

# [ES] Film Industry Subsidies Regulation

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*Enric Enrich  
Enrich Advocats, Barcelona*

On 7 August 2003, the Spanish Official Gazette published Order 2240/2003 that lays down the rules for the application of the Statutory Instrument 526/2002, which regulates the measures of support and promotion of the film industry and of film co-productions in Spain. As the Statutory Instrument established multiple subsidies, this Order rationalizes them and sets out the procedure for its application, as well as the procedure for obtaining certificates of Spanish nationality for films. The applicants for these grants have to be registered at the Register for Audiovisual Companies and must complete the application forms that are included in the appendix to the Order. The administrative body in charge of the control of the subsidies is the Instituto de Cinematografía y de las Artes Audiovisuales (the Spanish Film Institute - ICAA), which is attached to the Ministry of Education, Culture and Sport.

Subsidies and aids are normally granted on the basis of the cost of the film, which amounts to all the expenses necessary for its production plus the following costs: a) repayment for the executive producer b) costs of copies and negatives c) financial costs and interest fees up to a maximum of 10% of the total cost d) share in general expenses, duly justified, up to a maximum of 5% e) dubbing or subtitling costs to any official language of Spain f) publicity and promotion expenses up to a maximum of 30% g) auditors costs, if an audit has been made to certify the costs for the application.

Applicants for subsidies have to provide a certificate of Spanish nationality for the film and evidence of the amount invested by the producer and the costs of the film, providing all the invoices or a certificate issued by an auditors company.

The subsidies that are established in the Statutory Instrument and in the Order are the following: a) Amortization subsidies: 15% of the ticket income in the first 12 months of theatrical exploitation b) Subsidies for film projects of new directors (no more than 2 films), low budget films, films of significant artistic or cultural nature, documentaries, and promotion pilot chapters of an animation series. Shooting has to start within three months following the grant c) Subsidies for reducing the financial costs of loans d) Subsidies to short films e) Subsidies for the development of scripts f) Subsidies for the distribution of films (up to 50% of the costs of copies and promotion) g) Subsidies for the participation of films in international festivals h) Subsidies for the organization of festivals and contests i)

Subsidies for the conservation of negatives and original carriers j) Subsidies for theatres and technical industries

The Order provides a specific application form for every subsidy and sets out all the details and documents to be provided with the application.

*Statutory Instrument 526/2002 of 14 June 2002, published in BOE (Official Gazette) of 28 June 2002*

*Order ECD/2240/2003 of 22 July 2003, published in BOE (Official Gazette) of 7 August 2003*

