

## [FR] State aid to the Audio-visual Programme Industry

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On 2 February 1995, the French Prime Minister signed a Decree containing new rules on financial support of the State to the audio-visual programme industry. These new rules replace similar rules that were laid down in Decree No 86-175 of 6 February 1986.

The new rules provide for investment and re-investment aid, and State warrants for audio-visual production companies and aid to production and distribution companies for the promotion and sales of the audio-visual products.

Production companies which are eligible for the different forms of State aid are those which are established in France, of which the chairman, director or manager as well as the majority of the administrators are either of French nationality, or nationals of an EC Member State, a State which is a Party to the European Convention on Transfrontier Television, or of a State with which the EC has concluded special agreements. Another requirement is that the production company applying for aid must not be controlled by one or more other production companies which are established outside these European countries.

The applying production company itself must propose the initiative, accept financial, technical and artistic responsibility as regards the realisation of the work which it undertakes to produce and also guarantee that it will be successfully completed.

Audio-visual productions proposed will only be eligible for State aid in case the intention is to broadcast it firstly on one of the television stations which are subject to French law; an initial investment is made out of a production company's own financial means of at least 5% of the final costs of the alleged production and, in case of an international co-production, of at least 5% of the value of the French participation. This initial investment may be shared by a maximum of two production companies. Furthermore, an initial investment of at least 25% of the final costs of the alleged production must be made by one or more television broadcasters which are subject to French law; in case of an international co-production, this initial investment should be 25% of the value of the French participation. Finally, the production must essentially be realised with the collaboration of either French authors, leading actors, collaborating creative technicians or such nationals of European States of the different categories

mentioned above or technical industries established in these countries.

If an audio-visual work is produced only by one or more production companies established in France or, in case of an international co-production, the value of the French participation is higher than 80% of the final costs, the original version of this work must be produced in the French language or in one of the regional languages currently in use in France and at least 50% of the production costs must be spent in France.

If the audio-visual work concerned is produced in the framework of an international co-production, and the value of the French participation is lower than 80% of the final costs, the work, to be eligible to French State aid, must be financed by a French participation of at least 30% of the final costs and at least 30% of the final production costs must be spent in France.

The Minister of Culture decides on whether or not to grant the aid requested on the basis of the advice of specialised commissions which will be established. The French National Film Centre (Centre national de la cinématographie) is assigned the task of administering the new rules.

***Décret n° 95-110 du 2 février 1995 relatif au soutien financier de l'Etat à l'industrie des programmes audiovisuels, Journal Officiel de la République française du 3 février 1995 : 1875-1879.***

*Decree No 95-110 of 2 February 1995 relating to financial support of the State to the audio-visual programme industry, Journal Officiel de la République française of 3 February 1995: 1875-1879.*

