working group, and in the spring of 2022 to formulate building blocks for a sector plan which enjoys the support of the sector.

Specifically, they were asked to name obstacles, preconditions and solutions in order to achieve ‘improved and more balanced cooperation’ in the AV sector. These were to contribute to the ‘sustainable reinforcement of the production, pluralism, quality and visibility of Dutch cultural audiovisual productions (feature films, animated films, documentaries, innovative media productions and series) and promote the development of a healthy ecosystem in the audiovisual sector’.

The following areas of attention were specified:

- the balance in position between independent producers and end-of-chain operators, in relation to issues including funding and exploitation rights;
- the importance of independent producers for the pluralism of the offering;
- financial contributions from operators to the making of Dutch cultural audiovisual productions; the pressure on the production process in relation to the attention required to develop and realise high-quality productions;

- the marketing, promotion and screening of Dutch cultural AV productions;
- the development of talent and skills in order to build professional capacity.

The letter also recommended that the plan should include the cooperation between public and private parties, and the way in which existing policy and instruments affect the ecosystem and can gain complementarity/synergy. In this context the letter made reference to the collaboration with public broadcasters, the Netherlands Film Fund, NPO Fund, CoBO and the Abraham Tuschinski Fund. Efforts to improve the labour market (fair practice and fair pay) were also potentially to be considered. Moreover, an additional aspect for inclusion in the plan was the necessary conditions for a possible stimulus measure (investment obligation).

As background information and point of departure, the letter referred to the recommendations, reports and letters to parliament that have been drawn up on this subject (including the [recommendation](#) by the Council for Culture in 2018 on the AV sector in the Netherlands, the study published in 2019 by Dialogic entitled [Edification or disruption \[Verheffing of verstoring\]](#), and the [Letter to Parliament](#) of 19 December 2019).



Process description

Between mid-December 2021 and the beginning of January 2022, the working group lead established a working group comprising representatives of parties in the chain that are directly involved in the production and distribution of Dutch cultural audiovisual productions (see Section 4 for the composition). The working group lead acted as chair, assisted by a secretary and office assistant.

The working group agreed in advance that it was necessary to take into account changes in the market and/or sector and in government policies that had occurred since December 2019. The group also agreed that its scope would not overlap with other planned or ongoing discussions in other contexts, such as the evaluation of the VAT covenant Film 2018, the Labour Market Agenda and the new Copyright Act.

A number of members pointed out that some policy documents and reports that were provided as background information on the subject by the Ministry of Education, Culture and Science were several years old and, in their view, had since been overtaken by developments in the market. They therefore experienced the request for input, including the areas of attention, as leading the discussions in a particular direction. However, other members were of the opinion that the areas of attention still warranted consideration as recent developments had in fact heightened their significance.

During the course of discussions it became clear that given the limited time available and the fact this was the first time parties from the film sector and media services had met, providing a response to all aspects of the assignment from the Ministry of Education, Culture and Science was not a realistic

objective. Although the film and media sector are indeed strongly interwoven, their financing and operation models differ, and hence also their perception of obstacles.

The working group agreed to respect the wish of the public broadcasters organisation NPO, the Netherlands Association of Commercial Broadcasters (VCO) and the Subscription Video on Demand (SVOD) services that this report should include only the obstacles, preconditions and potential solutions upon which the working group as a whole is currently in agreement. This also applies to the wish of the SVOD services and VCO not to discuss the investment obligation in this working group, in part because not all consultation input has been made public. Participation in the working group is entirely independent of the investment obligation. References to the investment obligation in this report are therefore restricted to brief context descriptions of the assignment and do not imply any position of the working group with regard to these announced stimulus measures.

For the working group's information, prior to and during the process, the members received relevant recommendations, letters to parliament and current national and international reports on the issues to be discussed.

The first two meetings took place online due to the COVID-19 pandemic. For the three subsequent meetings, the working group met physically during sessions of full and/or half days.

The initial online meeting took place on **13 January 2022**. During the meeting, the working group members discussed the structure and



composition of the plan that was to be produced. It was proposed that the areas of attention put forward by the Ministry of Education, Culture and Science should be divided into a number of themes. Within this structure, obstacles could be identified that form an impediment to improved and more balanced cooperation between parties, and necessary conditions and potential solutions could be suggested to resolve the difficulties. The group also determined that a request for input should be drawn up based on this structure, on the basis of which members could contribute their ideas.

During the initial meeting the participants also concluded that it was important to formulate a joint ambition as a starting point: the ambition of the entire chain to appeal to the largest possible audience in the Netherlands with a diverse Dutch output of high quality and with high production value. The sector's ambition should not be limited to the visibility of this offering in the Netherlands, but all or part of it should also be able to excel internationally. Increasing appeal, quality and diversity is widely seen as a key to sustainably strengthening the competitive and export capacity of the Dutch audiovisual sector in the Netherlands and abroad.³ The working group concluded that visibility abroad should be added as an additional theme to the request for input.

³ For Dutch public broadcasting, given that its scope is limited to the Netherlands, export capacity is not an end in itself. However, public broadcasting also regards an increase in activity, quality and diversity of the offering as worth pursuing.

The request for input included the following themes and questions:

Themes

1. The available capacity of talent and skill among creative and technical professionals.
2. Necessary conditions to optimise the development and production process of the Dutch cultural AV offering.
3. The relationship of independent producers with distributors, including their negotiating position.
4. The visibility in the Netherlands of Dutch cultural AV productions on all platforms (festivals, cinema, television and on demand).
5. The international visibility of Dutch cultural AV productions on all platforms (festivals, cinema, television and on demand).

Questions

1. Provide a short description of each obstacle that you identify for themes 1 to 5.
2. For each obstacle that you identify for themes 1 to 5, indicate to what extent a lack of funding options and/or balanced cooperation in the chain plays a role.
3. For each obstacle that you identify for themes 1 to 5, indicate to what extent the existing policy instruments⁴ contribute to resolving the difficulty.

⁴ The existing schemes of the Netherlands Film Fund, NPO and NPO Fund, CoBO and the Abraham Tuschinski Fund, and other schemes, for example in the field of public-private partnerships.



4. If in the fulfilment of one or more preconditions (as comprised in themes 1 to 5) there are obstacles that existing policy instruments do not sufficiently resolve, what solutions could the AV sector itself provide and how?
5. Do you see any other obstacles/points for improvement for the cooperation and coordination between parties in the production and distribution chain including all end-of-chain operators, and coordination with stakeholders, which have not previously been mentioned (for example, the degree of organisation and the consultation structure)?
6. Do you have any additions to the input from the perspective of your link in the chain in relation to themes 1 to 5 with regard to the consultation in 2020 on the preliminary draft of an investment obligation?

The request for input was sent to the working group on 20 January 2022, and participants were asked to provide their input by 12 February 2022. The input provided was then collated and classified according to the themes and questions in a discussion paper to assist the working group in its consideration of possible building blocks. To provide insight into the way the input had been processed, all members of the working group were also given access to the individual contributions of each party in full.

The second meeting of the working group, which also took place digitally, was held on **11 March 2022**. Based on the input, it was proposed that an intermediate step should be included with the aim of first discussing all the obstacles that had been described in the contributions before determining the extent to which the same obstacles and potential solutions had been identified by more than one participant.

This discussion took place in a physical meeting on **25 March 2022**, in which the scope of the assignment was also discussed again and the areas of difficulty and potential solutions based on the five themes and questions formulated earlier were more clearly identified.

The working group then met on **22 April 2022** to identify a number of building blocks contributed by the sector for the purpose of establishing a sector plan. The written account of these building blocks – as included below – was discussed and enhanced in the working group’s final meeting on **13 May 2022**.

The final report was completed on **17 June 2022**.



3 Building Blocks

Based on the jointly formulated ambition, the working group agreed on four building blocks and associated obstacles, preconditions and solutions. In addition, in each case the group indicated what the sector can do itself and where the government can play a role.



Building Block 1: Increasing the available capacity of talent and skill of creative, technical and organisational professionals to improve the match between supply and demand.

Description of obstacles

- The demand for available capacity is greater than the supply

Due to the increasing importance of local productions and the entry of new players into the market, especially SVOD services, investments in local audiovisual content are greatly increasing. In particular, the production of series is being encouraged. As a result, there is a shortage of local talent and skilled professionals.⁵ Due to the strong interdependence between the film and media sector, this affects the available capacity for all types of AV productions. The scarcity is apparent in all areas: both off screen and on screen, and among auteurs as well as professional specialists, including

⁵ A current relevant factor is also to the resumption of work on AV productions that have been delayed due to the COVID-19 pandemic.

production staff and assistants. Due to the high workload, novices are already burdened with responsibilities without having the time to develop their individual style, talent and professional skill on the job, for example in talent hubs or studio spaces for beginners in the creative industries. There is also too little space for development and professionalisation outside of the actual production process. There is a chance of potential capacity leaving the industry or suffering burnout, bringing a risk of labour outflow from the sector. This can lead to a decline in quality and supply and to the erosion of the AV sector. The perception that employment prospects in the cultural and creative sector as a whole are precarious – especially after the COVID-19 pandemic – is also hampering the necessary growth of new creative, technical and organisational talent. Because the focus lies firmly on the same small group of skilled professionals with proven talent, or on new talent fresh from the academy, potential capacity remains untapped.

Lack of diversity and inclusion among creative, technical and organisational talent

The Dutch AV sector is currently not a representative reflection of society. The strong focus on proven talent and the relatively limited influx of new talent hinders healthy competition and the development of a larger professional pool that is diverse and inclusive, both in front of and behind the camera. This also forms an obstacle to the diversity and pluralism of the stories that are told in films and series, and the audience that is able to identify with them.



Tailoring of academies and vocational training to match market demand

Academies and vocational training courses are not currently tailored well enough to match the demand from the market. This relates not only to the numbers of creative, technical and organisational personnel that are trained, but also to their diversity and inclusiveness. In addition, there is a lack of a strong and accessible infrastructure which experienced self-taught individuals can access for further training. Moreover, as yet there is no clear picture of the needs of the market and how they are set to develop in the future.

Recommendations/potential solutions

On the part of the sector:

- More time, space and financial resources should be devoted to training on the job, such as internships, apprenticeships, and writers' rooms for screenwriters, so that new talent can gain experience. If space is provided, talent hubs and training programmes for new talent can also be encouraged.
 - To promote constant professional development, more time, space and financial resources should be made available for experienced talent to have the opportunity to attend workshops and master classes and to participate in training programmes beyond the production process. As a specific example, an acting for screen course for actors was mentioned.
 - Knowledge of the entire process of production, distribution and exploitation of content should be improved – wider than only the creative aspect of the industry, and including marketing and operational management. This should be included in the curricula of training courses and talent development programmes, as well as through internships and apprenticeships.
- The fields in which there is a specific shortage of creative, technical and organisational capacity should be identified. In future, this should be monitored annually, so that the gaps can be targeted structurally.
 - The sector itself could arrive at a joint plan for the development of talent and skills, in which funds, academies, development institutions/talent hubs and festivals with a talent development programme should also be involved. This will take time and require contact in particular with academies to identify potential solutions for the development of talent and skills and to answer questions such as:
 - How can the route from novice to experienced filmmaker be better facilitated?
 - Is the training of professionals sufficiently geared to current needs, and for which positions are there too few or too many training places available? What knowledge and skills are missing?
 - Is there sufficient cooperation behind the scenes with regard to talent development and other initiatives?
 - How can inclusivity and diversity be promoted both in front of and behind the camera?
 - Is there sufficient room for innovation and new ideas?
 - This should concern not only the training of young talent, but also attracting older and/or new professionals from other (possibly related) sectors.
 - The appeal of employment in the AV sector can be further increased by consistent adherence to the principles of good governance, fair practice, and diversity and inclusion.
 - Attention is also needed for working culture (including workload, personnel absences and employment conditions) and the appeal of the industry. This is incorporated in the Labour Market Agenda led by Platform ACCT ('Labour Market Platform for a Cultural and Creative Future').



- Whether productions are commissioned by an end-of-chain operator or produced independently, it is the role of producers to budget realistically for development and (pre and post) production and to secure funding, so that projects are developed and implemented optimally.
- Campaigns should be mounted and more information provided in vocational education and training at schools and colleges to inspire enthusiasm for a professional career in the audiovisual sector.
- While organisations and companies are able to allocate training budgets for their own employees, this does not always work well in the AV sector due to the project-based approach to funding productions (which also involves many self-employed professionals). The sector should therefore investigate effective ways to create room for ongoing professional development on the job, for example through coaching or internships.
- If the government takes on a role in training, its overall availability, and the opportunities for and coordination of continuous professional development, it is important that the sector should be actively involved so that the supply of talent and professional skill better matches the demand.
- Where necessary, the sector should be strengthened so that fair practice and fair pay can be applied to the fullest extent. This is included in the Labour Market Agenda.

On the part of government:

- There could be a greater focus in training on improving the balance between authorship and professional skill.
- An organisation for ongoing professional training could be supported structurally in order to offer professionals the opportunity to develop continuously, and enable them to compare themselves to international talent by bringing international expertise to the Netherlands to supplement local expertise. A start has been made this respect with the establishment of FilmForward and the network of regionally distributed talent and production hubs, Screen Talent NL. This could be further enhanced.
- More investment could be made in the diversity and distribution of training and opportunities for professional development, thus increasing accessibility and providing for a wider variety of gatekeepers, beyond those who have traditionally defined what should be regarded as talent.





Building Block 2: Optimising the development and production process

Description of obstacles

- Lack of time and focus during screenplay development

The basis for a distinctive offering is laid with a well-developed screenplay/film plan which is then attractively filmed. This takes a lot of time and requires concentrated focus. However, there are a number of circumstances that may hinder this process and create pressure to develop an excessive number of projects at the same time, and to go into production too quickly. Where projects are selected according to artistic assessment criteria with long decision-making periods, this results in uncertainty about whether the development process (and subsequently the production phase) will receive funding, and if so, when the funds will be made available. Artistic interference also presents an obstacle. As a result, creators and producers try to keep as many 'balls in the air' as possible, developing several projects at the same time. This may come at the expense of maintaining a sharp focus.

- Sufficient funding often only becomes available during the production phase

The funding system for cultural AV productions is structured such that the majority of funds (including fees) generally only become available when a project goes into production. This may increase the pressure to go into production too quickly.

⁶ Semi-automatic funding schemes are those which have predominantly non-artistic assessment criteria and are therefore more predictable.

Recommendations/potential solutions

On the part of the sector:

- More time, space and funding should be made available for screenplay development, as already appears to be happening due to the increased demand for series.
- Sufficient space and funding for optimal filming in the (pre and post) production phase should then remain the starting point, as should the application of the principles of fair practice and fair pay in all phases from development to realisation.

On the part of government:

- A stronger emphasis could be placed on the distribution of available budgets for development support.
- Stimulation could be provided for the establishment where necessary of processes structured to optimise transparency about decision-making and to shorten decision-making times.
- To improve continuity and increase certainty, efforts could be made to develop more predictable and/or semi-automatic funding schemes⁶ for the entire production cycle. In relation to this building block, in particular this might comprise a semi-automatic scheme for project development and – in addition to the Production Incentive for film productions – the structural continuation of the Production Incentive for high-end TV series, also beyond 2022.





Building Block 3: Optimising balance and cooperation in the production and distribution chain

Description of obstacles

- Rapidly changing market

Partly due to changing viewing behaviour and the arrival of new or existing on-demand providers in the Netherlands, the AV market is changing rapidly. There is no structurally organised consultation body in which the entire production and distribution chain including all end-of-chain operators can reflect on these changes and their implications for the Dutch AV sector and cultural AV productions. Moreover, developments in the market and market data are not structurally monitored, analysed or published on a sector-wide basis to assist policy development and facilitate chain-wide consultation.

- By its nature, the value chain is not entirely in balance

It is a fact that there is a degree of imbalance in the value chain in the AV sector. At the beginning of the chain, the unique productions that form the basis for the revenue model at the end of the chain are made in continually changing compositions of many self-employed professionals in conjunction with production companies. In contrast, a characteristic of the end of the chain is that the active participants maintaining direct relationships with consumers are fewer, so they naturally occupy a different position from the parties at the beginning of the chain. The competition in the chain is intense

⁷ Naturally, within the limits of competition law.

and major interests are at stake. Nevertheless, the various links in the chain need each other in order to be able to operate their businesses and innovate to safeguard a healthy ecosystem.

Recommendations/potential solutions

On the part of the sector:

- Periodic consultations should be held in which all links in the value chain are represented.⁷ The aim of these consultations is for suitably qualified representatives to exchange ideas from perspectives of the various links in the chain in a rapidly changing environment, and thus to stimulate cooperation within the chain. These meetings can also consider action in response to the building blocks described in this report.
- The agenda of these meetings could periodically include research on the sector-wide analysis and monitoring of market data and national and international developments,⁸ so participants are able to discuss newly arising topics – a factor which is after all inherent in an AV market in flux.
- In subsequent discussions, it is important to consider issues such as the sharing of knowledge and expertise throughout the chain in the field of sustainability, and also the Transparency Obligation that came into effect on 7 June 2022.

On the part of government:

- The annual analysis and publication of results and developments in the audiovisual sector, for example in *Film Facts & Figures of the Netherlands*, could be broadened by including the reporting of media services on Dutch cultural AV productions. In addition, in coordination with the sector,

⁸ Naturally, within the limits of competition law.



independent sector-wide research could be periodically commissioned on current developments (also from an international perspective and taking into account company-sensitive information), so that policy is appropriate to current practice.

- Policy should take into account the fact that the value chain is by nature not homogeneous and that the parties in the chain that maintain direct relationships with consumers naturally occupy a different position from those at the beginning of the chain.





Building Block 4: The visibility of Dutch cultural audiovisual productions in the Netherlands and abroad via various platforms (such as festivals, cinemas, television and video-on-demand services)

Description of obstacles

- Attention to marketing and promotion takes place at too late a stage
Dutch AV productions deserve a wide audience, but in the development and production process, orientation towards the potential audience is considered only at a relatively late stage, and subsequently marketing and promotion. The division of roles is also not always clear. Viewing behaviour is changing due to the explosive increase in supply, access to which is often not limited to a specific time and place. Audience demands for quality in films, documentaries, innovative media productions and series are increasingly high, and the competition for the audience is intense. This underlines the importance of timely promotion and marketing to ensure that Dutch AV productions do not miss out on potentially interested visitors/viewers.
- Insufficiently distinctive offering
Dutch AV productions are not always sufficiently distinctive in comparison to the international offering. This hinders visibility in the Netherlands and reduces the chances of Dutch AV productions being seen in other countries. This is also related to the difference between the degree of promotion and marketing devoted to large international productions released worldwide compared to Dutch productions. Due to the physical limitation of the number of cinema screens and the large number of films showing in the cinema,

individual films (including Dutch ones) often have much less time and opportunity to prove themselves and are dependent on other forms of distribution, such as hybrid release and VOD, to increase their audience reach.

Recommendations/potential solutions

On the part of the sector:

- During the production process, more attention should be paid to raising audience awareness and to the marketing and promotion of Dutch AV productions in the various distribution forms. This requires contracting parties to discuss marketing and promotion at an early stage, with each party taking its own role.
- More attention should be devoted to timely marketing and promotion during training at academies and on vocational courses, with experts from the sector contributing as guest lecturers.
- There is a need for greater awareness of the way in which different productions can enhance each other's visibility. Audience figures show that after seeing a successful film at the cinema, audiences are more likely to visit a more specific or niche production. This also applies to other forms of distribution, such as VOD. Different productions can therefore promote each other's visibility and thus strengthen the visibility of the entire Dutch offering, both in the cinema and via linear broadcasting and VOD.
- Consumer demand should be considered more often in order to create more distinctive productions. For example, audience surveys have shown that the LGBTIQ+ community has not yet been sufficiently addressed. Target audience research can contribute to increased diversity and



inclusiveness within productions and thus to a more distinctive offering and a wider audience reach.

- For the visibility and promotion of Dutch AV productions, the sector should protect and value festivals. Film festivals offer an essential stage to launch new productions and reappraise existing ones, to reach a broad and diverse audience, and to foster international exchange, talent development and innovation.

On the part of government:

- To ensure continued investment in development, distribution, promotion and screening, it would benefit the sector if the Film Fund's Full Circle Distribution Funding Scheme – a (semi-)automatic funding scheme related to cinema viewings of Dutch films – were structurally embedded.
- The competitive position of the Dutch AV sector and/or its offering should not be allowed to fall behind internationally. An uneven playing field will arise if the Netherlands neglects to offer the cash rebates and tax incentives that have been strengthened and expanded in other EU member states and beyond for some time. This will lead to a leakage of employment opportunities to those countries and to a decrease in the Dutch offering, which as a result will become less distinctive. As yet, the Production Incentive for high-end series is not structurally funded. Embedding this in the permanent set of funding instruments from 2023 may provide a stimulus to series that tell Dutch stories and at the same time have the potential to compete internationally.



4 The Working Group

In response to the invitation from the Ministry of Education, Culture and Science of 15 December 2021, various parties in the chain that are directly involved with the creation, production and distribution of Dutch cultural audiovisual productions (makers, producers, film distributors, cinema operators, broadcasters and video-on-demand services) were approached to participate in the working group. Each party chose its own delegation. All representatives were asked to make their contributions from a perspective transcending their personal position and to liaise with and inform their own 'constituency' and/or 'feedback group' during the process. The working group's scope and capacity for consultation thus remained workable.

Where possible, contact took place via the industry associations: the Netherlands Audiovisual Producers Alliance (NAPA), Netherlands Content Producers (NCP), Dutch Exhibitors Association (NVBF), Film Distributors Netherlands (FDN) and the Netherlands Association of Commercial Broadcasters (VCO) each delegated one or two members. The Dutch Academy For Film was responsible for the coordination with 19 other professional associations, and thus provided a two-member delegation. The public broadcasting delegation comprised a representative on behalf of the NPO and the Board of Broadcasters (*College van Omroepen*, CVO). Because as yet there is no industry association for VOD services and as a result no governance has been established for joint representation, their delegation was more broadly composed. The smaller SVOD services and the Transactional Video on Demand (TVOD)⁹ services delegated one person to

the working group. A number of other SVOD services¹⁰ participated with a delegation of four representatives with different areas of expertise.

Composition

Makers On behalf of the Dutch Academy For Film (DAFF) and the professional associations: Guido van Gennepe and Robert Alberdingk Thijm

Producers On behalf of Netherlands Audiovisual Producers Alliance (NAPA): Anna Pedroli | On behalf of Netherlands Content Producers (NCP): Arie Landsmeer

Film distributors On behalf of Film Distributors Netherlands (FDN): Anne de Jong and René van Turnhout

Cinemas On behalf of Dutch Exhibitors Association (NVBF): Hendrik ten Napel and Kim Hulscher

Broadcasters On behalf of public broadcasting (NPO): Joost Baak and on behalf of the Board of Broadcasters (CVO): Willemijn Francissen | On behalf of the Netherlands Association of Commercial Broadcasters (VCO): Marjolein van der Linden and Arjo Kramer

VOD services On behalf of smaller SVOD services and the TVOD services: Jaap Buijnen | On behalf of other SVOD services: Jasmijn Touw, Suzanne Teijgeler, Marco de Ruiter and Kaja Wolffers

Chair/Lead	Doreen Boonekamp
Secretary	Hugo Klaassen
Office Assistant	Mirthe van Donselaar

Office facilities were provided by the Netherlands Film Festival. Design: shiftover.nl

⁹ Pathé Thuis, Pickl, Cinemember, Cinetree

¹⁰ Netflix, Disney, Prime Video, Warner Bros. Discovery, Videoland and Paramount



Appendix:

Letter from the Ministry of Education, Culture and Science of 15 December 2021

Ministerie van Onderwijs, Cultuur en
Wetenschap

>Retouradres Postbus 16375 2500 BJ Den Haag

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Onze referentie

Datum 15 december 2021
Betreft Verzoek medewerking totstandkoming sectorplan

Geachte heer, mevrouw,

In de [brief](#) aan de Tweede Kamer van 19 december 2019 hebben minister van Engelshoven en minister Slob aan partijen uit de Nederlandse productie- en exploitatieketen gevraagd om in het najaar van 2020 met een sectorplan te komen. De ministers verwachtten daarin een gezamenlijke visie en strategisch plan om meer samenwerking in de keten en een beter functionerende sector te realiseren. Het is gebleken dat voornoemde partijen hiertoe nog niet het initiatief hebben genomen. Minister van Engelshoven heeft daarom in het commissiedebat Cultuur en Corona d.d. 29 september jl. aan de Tweede Kamer toegezegd de ontwikkeling van een sectorplan aan te jagen.

Met deze achtergrond heeft de minister van OCW aan mevrouw Boonekamp de opdracht verleend om de rol van aanjager in te vullen. Tot mijn genoegen heeft zij deze opdracht aanvaard. De adviezen, rapporten en Kamerbrieven die over dit onderwerp zijn opgesteld (waaronder het advies van de Raad voor Cultuur over de AV-sector in Nederland uit 2018, het onderzoek door Dialogic 'Verheffing of versterking' uit 2019 en bovengenoemde de Kamerbrief van 19 december 2019), vormen de achtergrondinformatie en het vertrekpunt bij deze opdracht.

De bedoeling van het sectorplan is dat partijen uit de productie- en exploitatieketen knelpunten benoemen en voorwaarden en oplossingsrichtingen aandragen om tot een betere en een meer evenwichtige samenwerking in de AV-sector te komen. Dit moet bijdragen aan het hoofddoel om de productie, pluriformiteit, kwaliteit en zichtbaarheid van Nederlandse culturele audiovisuele producties (speelfilms, animatiefilms, documentaires, innovatieve mediaproducties, en series) duurzaam te versterken en toe te werken naar een gezond ecosysteem in de audiovisuele sector.

Aandachtspunten die hierbij een rol spelen zijn onder meer:

- het evenwicht in de positie tussen de onafhankelijke producenten en de aanbieders voor eindvertoning van av-aanbod, onder meer in relatie tot financiering en exploitatierechten;
- het belang van onafhankelijke producenten voor de pluriformiteit van het aanbod;
- financiële bijdragen van exploitanten aan de productie van Nederlands cultureel audiovisueel aanbod;

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Onze referentie

- de druk op het productieproces in relatie tot de aandacht die nodig is om kwalitatief hoogwaardige producties te ontwikkelen en te realiseren;
- marketing, promotie en vertoning van Nederlandse cultureel AV-aanbod;
- de ontwikkeling van talent en vaardigheden ten behoeve van de opbouw van de professionele capaciteit.

Het verdient aanbeveling hierbij de samenwerking tussen publieke en private partijen te betrekken en de wijze waarop bestaand beleid en instrumentarium op het ecosysteem inwerkt en aan complementariteit/synergie kan winnen. Hierbij gaat het onder meer over de samenwerking met de publieke omroep, het Nederlands Filmfonds, NPO-fonds, CoBO en het Abraham Tuschinskifonds. Ook kan het in dit verband gaan over inspanningen om de arbeidsmarkt te verbeteren (fair practice en fair pay). Daarnaast kunnen voorwaarden van een mogelijke stimuleringsmaatregel meegenomen worden in het sectorplan (zie het [voornemen](#) van wet ter stimulering van de productie van Nederlandse films, series en documentaires, dat door de minister van OCW in 2020 is voorgelegd aan het veld ter consultatie).

Om tot bouwstenen voor het sectorplan te komen die gedragen worden door de partijen in de productie- en exploitatieketen, is het belangrijk dat deze voortkomen uit voorstellen van die partijen zelf. Mevrouw Boonekamp zal hiertoe een werkgroep samenstellen waarin de partijen uit de keten vertegenwoordigd zijn (producenten, een afgevaardigde van andere makers, distributeurs en exploitanten zoals bioscopen/filmtheaters, publieke/commerciële omroepen en VOD-aanbieders). Voorts zal zij het proces aansturen om tot de opstelling van het sectorplan komen.

In het kader hiervan zal mevrouw Boonekamp in de komende periode contact met u opnemen. Ik waardeer het zeer als u uw medewerking hieraan wilt verlenen. Wij verwachten dat de bouwstenen van het sectorplan en mogelijke oplossingsrichtingen in het eerste kwartaal van 2022 gereed zijn, met het streven om een eindversie van het sectorplan in het voorjaar van 2022 te realiseren.

Om binnen het hiervoor genoemde tijdsbestek te komen tot het opstellen van een sectorplan wil mevrouw Boonekamp graag worden bijgestaan door een ter zake kundige secretaris en bureau-ondersteuner. Ik wil de partijen die deelnemen aan de werkgroep vragen om dit financieel mogelijk te maken.

Met vriendelijke groet,

de directeur Media en Creatieve Industrie,



Youssef Louakili

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