

European Commission: European Guarantee Fund to promote cinema and television production

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On 14 November 1995 the Commission approved a proposal for a Council Decision setting up a European Guarantee Fund to promote cinema and television production. Specially targeted at European cinema and television production companies, the proposed Fund will act as an insurer, offering banks and other financial institutions partial guarantees on loans and credit they make available to film and programme makers. By diversifying and spreading the risks, it aims at encouraging the financial sector to step up the scale of its activities in support of the industry. The Fund's resources will amount to ECU 200 million, enabling it to support schemes worth a total of ECU 1 billion. It will complement the MEDIA programme, whose main purpose is to promote pre-production and distribution activities through subsidies or advances on earnings. The Fund will focus primarily on the production of films for cinema and television. To obtain assistance, projects will have to have 'major European and international market potential'. The Fund will not finance projects directly; it will work through banks and insurance companies, which propose to share the risks associated with financial operations in this area.

Proposal for a Council Decision establishing a European Guarantee Fund to promote cinema and television production (presented by the Commission). COM (95) 546 final. Brussels, 14 November 1995.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:1995:0546:FIN:EN:PDF>

