

[RO] Aid for the Romanian cinema industry

IRIS 2020-8:1/19

*Eugen Cojocariu
Radio Romania International*

On 19 August 2020, the Romanian Government adopted the Decision on amending and supplementing Government Decision No. 421/2018 for the establishment of a state aid scheme to support the film industry (see, *inter alia*, IRIS 2011-2/5, IRIS 2018-8/37, IRIS 2019-2/22, IRIS 2019-4/28, IRIS 2020-5/30, IRIS 2020-6/4 and IRIS 2020-7/12).

The Minister of Culture, Bogdan Gheorghiu, announced that the film and audiovisual industry, through the Ministry of Economy, Energy and Business Environment, would soon be able to benefit from non-reimbursable financial support to the amount of up to 45% of the project budget. The amendments brought by this Government Decision aim at extending the term of validity of the state aid scheme until 31 December 2023, and organising the financial allocations and their payment, the beneficiary obligations and the Selection Commission (Romanian Film Commission).

The film industry will receive an additional EUR 150 million in the next three years, the maximum budget of the state aid scheme, thus reaching RON 1.2 billion (EUR 250 million), the Ministry of Economy announced. The amount is divided into commitment appropriations for the issuance of financing agreements for the period 2018-2023 and budgetary appropriations for the payment of state aid for the period 2018-2025.

Non-reimbursable financial allocations will amount to 35% of the total eligible expenses; these refer to the acquisition, rental and manufacture of goods and/or services induced by the development of film projects and film production in Romania, as well as fees, salaries and other payments made to individuals related to the implementation of the project. The allocation is granted on the condition that at least 20% of the total budget is spent in Romania.

Another objective of the state aid scheme is the promotion of Romania as a tourist destination. Thus, an additional 10% will be allocated over and above the 35% allocation if geographical areas, tourist destinations or cities within the country are explicitly shown for promotional purposes and when the country's language, traditions and values are highlighted.

The verification of the eligible projects, processed on a "first come, first served" basis, will be performed by the Romanian Film Commission, and will be carried

out by scholars, representatives of the cultural and artistic fields, cinema practitioners, people with experience in business, law, economy, finance or accounting and auditors with at least three years of experience in the field of state aid.

The state aid scheme for supporting the film industry has a multi-annual character and will run until 31 December 2023, with the possibility of extension. Until this date, financing agreements can be concluded on the basis of this scheme, in compliance with the state aid legislation, within the limit of the commitment credits approved annually by the state budget law for this programme.

Hotărârea de Guvern privind modificarea și completarea Hotărârii Guvernului nr. 421/2018 pentru instituirea Schemei de ajutor de stat privind sprijinirea industriei cinematografice - proiect.

<http://e-consultare.gov.ro/w/proiect-de-hotarare-a-guvernului-privind-modificarea-si-completarea-hotararii-guvernului-nr-421-2018-pentru-instituirea-unei-scheme-de-ajutor-de-stat-privind-sprajinirea-industriei-cinematografice/>

Government Decision on amending and supplementing Government Decision No. 421/2018 for the establishment of the State aid scheme regarding the support of the film industry - project.

Schema de ajutor de stat privind sprijinirea industriei cinematografice a fost prelungită până în 2023 - comunicat de presă.

<https://www.economie.gov.ro/schema-de-ajutor-de-stat-privind-sprajinirea-industriei-cinematografice-a-fost-prelungita-pana-in-2023>

State aid scheme to support the film industry has been extended until 2023 - press release.

