

# European Union: Commission Approves German Film-Production Aid Scheme

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In its decision of 21 April 1999, the European Commission approved the new German film-production aid scheme. Introduced by an earlier notification, the proceedings, in respect of the control of state aid in accordance with Articles 92 and 93 of the EC Treaty (Art. 87 ff. as set out in the Amsterdam Treaty), concerned the extension of the current aid scheme for the German film industry for a further five-year period, providing annual aid of over EUR 20 million.

Following the publication of the new Act on Film Production Aid ( Filmförderungsgesetz - FFG ), the German Government had notified the Commission of the financial conditions last autumn so that it could assess them. The Commission examined in particular whether the measures provided for met the criteria laid down in its decisions on French and Dutch film-production promotion measures. According to these criteria, the amount of aid per film should not exceed 50 %; in addition, the producer should be given the freedom to spend at least 20 % of the production budget in other Member States without losing entitlement to the full amount of aid.

The Commission decided that these criteria had been fulfilled in this case. Compared to the scheme approved in 1992, there appeared to be no significant changes. Since the measures ultimately constituted aid to promote culture in accordance with Article 92(3)(d) of the EC Treaty, the Commission was able to approve the scheme.

***IP/99/246 of 21 April 1999.***

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/99/246&format=HTML&aged=1&language=EN&guiLanguage=en>

***Gesetz über Maßnahmen zur Förderung des deutschen Films vom 6. August 1998.***

<http://www.gesetzesweb.de/FFG.html>

