European Commission: French Aid Scheme for Video Game Creation Authorised

IRIS 2008-2:1/8

Mara Rossini
Institute for Information Law (IViR), University of Amsterdam

A French support scheme aimed at encouraging the creation of video games has recently been endorsed by the European Commission. The scheme was notified by the French authorities on the basis of Article 87(3) (d) of the EC Treaty; the Commission subsequently opened an in-depth investigation to ensure that the measure would not adversely affect trading conditions and competition, acting as an industrial policy instrument in favour of the French video game sector. The aid scheme enables video game manufacturers subject to taxation in France to deduct up to 20% of the production costs of certain games. The measure concerns only video games meeting the criteria of quality and originality and with a contribution to cultural diversity. The selection criteria in the initial notification were considered as being wide enough to encompass not only cultural purposes but also categories such as pure simulation video games. After the French authorities redefined and clarified the selection criteria, narrowing down potential beneficiaries solely to video games with a cultural content, the support scheme was favourably received by the Commission. The scheme was also found to cover manufacturers with a small market share so that the aid will have a limited impact on competition and trade between the Member States. The impact will be all the smaller since the subcontracting costs, which were originally excluded from the tax arrangement, have now been included. As a result, beneficiary companies will not be tempted to internalise their costs to the detriment of European subcontractors. These elements were all taken into consideration and led the European Commission to give the scheme a green light. The scheme has been authorised for a period of four years.

"State Aid: the Commission authorises French aid scheme for video game creation", press release of 12 December 2007, IP/07/1908

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/07/1908&format=HTML&aged=0&language=EN&guiLanguage=en

© European Audiovisual Observatory (Council of Europe) 2026

© European Audiovisual Observatory (Council of Europe) 2026