

[FR] Health crisis: new funding for cinema operators

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Extending the measures introduced at the end of July to stimulate film exploitation by meeting cinemas' cash-flow and investment needs, the *Centre national du cinéma et de l'image animée* (National Centre for Cinema and the Moving Image – CNC) announced, on 22 September, the creation of a new fund designed to offset some of the drop in income experienced by cinemas. The aim is to avoid any risk of economic failure that could impact the entire film industry. The lengthy enforced closure of cinemas from 28 October 2020 until 18 May 2021, as well as the health measures imposed when they reopened (limited capacities and curfews), had a lasting impact on the sector's finances. Cinemas have high fixed costs which are only partially covered by existing support measures such as the solidarity fund.

The CNC therefore announced the creation of one-off grants to help cinemas pay their fixed costs. The funding is available to cinemas operated by companies that received so-called "fixed-cost" support from the state under the terms of decree no. 2021-310 of 24 March 2021, up to a maximum of EUR 10 million for the first six months of 2021; to qualify, they must also have been open in 2020, or, if they were first established in 2020 but were prevented from opening by the health restrictions, they must prove that they intended to organise at least one screening for a paying audience before 31 December 2020.

Furthermore, selective one-off grants have been made available to small and medium-sized cinema operators (cinemas that, on average, during the two previous years, accounted for less than 1% of cinema entries in France, either alone or as part of a community of economic interests) which, despite the help they have already been entitled to from the CNC and other state support, find themselves in serious financial difficulties likely to jeopardise their long-term survival as a result of the measures taken to limit cinema attendances or close cinemas altogether.

It should also be noted that the renewal of licences granted before the health crisis to operators of cinemas that had submitted access plans could not be completed before the initial deadline. This was due to the unclear situation of the film exploitation market and the unsuitability of the economic data that the CNC needs to analyse when granting licences. To address this situation, under decree no. 2021-1219 of 23 September 2021, the licences granted to cinemas before the first emergency health measures were imposed in March 2020 were extended by

15 months.

Communiqué du CNC, 20 septembre 2021

https://www.cnc.fr/cinema/actualites/nouvelles-mesures-en-faveur-de-lexploitation_1530165

National Centre for Cinema and the Moving Image press release, 20 September 2021

