

# The draft Cinema Communication Creative Europe Alessandra Fratini

Convegno "Strategie europee per il cinema"

Direzione Generale Cinema - MiBAC

realizzato da ANICA e ANEC in collaborazione con la Biennale di Venezia

69 Mostra Internazionale d'Arte Cinematografica

Venezia, 3 settembre 2012





#### The draft Cinema Communication

- Overview and objectives of the review
- Key events and timetable
- Proposed changes and reactions

#### **Creative Europe**

- Overview
- New priorities and opportunities
- Legislative procedure
- Key events and timetable



#### **Cinema Communication** 1/6

#### **Overview**

- 2001 Cinema Communication, setting out the State aid assessment criteria for production of films and AV works, due to expire on 31 December 2012
- Extended already in 2004, 2007 and 2009
- Emerging trends
  - Support for aspects other than film and TV production, e.g. film distribution and digital projection
  - More regional film support schemes
  - Competition among MSs to attract inward investment from major film productions



#### **Cinema Communication** 2/6



#### **Objectives**

- Ensuring a more culturally diverse choice of AV works
- Controlling competition ('subsidy race') & ensuring a level playing field between MSs
- Reviewing potential limitations of "territorialisation" clauses
- Improving the circulation and increasing the audience of European films
- Encouraging cross-border productions



#### **Cinema Communication 3/6**



#### **Key events & Timetable**

- June 2011 September 2011: first public consultation on the Commission's issues paper
- March 2012 June 2012: public consultation on the draft Communication
- June 2012: consultation responses published
- Final quarter 2012: adoption of a new Cinema Communication



#### **Proposed changes**

- Scope of activities covered by the Communication extended to include all aspects of AV work, from story concept to delivery to the audience (vs. production alone)
- Spending obligation in the territory granting production support **limited** to a maximum of 100% of the aid (vs. 80% of production budget)
- Film production support schemes, that base the calculation of the aid amount on the production expenditure in a given territory (e.g. film tax incentives), to treat any production expenditure in the EEA as eligible (new, Laboratoires Fournier)



#### **Cinema Communication** 5/6

- MSs not to impose unnecessary limitations on the distribution and marketing (e.g., 'release windows') of an AV work as a condition for supporting it
- MSs to require/support producers to deposit a copy of the film suitable for long-term preservation, as a condition of the aid
- If aided film is not a European work, maximum aid intensity
   reduced for higher budget films, on the basis of a regressive scale

Part of production budget	Aid intensity
Less than €10m	50%
€10m - €20m	30%
Over €20m	10%



#### **Negative reactions (selection)**

- Truly justified review?
  - "dangers and threats... hypothetic and unclear" (HU)
- New criteria on territorial spending obligations
  - Reduce the leverage / multiplier effect of public policies
  - Threaten the stability /sustainability of the movie production industry
  - "encourage the fragmentation of the European film sector and result in a loss of skills, infrastructure and production activity" (UK)
  - « disproportionnées et ... très néfastes pour le secteur du cinéma » (FR)
- Proposed regressive scale for non-European films
  - Negative impact on Europe as a production hub, thereby threatening its international competitiveness





#### Overview of the proposal

- A programme for the cultural and creative sectors for 2014-2020
- Bringing together 3 existing programmes
   (Culture MEDIA MEDIA Mundus)
- Creating a new financial instrument ('financial facility') giving access to bank loans for small operators & SMEs
- Proposed budget of € 1.8 billion for 7 years
   → 37% increase on current levels
- Contributing to 'Europe 2020' goals of sustainable growth, jobs, social cohesion



#### **Creative Europe** 2/7



#### **Creative Europe framework**

€1.8 billion

Culture	MEDIA	Cross-sectoral (Financial Facility
30 %	55 %	+ data support + piloting)
		15 %
€500 million	> €900 million	> €210 million

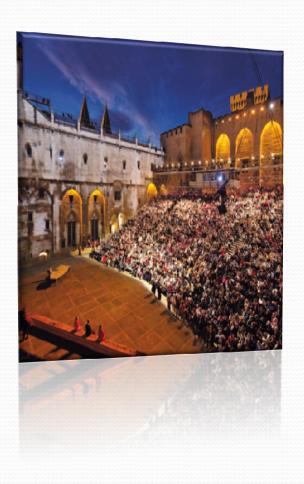
✓Over 1,000 European films receive distribution support to be seen by audiences throughout Europe and beyond, on traditional and digital platforms ✓ 1,111 European cinemas receive support to ensure that at least 50% of the films they show are European



#### **Focus**

- Capacity-building
  - Support cultural operators to develop skills and know-how to facilitate adjustment to the digital shift
  - Support artists/cultural professionals to internationalize their careers
  - Strengthen EU and international networks to facilitate access to new professional opportunities
- Transnational circulation
  - Support international touring, events and exhibitions
  - Support literary translation
  - Support for audience building and building a long-term audience for European cultural works





#### **Opportunities**

## Focus on ICCS/audiovisual operators and institutions

- For cultural and audiovisual professionals to develop skills abroad
- For international distribution of works
- For international policy cooperation

#### **Simplification**

#### International dimension

 Full participation to same European 3<sup>rd</sup> countries as before & new possibility for European neighbourhood countries



#### **Ordinary Legislative Procedure** → **Key players**

Council of the European Union Co-legislator	Council configuration
	Education, Youth, Culture and Sport Education, Youth, Culture and Sport
European Commission Legislative proposal	Commission DG
	Education and Culture



#### **Creative Europe** 6/7

#### European Parliament **Co-legislator** CULT Culture and Education COSTA Silvia S&D Shadow rapporteur CAVADA Jean-Marie SCHAAKE Marietje TRÜPEL Helga MIGALSKI Marek Henryk BISKY Lothar BUDG Budgets MATERA Barbara **EMPL Employment and Social Affairs** GÖNCZ Kinga ITRE TICĂU Silvia-Adriana Industry, Research and Energy S&D FEMM Women's Rights and Gender Equality





#### **Key events & Timetable**

- EC proposal for a Regulation on the «Creative Europe Programme»: 23/11/2011
- Council (EYCS) Partial General Approach (content): 10/5/2012
- EP CULT
  - Exchange of views: 9/7/2012
  - Text presentation: 8/10/2012
  - Vote: 27/11/2012
- Budget negotiations (MFF 2014-2020) to be finalised under CY Presidency
- EP Plenary vote: tbc
- Entry into force: 1/1/2014



# Thank you!

Avv. Alessandra Fratini a.fratini@fratinivergano.eu www.fratinivergano.eu