

State Aid to Cinema and Audiovisual Production

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Background

- 998 feature films produced in EU 25 in 2004
- Average budget € 5.4 million in EU 15 (and in EU 10 < € 1 million)
- Film production investment in EU 15 in 2004: € 5.03 billion
- Primary financing source: public support
- Public support in 2002 (EU 15): € 1.1 billion
- Estimated 600 different aid measures in EU 25

History

- Several notifications in the 90's assessed directly on the basis of Article 87(3)(d) or previous to the Treaty of Maastricht under Article 87(3)(c)
- In 1998, following a complaint, case 3/98: France. Became the landmark for decisions on State aid and the basis for...
- ...the 2001 Communication : “Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on certain legal aspects relating to cinematographic and other audiovisual works.(OJ C 43 of 16.2.2002).
- In 2004 the Communication was prolonged until June 2007.

Criteria

- General legality criterion
- Cultural product
- Admissible territorialisation level of 80%
- 50% aid intensity (of the production costs of a film); can be exceeded for difficult and low budget films
- No specific bonuses

Looking forward

- Expiry of the communication in 2007
- Study on territorialisation
- Possibly: Block Exemption Regulation