FIAD SUBMISSION TO THE EUROPEAN COMMISSION'S PUBLIC CONSULTATION ON "ARTIFICIAL INTELLIGENCE STRATEGY FOR THE CULTURAL AND CREATIVE SECTORS"

The International Federation of Film Distributors' and Publishers' Associations (FIAD) welcomes the European Commission's ambition to develop a dedicated AI Strategy for the Cultural and Creative Sectors (CCS).

FIAD gathers national organisations of film distribution companies. Film distributors act as intermediaries between film producers and cinema exhibitors and cover the entire range of companies: small and medium-sized companies specialized in art house films, as well as larger companies focused on mainstream films. FIAD's members operate in 15 countries where they cover 90 to 100 percent of the theatrical market.

The film and audiovisual sector is one of Europe's most impactful and culturally significant creative industries[1]. The shared experience of cinema-going strengthens European identity and democratic values, while the cross-border circulation of European films amplifies European cultural soft power and our understanding of each other.

As Europe advances its digital transition, the European institutions should embrace a strong coordinated approach that enables cultural and creative professionals to benefit from artificial intelligence (AI), while ensuring that technological development remains consistent with fundamental rights, copyright and related rights, cultural diversity, environmental sustainability and fair competition.

FIAD reaffirms that the development and deployment of AI must fully respect copyright and related rights. AI innovation cannot be pursued at the expense of the creators, producers, distributors and other rightsholders whose works make the cultural and creative sectors possible.

[1] Source: Eurostat, "Culture statistics – cultural enterprises", "Value added for the cultural sector, by broad heading, EU, 2023", Statistics Explained, European Commission.

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1- AI, a tool to the benefit of human creativity and audience development

FIAD members and European film distributors have a long-standing tradition of innovation. Because of the structure of the European film ecosystem and the nature of their work, distributors continuously explore new ways of reaching audiences and improving the circulation of films[2].

Each film is a unique creative work, and each national release campaign must respond to its specific audience, market and cultural context. This is particularly important for independent and specialised films, whose distribution often involves significant financial risk[3] and whose potential audiences may be relatively precise or dispersed across different areas.

The responsible use of robust AI-based analytical tools could assist distributors in identifying audience preferences, analysing viewing habits and assessing the effectiveness of previous marketing campaigns for films of a similar genre or profile. Better knowledge of audiences and local viewing patterns could enable distributors to design more targeted and efficient release campaigns, while preserving the essential human and creative judgement at the heart of film promotion.

AI-based analytical and workflow tools may also support the technical aspects of the cinema-going experience[4]. For example, it could contribute to more efficient workflows for technical synchronisation (lip-sync), provided that quality, jobs, cultural accuracy and the integrity of the original work as well as personality rights are safeguarded.

In addition, AI-based tools could help distributors reduce the time spent on repetitive administrative tasks[5], allowing them to focus on their core expertise: developing creative and audience-focused release strategies, supporting the circulation of European films and identifying future titles for their distribution slates.

These applications could be particularly valuable for SMEs, which often operate with limited financial and human resources. By making certain data-collection and administrative processes more efficient, AI could help smaller distributors compete more effectively and improve the visibility of European and non-national films.

However, technological tools must support rather than replace human expertise. Their outputs should be subject to appropriate human oversight. The

[2] Source : Europa Distribution, "Connecting Innovation and Independent Distribution: Europa Distribution Innovation Hub 2026", 2026.
[3] Source : International Federation of Film Distributors' and Publishers' Associations (FIAD), "FIAD Manifesto", 2024.
[4] Source : European Commission (DG CNECT/DG EAC), "Study on Opportunities and Challenges of AI Technologies for the Cultural and Creative Sectors", 2022.
[5] Source : CNC and BearingPoint, "Quel impact de l'IA sur les filières du cinéma, de l'audiovisuel et du jeu vidéo ?", April 2024.

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Commission's strategy should therefore promote AI as an enabling tool that complements professional judgement, cultural knowledge and editorial responsibility.

Regarding discoverability, FIAD notes that AI increasingly shapes what content is created, recommended, promoted and discovered. An AI Strategy for CCS should therefore treat recommendation and discovery systems not only as technological tools, but also as cultural infrastructure that influences whether and how European works reach audiences.

For the film sector, discoverability should be treated as a strategic policy goal. Publicly supported AI systems should help European audiences find independent works, smaller-language content, national and regional repertoires, diverse genres and audiovisual works from across Europe through transparent criteria, measurable diversity objectives and the involvement of cultural and creative sector stakeholders.

2- Coordinated Response to Challenges

2.1 Copyright Protection

FIAD reaffirms the fundamental principle that AI models must respect copyright and related rights by diligently seeking and adhering to the express wishes of rightsholders. AI model providers should comply with applicable EU copyright law and respect the reservations of rights made by rightsholders.

Transparency is essential, ensuring that rightsholders have full visibility on the copyrighted works and content used to train AI models[6]. Furthermore, AI model operators should establish licensing practices that include properly negotiated authorisations with rightsholders, allowing them to receive appropriate remuneration for the use of their works, on all European markets. It shouldn't be the privilege of only bigger ones which have the means to enforce strong legal rules towards AI.

To uphold these principles effectively, there must be strong enforcement measures in place to penalise non-compliance with transparency measures. As AI continues to evolve, FIAD remains committed to ensuring that technological advancements do not come at the expense of the respect of intellectual property rights.

2.2 AI and IP Enforcement

[6] Source : International Federation of Film Distributors' and Publishers' Associations (FIAD), *Position Paper on the European Commission Call for Evidence on the Copyright in the Digital Single Market Directive,* 2026.

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Piracy remains a primary source of revenue loss for film distributors, and illegal IPTV services are largely run by organised crime groups. Europol finds that AI is acting as a catalyst for crime, amplifying the speed, reach and sophistication of these networks[7]. EUIPO's analysis of AI in this field examines both how AI can facilitate infringement and how it can serve detection and enforcement[8]. So far, only the first side has developed. A mapping of some sixty AI use cases across the film, audiovisual and video game sectors, carried out for the CNC, identified no confirmed application to combating audiovisual piracy: the need could not be substantiated with professionals and no new application was found[9]. AI is therefore being adopted quickly where works are exploited and barely at all where they are protected. The measures that do work, such as dynamic site-blocking, depend on a scale of resources that independent distributors do not have individually.

2.3 Skills and support for SMEs

To ensure that European film professionals can benefit from above-mentioned developments, the Commission and the Member States should support accessible and affordable training, upskilling and reskilling opportunities.

The cost of acquiring AI tools, developing appropriate workflows and training staff may be considerable, particularly for SMEs. The Commission should ensure that the AI Strategy is accompanied by targeted support for cultural and creative professionals. Training should cover not only the technical use of AI but also copyright compliance, data protection, contractual considerations, ethical risks, bias, transparency, cybersecurity and environmental impacts. The objective should be to enable professionals to make informed decisions about when and how AI tools should be used.

2.4 Environmental sustainability

The development and use of generative and other AI technologies should not come at the expense of human creativity or environmental sustainability. AI systems and the data centres that support them consume significant amounts of energy and water and contribute to pollution[10].

It is therefore important to raise awareness among cultural professionals and audiences of the environmental costs associated with the development and use of AI. This issue should also be considered in connection with the European Commission's objectives for greening the Creative Europe Programme for the

[7] EUIPO and Europol, "Uncovering the ecosystem of intellectual property crime – A focus on enablers and impact", 2024.
[8] EUIPO, "Study on the impact of artificial intelligence on the infringement and enforcement of copyright and designs", European Observatory on Infringements of Intellectual Property Rights, 2022.
[9] CNC and BearingPoint, "Quel impact de l'IA sur les filières du cinéma, de l'audiovisuel et du jeu vidéo ?", April 2024.
[10] Source : United Nations, "AI's environmental costs threaten water, land and climate", UN News, June 2026.

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2021–2027 period[11], which seek to strengthen the environmental sustainability of the cultural and creative sectors.

3- Conclusion

AI (generative and other AI technologies) has the potential to support innovation across the cultural and creative sectors, including by helping film distributors better understand audiences, improve workflows and strengthen the circulation of European films. However, these opportunities must be accompanied by respect for intellectual property and related rights, as well as effective measures to mitigate the risks that AI poses to creators and rightsholders, including through piracy and unauthorised use of protected works. In this regard, AI-supported content protection tools could be an explicit strand of the AI Strategy, including detection and monitoring tools accessible to smaller rightsholders. Raising awareness of the opportunities, limitations and broader challenges associated with AI will be essential, alongside appropriate upskilling and reskilling for cultural professionals. Finally, the development and use of AI must take full account of Europe's cultural and linguistic diversity, particularly as generative AI systems may reproduce existing biases or underrepresent certain cultures and languages.

[11] Source : European Commission, *Greening the Creative Europe Programme*, Publications Office of the European Union, 2023.

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