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# The European Union: a guide for audiovisual professionals



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We appreciate your feedback. Please email any comments to [uk@mediadeskuk.eu](mailto:uk@mediadeskuk.eu).

The source of most of the figures and much of the factual information in this guide is the [European Commission](#). The help of [KEA European Affairs](#) in preparing this guide is gratefully acknowledged.

|   |           |
|---|-----------|
| <b>Foreword by Commissioner Androulla Vassiliou</b>         | <b>06</b> |
| <b>How to use this guide</b>                                | <b>07</b> |
| <b>Part 1: How the European Union works</b>                 | <b>09</b> |
| 1. Introducing the European Union                           | 09        |
| 1.1 The EU in the UK  | 09        |
| 1.2 The treaties of the EU                                  | 09        |
| 1.3 The Treaty of Lisbon                                    | 10        |
| 1.4 The EU's objectives                                     | 11        |
| 1.5 EU membership   | 11        |
| 1.6 How the EU makes decisions                              | 12        |
| 1.7 Decision-making and the Treaty of Lisbon                | 14        |
| 2. The European Commission                                  | 15        |
| 2.1 About the Commission                                    | 15        |
| 2.2 What the Commission does                                | 17        |
| 3. The European Parliament                                  | 19        |
| 3.1 Composition of the Parliament                           | 19        |
| 3.2 What the Parliament does                                | 22        |
| 3.3 How the Parliament organises its work                   | 23        |
| 4. The Council of the European Union (Council of Ministers) | 24        |
| 4.1 Composition of the Council                              | 24        |
| 4.2 What the Council does                                   | 25        |
| 4.3 The Presidency  | 25        |
| 4.4 How the Council organises its work                      | 27        |
| 5. Other European institutions and bodies                   | 28        |
| 5.1 Committee of the Regions                                | 28        |
| 5.2 Court of Auditors                                       | 28        |
| 5.3 Court of Justice of the European Union                  | 28        |
| 5.4 European Central Bank                                   | 29        |
| 5.5 European Council  | 29        |
| 5.6 European Data Protection Supervisor                     | 30        |
| 5.7 European Economic and Social Committee                  | 30        |
| 5.8 European Investment Bank                                | 31        |
| 5.8.1 European Investment Fund                              | 31        |
| 5.9 European Ombudsman                                      | 31        |
| 6. The budget of the European Union                         | 32        |
| 6.1 Agreeing the budget                                     | 32        |
| 6.2 2010 expenditure  | 32        |
| 6.3 Raising the money                                       | 35        |

|   |           |
|---|-----------|
| <b>Part 2: The European Union and the audiovisual industry</b>        | <b>36</b> |
| 7. EU audiovisual policy context                                      | 36        |
| 8. Political and regulatory framework                                 | 37        |
| 8.1 Audiovisual and media policies                                    | 37        |
| 8.1.1 Audiovisual Media Services Directive                            | 37        |
| 8.1.2 Working Time Directive  | 37        |
| 8.1.3 Cinema and state aid  | 38        |
| 8.1.4 Film heritage   | 40        |
| 8.1.5 Public Service Broadcasting                                     | 40        |
| 8.2 Europe 2020   | 40        |
| 8.2.1 Digital Agenda for Europe                                       | 41        |
| 8.2.2 Copyright and Content Online                                    | 41        |
| 8.2.3 Europeana   | 42        |
| 8.2.4 Media literacy  | 43        |
| 8.2.5 Telecoms Reform   | 43        |
| 8.2.6 Video Games Communication                                       | 44        |
| 8.3 Culture   | 45        |
| 8.3.1 European Agenda for Culture                                     | 45        |
| 8.3.2 Creative industries   | 45        |
| 9. Funding opportunities  | 47        |
| 9.1 MEDIA 2007  | 47        |
| 9.1.1 Introducing MEDIA   | 47        |
| 9.1.2 Funding schemes overview  | 48        |
| 9.1.3 MEDIA in the UK   | 50        |
| 9.1.4 MEDIA Mundus  | 51        |
| 9.1.5 MEDIA post-2013   | 51        |
| 9.2 Seventh Framework Programme                                       | 52        |
| 9.3 Structural Funds  | 52        |
| 9.3.1 European Regional Development Fund                              | 53        |
| 9.3.2 European Social Fund  | 54        |
| 9.4 Other funding opportunities                                       | 55        |
| 9.4.1 Culture Programme   | 55        |
| 9.4.2 Lifelong Learning Programme                                     | 57        |
| 10. Audiovisual Policy international dimension                        | 58        |
| 10.1 Trade relations (including the World Trade Organisation)         | 58        |
| 10.2 United Nations Educational, Scientific and Cultural Organisation | 59        |
| 10.3 European Neighbourhood Policy                                    | 60        |
| 10.4 Relations with third countries                                   | 60        |
| 10.4.1 EUROMED Audiovisual  | 60        |
| 10.4.2 ACP Films  | 61        |
| 10.4.3 Mercosur Audiovisual   | 62        |

|  |           |
|--|-----------|
| <b>Part 3: The other Council</b>   | <b>63</b> |
| 11. Introducing the Council of Europe  | 63        |
| 12. European Convention on Cinematographic Co-Production   | 64        |
| 13. Council of Europe interventions  | 65        |
| 13.1 Recommendation on Film Policy   | 65        |
| 13.2 European Convention for the Protection of the Audiovisual<br>Heritage and its Protocol on the Protection of Television<br>Productions | 65        |
| 14. European Audiovisual Observatory   | 66        |
| 14.1 Origins and role  | 66        |
| 14.2 Information services  | 67        |
| 15. Eurimages  | 69        |
| <b>Part 4: The UK Film Council in Europe</b>   | <b>71</b> |
| 16. The UK Film Council  | 71        |
| 16.1 How does the UK Film Council contribute to the European<br>agenda?  | 71        |
| <b>Glossary of acronyms</b>  | <b>73</b> |
| <b>Glossary of terms</b>   | <b>75</b> |
| <b>Appendices</b>  | <b>79</b> |
| I. Directory of contacts and biographies   |           |
| II. European film market statistical overview 2008   |           |
| III. Examples of MEDIA funding: UK beneficiaries 2007-2009   |           |

## Foreword by Commissioner Androulla Vassiliou



2010 has been an important year for putting culture and the creative industries on the European political agenda. The creative sector plays a central role in sparking innovation, strengthening skills and promoting intercultural dialogue. A vibrant creative sector not only creates economic growth and empowers people at regional and national level; it is also the best guardian of Europe's cultural diversity.

European culture, and particularly cinema, plays an important role in shaping European identities, and is enjoyed and lauded worldwide. Recent Academy Award® winners for Best Foreign Film include the European titles *The Counterfeiters* (2007) and *The Lives of Others* (2006). European films have also claimed seven out of the past ten Palmes d'Or, with winners including *The White Ribbon* (2009). *A Prophet* won a host of awards, including the Best Film Award at the BFI London Film Festival and the Grand Prix at Cannes in 2009.

The landscape of European cinema is changing rapidly, and although globalisation and digitisation offer new opportunities for audiovisual professionals, they also present challenges. As such, it is vital that our audiovisual professionals can evolve creatively, develop knowledge and skills, embrace new methods of production and distribution, and adopt new business models.

For nearly 20 years, the EU's flagship MEDIA Programme has worked to strengthen the competitiveness of the European audiovisual industry and increase the circulation of European films, thereby enhancing European cultural and linguistic diversity. Between 2007 and 2013, it will invest €755 million in Europe's audiovisual industry. The MEDIA Programme is well recognised, but is only one of a wealth of EU initiatives designed to support, strengthen and promote Europe's audiovisual industry.

I am therefore delighted that our British associates at MEDIA Desk UK and the UK Film Council have produced this guide which not only demystifies the European Union and its institutions, but which uniquely explores these in the context of their relevance to the audiovisual sector. This guide will prove invaluable to audiovisual professionals seeking information about Europe.

Androulla Vassiliou

## How to use this guide

The aim of *The European Union: a guide for audiovisual professionals* is to provide an introduction to the European Union (EU), its composition, powers, activities and initiatives, as well as an overview of its policies for and interventions in the audiovisual sector.

For ease of reference and navigation, this guide is divided into four parts. The contents list on page six is sufficiently detailed to enable the reader to dip in and out of the guide to suit their interests. It neither needs to be, nor is it intended to be read sequentially.

**Part 1: How the European Union works** provides an overview of the EU's history, objectives and organisation, and the powers and work of its three principal institutions: the European Parliament, the European Commission and the Council of the European Union. It also provides overviews of other significant European institutions and bodies, and a section on the EU budget.

**Part 2: The European Union and the audiovisual industry** is designed to give audiovisual professionals an overview of the audiovisual policy and initiatives of the EU, and of the support available to the industry at EU level. Sections seven and eight concentrate on the political and regulatory framework, covering subjects from the Audiovisual Media Services Directive to state aid, and from media literacy to the Digital Agenda for Europe. Section nine presents the work of MEDIA, the EU's support programme for the audiovisual sector, and explores other EU funding opportunities. Section ten considers the international dimension of EU audiovisual policy.

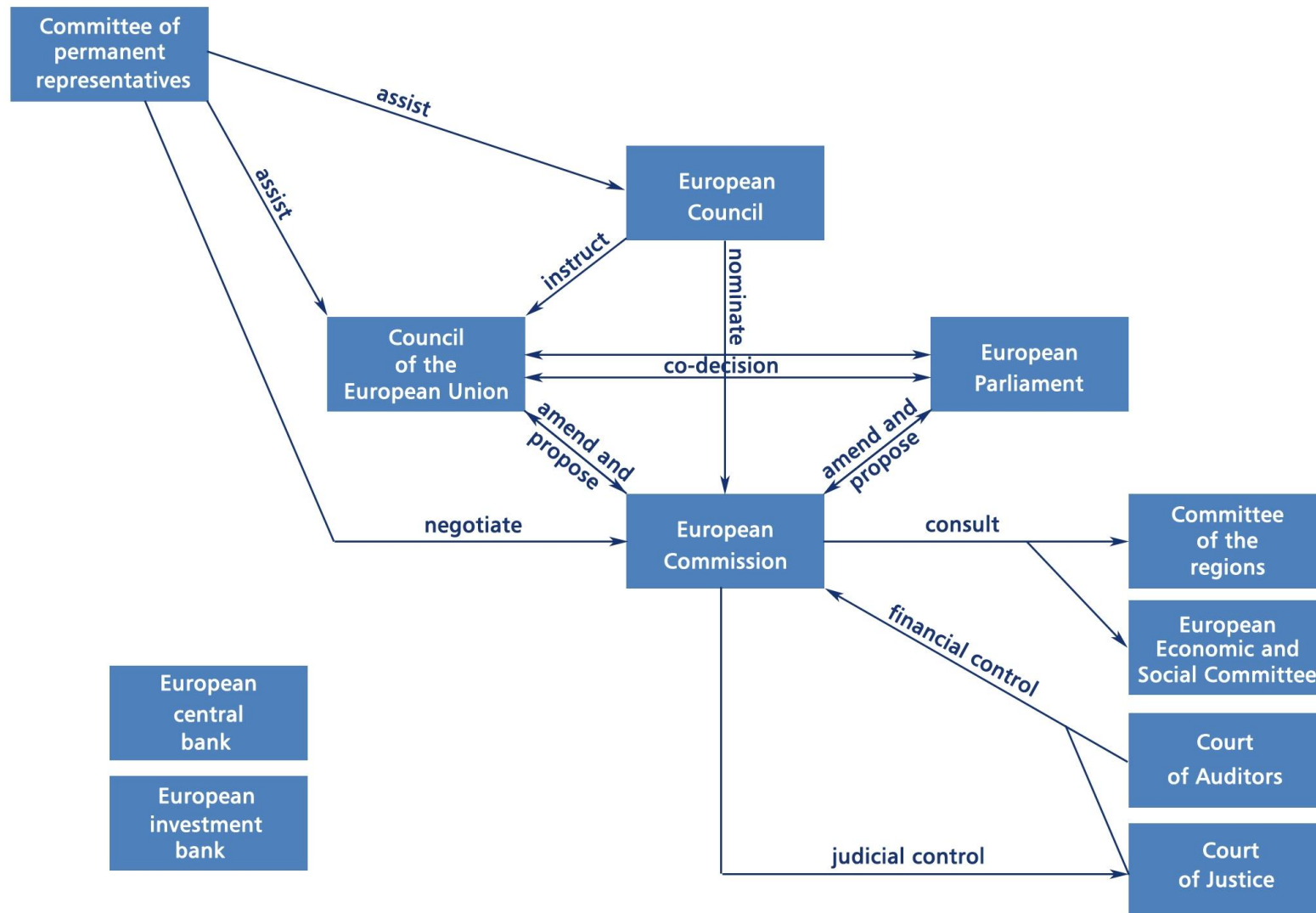
**Part 3: The Council of Europe** offers an outline of the oldest Europe-wide organisation, the Council of Europe. Distinct from the EU, the Council of Europe has three initiatives of importance to the audiovisual sector: the European Convention on Cinematographic Co-production, the European Audiovisual Observatory and Eurimages – all of which are covered in these sections.

**Part 4: The UK Film Council in Europe** outlines the UK Film Council's objectives and explains the organisation's contribution to the European agenda.

Finally, the appendices provide profiles and contact details for key EU officials, statistics for the European film market and examples of MEDIA funding in the UK from 2007 to 2009.

The guide also features a glossary of terms, and many hyperlinks. Terms which are **blue and bold** have a glossary definition, and terms which are blue and underlined are hyperlinks.

## Organisational chart of the European Union





## Part 1: How the European Union works

### 1. Introducing the European Union

The [European Union \(EU\)](#) is an economic and political partnership between 27 democratic European countries. The aim of the EU is to bring peace, prosperity and freedom to its 500 million<sup>1</sup> citizens – in a fairer, safer world. In its 50 year history, the EU has developed a single market through a standardised system of laws in all [Member States](#), aiming to ensure the free movement of people, goods, services and capital. It has also become a major trading power, generating an estimated 30% share of the nominal gross world product.<sup>2</sup> Since 1999, 16 Member States have adopted a common currency, the [euro](#), and these states now constitute the [euro area](#). The EU maintains common policies on trade, agriculture, fisheries and regional development, and has developed a role in foreign policy, having representation at the [World Trade Organisation](#), [G8](#), [G-20 major economies](#) and at the [United Nations](#).

Member States delegate some of their decision-making powers to shared institutions, so that decisions on matters of joint interest can be made democratically at European level. The powers and the responsibilities of the EU institutions, and the rules and procedures they must follow, are laid down in the treaties on which the EU is founded.

#### 1.1 The EU in the UK

The European Communities Act 1972 provided for the incorporation of EU law into the domestic law of the UK. In 2010, this Act was amended by the European Union Bill, which aims to increase democratic and parliamentary scrutiny of EU decision-making and allows a referendum for any proposals to transfer additional powers to EU level. This Bill applies to the whole of the UK. The current coalition government has agreed to consider a UK Sovereignty Bill, which would make clear that ultimate sovereignty remained with the British Parliament.

#### 1.2 The treaties of the EU

The EU is based on two treaties: the Treaty of Rome, which became the [Treaty on the Functioning of the European Union](#) in 2009, and [Treaty on European Union](#) (more commonly known as the Maastricht Treaty). The Treaty of Rome was signed on 25

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<sup>1</sup>

<http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&language=en&pcode=tps00001&tableSelection=1&footnotes=yes&labeling=labels&plugin=1>

<sup>2</sup> Source: International Monetary Fund

March 1957, and established the European Economic Community (EEC). Initially the EEC was established to foster economic co-operation, but was intended to develop into a political union including more fields of co-operation.

In addition to the above, the [Single European Act](#) (SEA) of 1986 created the basis for the establishment of an internal market, and the European flag began to be used as a symbol for the EEC. In 1992 the Treaty on European Union was signed in Maastricht, the Netherlands. It introduced and encouraged new forms of co-operation between the Member State governments, and recommended that the EEC support the Member States' actions in the areas of culture, heritage and 'artistic and literary creation, including in the audiovisual sector'.<sup>3</sup> By adding inter-governmental co-operation on defence and justice and home affairs to the existing 'Community' system, the Maastricht Treaty created a new structure which was political and economic: the European Union.

The Treaty on European Union underwent substantial changes in 1997 with the signing of the Treaty of Amsterdam, including a greater emphasis on citizenship and the rights of individuals and the beginnings of a common foreign and security policy (CFSP). It was followed in 2001 by the Treaty of Nice, which reformed the institutional structure of the EU to anticipate enlargement.

In the early 2000s, there was also a move to introduce a 'European Constitution', designed to replace the existing treaties and reorganise the institutional functioning of the EU. However, due to negative referendums on the text in the Netherlands and France, the European constitution text had to be adapted and replaced by a treaty. The Treaty of Lisbon, signed in 2007, came into force on 1 December 2009.

### 1.3 The Treaty of Lisbon

The [Treaty of Lisbon](#) (initially known as the Reform Treaty) reformed the decision-making process within the EU, aiming to make it more democratic and efficient. It amends and updates two treaties, the [Treaty on the Functioning of the European Union](#) and the [Treaty on European Union](#).

In particular, it increases the power of the [European Parliament](#) but also the national parliaments, introduces the possibility of citizens' initiatives, defines more clearly the division of competences between the EU and the Member States and creates the functions of a High Representative for the Union in Foreign Affairs and Security Policy, representing the EU in external actions, and the President of the European Council. It also strengthens the EU's commitment to respect the [Charter of Fundamental Rights](#) by

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<sup>3</sup> [Article 128 of the Maastricht Treaty](#)

making it compulsory and enlarges the competencies of the EU regarding humanitarian aid, administrative co-operation, intellectual property rights protection, public service, sports and tourism.

*For further information, see section 1.6.*

## **1.4 The EU's objectives**

The Treaty of Lisbon pledges that the EU will:

- Offer an area of freedom, security and justice without internal frontiers
- Work for the sustainable development of Europe
- Combat social exclusion and discrimination
- Promote economic, social and territorial cohesion among Member States
- Remain committed to economic and monetary union
- Uphold and promote the EU's values internationally
- Contribute to the protection of human rights.

## **1.5 EU membership**

There are six founder Member States:

- Belgium
- France
- Germany
- Italy
- Luxembourg
- The Netherlands.

There have been six waves of accession:

- 1973: Denmark, Ireland, UK
- 1981: Greece
- 1986: Portugal, Spain
- 1995: Austria, Finland, Sweden
- 2004: Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Slovak Republic, Slovenia
- 2007: Bulgaria, Romania.

To join the EU, these countries had to fulfil the economic and political conditions known as the [Copenhagen criteria](#).

The EU has accepted Croatia, Iceland, the Republic of Macedonia and Turkey as official candidates for membership. The other countries of the Western Balkans: Albania, Bosnia and Herzegovina, Montenegro and Serbia (as well as Kosovo under [UN Security Council Resolution 1244/99](#)) have been promised the prospect of EU membership.

## 1.6 How the EU makes decisions

The Member States delegate sovereignty for certain matters to independent institutions which represent the interests of the EU as a whole, its Member States and citizens. The most prominent of these is the [European Commission](#), which upholds the interests of the EU as a whole. The [European Parliament](#) is directly elected by EU citizens and each national government is represented within the [Council of the European Union](#).

In general, it is the European Commission that proposes new legislation, but it is the Council and Parliament that pass the laws. In some cases, the Council can act alone. Other institutions also have roles to play.

The main forms of EU law are [Directives](#) and [regulations](#). Directives establish a common aim for all Member States, but leave it to national authorities to decide on the form and method of achieving it. Regulations are directly applicable throughout the EU as soon as they come into force, and do not require tailored implementation by each Member State.

The rules and procedures for EU decision-making are laid down in the Treaty of Lisbon. Every proposal for a new European law must be based on a specific Treaty article, referred to as the 'legal basis' of the proposal. This determines which legislative procedure must be followed. The three main procedures are co-decision, consultation and assent:

- **Co-decision**

Co-decision is the procedure now used for most EU law-making. In the co-decision procedure, the Parliament shares legislative power equally with the Council.

The procedure provides for two successive 'readings' in each institution. If an agreement is reached in these readings, the law can be passed. If not, it will be put before a conciliation committee, composed of equal numbers of Council and Parliament

representatives. Once this committee has reached an agreement, the agreed text is sent again to the Parliament and the Council so that they can finally adopt it as law. Conciliation is becoming increasingly rare. Most laws passed in co-decision are, in fact, adopted either at the first or second reading as a result of co-operation between the three institutions. If the Council and the Parliament cannot agree on a piece of proposed legislation, there will be no new law.

- **Consultation**

The consultation procedure is used in areas such as agriculture, competition and taxation. Based on a proposal from the Commission, the Council consults the Parliament, the [European Economic and Social Committee](#) and the [Committee of the Regions](#). Under the consultation procedure, the Parliament may either approve the Commission proposal, reject it, or request amendments. If the Parliament asks for amendments, the Commission will consider all the changes the Parliament suggests. If it accepts any of these suggestions it will send the Council an amended proposal. The decision ultimately rests with the Council, which either adopts the amended proposal or amends it further. In this procedure, as in all others, if the Council amends a Commission proposal it must do so unanimously.

- **Assent**

The assent procedure means that the Council has to obtain the Parliament's consent before certain decisions are taken. The procedure is the same as in the case of consultation, except that the Parliament cannot amend a proposal; it must either accept or reject it. Assent requires an absolute majority of the votes cast. The assent procedure is mostly used for agreements with other countries, including the agreements allowing new countries to join the EU.

## 1.7 Decision-making and the Treaty of Lisbon

In general, the Treaty of Lisbon has created a basis for a decentralised and transparent approach to implementing EU policies to ensure that citizens are more involved in the decision-making process. It brings the local and regional dimension into the EU legal framework and states that the EU must respect the national identity of every Member State.

Specifically, there have been two key enhancements to the decision-making process since the Treaty of Lisbon came into force:

- **The power of national parliaments**

National parliaments are now fully recognised as part of the democratic fabric of the EU. In particular, they are able to act as guardians of the **principle of subsidiarity**, and can voice concerns before a proposal is considered in detail by the Parliament and the Council.

- **Qualified majority voting in the Council of the European Union**

For extended policy areas, the default voting procedure is now **qualified majority voting (QMV)**, where a majority of countries, voting weights and population are required (55% of countries representing 65% of the EU population). This is a simplification of the previous procedure, designed to speed up the decision-making process across all sectors.

## 2. The European Commission

The [European Commission](#) is independent of national governments. Its job is to represent and uphold the interests of the EU. It drafts proposals for new European laws, which it presents to the [European Parliament](#) and the [Council of the European Union](#).

It is also the EU's executive arm, and is responsible for implementing the decisions of the Parliament and the Council. The Commission manages the day-to-day business of the EU: implementing its policies, running its programmes and spending its funds.

The seat of the Commission is in Brussels, Belgium, but it also has offices in Luxembourg, representations in all EU countries and delegations in many capital cities around the world.

### 2.1 About the Commission

The term 'Commission' is used in two senses. First, it refers to the team of 27 men and women (one from each Member State) appointed to run the institution. The appointed members of the Commission are known as Commissioners. They have generally held political positions on a national level, and many have been government ministers, but as members of the Commission they are committed to acting in the interests of the EU as a whole.

Second, it refers to the larger institution that also includes the administrative body of approximately 25,000 European civil servants who are split into departments called [Directorates-General \(DGs\) and Services](#). Each DG is responsible for a particular policy area and is headed by a Director-General who is answerable to one of the Commissioners. Overall co-ordination is provided by the Secretariat-General.

## DGs and Services:

| General services   |  |  |
|--|--|--|
| <a href="#">Communication</a>                            | <a href="#">Historical archives</a>                        | <a href="#">Secretariat General</a>  |
| <a href="#">European Anti-Fraud Office</a>               | <a href="#">Joint Research Centre</a>                      |  |
| <a href="#">Eurostat</a>                                 | <a href="#">Publications Office</a>                        |  |
| Policies   |  |  |
| <a href="#">Agriculture and Rural Development</a>        | <a href="#">Enterprise and Industry</a>                    | <a href="#">Maritime Affairs and Fisheries</a>                                   |
| <a href="#">Climate Action</a>                           | <a href="#">Environment</a>                                | <a href="#">Mobility and Transport</a>   |
| <a href="#">Competition</a>                              | <a href="#">Executive Agencies</a>                         | <a href="#">Regional Policy</a>  |
| <a href="#">Economic and Financial Affairs</a>           | <a href="#">Health and Consumers</a>                       | <a href="#">Research and Innovation</a>  |
| <a href="#">Education and Culture</a>                    | <a href="#">Information Society and Media</a>              | <a href="#">Taxation and Customs Union</a>                                       |
| <a href="#">Employment, Social Affairs and Inclusion</a> | <a href="#">Internal Markets and Services</a>              |  |
| <a href="#">Energy</a>                                   | <a href="#">Justice, Freedom and Security</a>              |  |
| External relations                                       |  |  |
| <a href="#">Enlargement</a>                              | <a href="#">External Action</a>                            | <a href="#">Trade</a>  |
| <a href="#">EuropeAid Development and Cooperation</a>    | <a href="#">Humanitarian Aid and Civil Protection</a>      |  |
| Internal services  |  |  |
| <a href="#">Budget</a>                                   | <a href="#">Informatics</a>                                | <a href="#">Interpretation</a>   |
| <a href="#">Bureau of European Policy Advisers</a>       | <a href="#">Infrastructures and Logistics – Brussels</a>   | <a href="#">Legal Service</a>  |
| <a href="#">Data Protection Officer</a>                  | <a href="#">Infrastructures and Logistics – Luxembourg</a> | <a href="#">Office for Administration and Payment of Individual Entitlements</a> |
| <a href="#">Human Resources and Security</a>             | <a href="#">Internal Audit Service</a>                     | <a href="#">Translation</a>  |

A new Commission is appointed every five years, within six months of European Parliament elections. The Parliament has the power to dismiss the whole Commission by adopting a **motion of censure**. Individual members of the Commission must resign if asked to do so by the President, as long as all Commissioners approve. The Commission is represented at all sessions of the Parliament, where it must clarify and justify its policies.



## 2.2 What the Commission does

The Commission has four main roles:

- **Proposing new legislation to Parliament and the Council**

The Commission's proposals relate to policy areas defined by the treaties, in particular agriculture, culture, energy, the environment, industry, regional development, social policy, trade relations and transport.

Under the [principle of subsidiarity](#) the Commission's initiatives relate only to those areas where action at EU level would be more effective than action taken at national, regional or local level. The aim of these proposals is to defend the interests of the EU and its citizens, not those of specific countries or sectors.

- **Implementing policies and budget**

The Commission is the executive in all areas of EU action, but its role is particularly important in certain sectors, including agriculture (drawing up [regulations](#)), competition policy (monitoring cartels and mergers, removing or monitoring discriminatory [state aid](#)) and technological research and development.

The Commission is also responsible for managing and implementing the EU budget, under the supervision of the [Court of Auditors](#). The Parliament uses the Court of Auditors' annual report to grant the Commission [discharge](#) for implementing the budget.

- **Enforcing European law**

The Commission ensures that European legislation is applied correctly in the Member States in order to maintain a climate of mutual confidence between Member States, economic operators and private individuals. It takes steps to deal with infringements of Community obligations (e.g. against a Member State that is not applying a [Directive](#)).

If a matter cannot be settled through the [infringement procedure](#), then the Commission must refer it to the [Court of Justice](#), which ultimately ensures that the law is observed in the interpretation and application of the Treaties. Court of Justice judgements are binding for Member States and the European institutions.

The Commission also monitors companies' adherence to [competition law](#), under the supervision of the Court of Justice.

- **Representing the EU on the global stage**

The Commission is an important representative for the EU on the international stage, and is the voice of the EU in international forums such as the [World Trade Organisation](#). The entry into force of the Treaty of Lisbon created a new post: The EU High Representative for Foreign Affairs and Security Policy<sup>4</sup>, who chairs the [Foreign Affairs Council](#), conducts the [Common Foreign and Security Policy](#) (CFSP) and ensures the consistency and co-ordination of the EU's external action.

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<sup>4</sup> This post is currently held by Baroness Catherine Ashton (UK), See Appendix I for more details.

### 3. The European Parliament

Elected every five years by [direct universal suffrage](#), the [European Parliament](#) is the expression of the democratic will of the EU's 500 million citizens. Brought together within pan-European political groups, the major political parties operating in the Member States are represented. The most recent elections to the Parliament took place in June 2009.

The Parliament is based in three different cities. 12 plenary sessions are held each year in Strasbourg, which is the Parliament's official seat, while extra sessions and committee meetings are held in Brussels. Luxembourg hosts the Secretariat of the European Parliament.

#### 3.1 Composition of the Parliament

736 Members of the European Parliament from 27 countries were elected in June 2009, sitting in groups formed on the basis of political affiliation rather than nationality. MEPs are elected under a system of [proportional representation](#); each country has a fixed number of seats, ranging from 99 for Germany to five for Malta.<sup>5</sup> Elections are held either on a regional basis, as for example in Belgium, France, Italy and the United Kingdom and on a national basis, as in Denmark and Spain, or under a mixed system as in Germany. In Belgium, Greece and Luxembourg voting is compulsory. A common core of democratic rules applies everywhere: these include the right to vote at 18<sup>6</sup>, equality of men and women, and the principle of the secret ballot. In 1979, 16.5% of MEPs were women, and this figure has risen steadily over successive parliamentary terms. In 2010, just over a third of MEPs are women.

The Parliament currently has seven political groups, and 27 'non-attached' members.

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<sup>5</sup> The eighth Parliament will be elected in 2014, and will be subject to the Treaty of Lisbon ruling that there will be 751 members, with the maximum number of seats allocated to each Member State lowered to 96.

<sup>6</sup> Austria is the sole exception, with a minimum voting age of 16

## Political groups in the European Parliament 2009-2014 (7<sup>th</sup> term)

| Political group |  | No of Members | UK party membership                                     |
|-----------------|--|---------------|---|
| EPP             | <a href="#">Group of the European People's Party (Christian Democrats)</a>                               | 265           | None  |
| S&D             | <a href="#">Group of the Progressive Alliance of Socialists and Democrats in the European Parliament</a> | 184           | Labour  |
| ALDE            | <a href="#">Group of the Alliance of Liberals and Democrats for Europe</a>                               | 84            | Liberal Democrats                                       |
| Greens/EFA      | <a href="#">Group of the Greens/European Free Alliance</a>   | 55            | Green Party, Plaid Cymru, Scottish National Party,      |
| ECR             | <a href="#">European Conservatives and Reformists Group</a>  | 54            | Conservative, Ulster Conservatives, Unionists-New Force |
| GUE/NGL         | <a href="#">Confederal Group of the European United Left – Nordic Green Left</a>                         | 35            | None  |
| EFD             | <a href="#">Europe of Freedom and Democracy Group</a>  | 30            | UK Independence Party                                   |

# Members of the European Parliament 2009-2014 (7<sup>th</sup> term)

|                | EPP | S&D | ALDE | Greens/<br>EFA | ECR | GUE/<br>NGL | EFD | Non-<br>attached | Totals |
|----------------|-----|-----|------|----------------|-----|-------------|-----|------------------|--------|
| Germany        | 42  | 23  | 12   | 14             | 0   | 8           | 0   | 0                | 99     |
| France         | 29  | 14  | 6    | 14             | 0   | 5           | 1   | 3                | 72     |
| Italy          | 35  | 21  | 7    | 0              | 0   | 0           | 9   | 0                | 72     |
| United Kingdom | 0   | 13  | 11   | 5              | 25  | 1           | 12  | 5                | 72     |
| Poland         | 28  | 7   | 0    | 0              | 15  | 0           | 0   | 0                | 50     |
| Spain          | 23  | 21  | 2    | 2              | 0   | 1           | 0   | 1                | 50     |
| Romania        | 14  | 11  | 5    | 0              | 0   | 0           | 0   | 3                | 33     |
| Netherlands    | 5   | 3   | 6    | 3              | 1   | 2           | 1   | 4                | 25     |
| Belgium        | 5   | 5   | 5    | 4              | 1   | 0           | 0   | 2                | 22     |
| Czech Republic | 2   | 7   | 0    | 0              | 9   | 4           | 0   | 0                | 22     |
| Greece         | 8   | 8   | 0    | 1              | 0   | 3           | 2   | 0                | 22     |
| Hungary        | 14  | 4   | 0    | 0              | 1   | 0           | 0   | 3                | 22     |
| Portugal       | 10  | 7   | 0    | 0              | 0   | 5           | 0   | 0                | 22     |
| Sweden         | 5   | 5   | 4    | 3              | 0   | 1           | 0   | 0                | 18     |
| Austria        | 6   | 4   | 0    | 2              | 0   | 0           | 0   | 5                | 17     |
| Bulgaria       | 6   | 4   | 5    | 0              | 0   | 0           | 0   | 2                | 17     |
| Denmark        | 1   | 4   | 3    | 2              | 0   | 1           | 2   | 0                | 13     |
| Finland        | 4   | 2   | 4    | 2              | 0   | 0           | 1   | 0                | 13     |
| Slovakia       | 6   | 5   | 1    | 0              | 0   | 0           | 1   | 0                | 13     |
| Ireland        | 4   | 3   | 4    | 0              | 0   | 1           | 0   | 0                | 12     |
| Lithuania      | 4   | 3   | 2    | 0              | 1   | 0           | 2   | 0                | 12     |
| Latvia         | 3   | 1   | 1    | 1              | 1   | 1           | 0   | 0                | 8      |
| Slovenia       | 3   | 2   | 2    | 0              | 0   | 0           | 0   | 0                | 7      |
| Cyprus         | 2   | 2   | 0    | 0              | 0   | 2           | 0   | 0                | 6      |
| Estonia        | 1   | 1   | 3    | 1              | 0   | 0           | 0   | 0                | 6      |
| Luxembourg     | 3   | 1   | 1    | 1              | 0   | 0           | 0   | 0                | 6      |
| Malta          | 2   | 3   | 0    | 0              | 0   | 0           | 0   | 0                | 5      |
| Total          | 265 | 184 | 84   | 55             | 54  | 35          | 31  | 28               | 736    |

### 3.2 What the Parliament does

The Parliament has three essential functions:

- **Passing European laws**

Under co-decision procedure, the Parliament shares legislative power equally with the [Council of the European Union](#), and is therefore empowered to adopt European laws. It can accept, amend or reject the content of European [Directives](#) and [regulations](#).

- **Budgetary authority**

The Parliament and the Council of the European Union together constitute the EU's budgetary authority, which annually decides expenditure and revenue. The procedure of examining, then adopting the budget takes place between June and late December.

- **Democratic supervision**

The Parliament exercises democratic supervision over all EU activities, including the Council and the bodies responsible for foreign and security policy. To facilitate this supervision, the Parliament can set up temporary committees of inquiry.

The Parliament plays a central role in appointing the Commission. It ratifies the appointment of the Commission President, holds confirmation hearings of the nominee Commissioners and then decides whether or not to appoint the Commission, as a whole, by a vote of confidence. The Parliament also has the right to censure the Commission. To date, the Parliament has never adopted a [motion of censure](#), but its power to do so is a significant deterrent.

The [European Council](#) presents its programme and six-monthly report to the Parliament. It also informs the Parliament of the preparations for, and outcomes of, the European Councils, and of the progress of legislative activities. The European Council is represented, sometimes at ministerial level, at meetings of the parliamentary committees.

### 3.3 How the Parliament organises its work

At monthly plenary sessions, the Parliament examines proposed legislation and votes on amendments before deciding on the text as a whole. Prior to each plenary, two weeks are set aside for MEPs to debate the Commission's proposals in committees that specialise in particular areas of EU activity. Audiovisual matters are dealt with by the Culture and Education Committee.

The decisions, positions and proceedings of the Parliament are published in the [\*Official Journal of the European Union\*](#).

#### Parliamentary committees in 2010:

[Agriculture and Rural Development](#)

[Budgetary Control](#)

[Budgets](#)

[Civil Liberties, Justice and Home Affairs](#)

[Constitutional Affairs](#)

[Culture and Education](#)<sup>7</sup>

[Development](#)

[Economic and Monetary Affairs](#)

[Employment and Social Affairs](#)

[Environment, Public Health and Food Safety](#)

[Financial, Economic and Social Crisis](#)

[Fisheries](#)

[Foreign Affairs](#)

[Human Rights](#)

[Security and Defence](#)

[Industry, Research and Energy](#)

[Internal Market and Consumer Protection](#)

[International Trade](#)

[Legal Affairs](#)

[Petitions](#)

[Regional Development](#)

[Transport and Tourism](#)

[Women's Rights and Gender Equality](#)

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<sup>7</sup> See appendix I.v for full list of members

## 4. The Council of the European Union (or Council of Ministers)

### 4.1 Composition of the Council

The [Council of the European Union](#) (also known as the Council of Ministers) is the EU's main decision-making body. The Council is composed of one representative at ministerial level from each Member State, who is empowered to commit his/her Government. Council members are politically accountable to their national parliaments.

Which Ministers attend each Council meeting varies according to the subject discussed. Ministers for Foreign Affairs attend in the configuration known as the General Affairs Council to deal with external relations and general policy questions, while the Ministers responsible for economic and financial affairs meet as the Economic and Financial Affairs Council, and so on.

The frequency of Council meetings varies according to the urgency of the subjects dealt with. The General Affairs, Economic and Financial Affairs and Agriculture and Fisheries Councils meet once a month, while the Transport, Environment, Industry and Cultural Councils meet two to four times a year. There are nine different Council configurations:

[Agriculture and Fisheries](#)

[Competitiveness](#)

[Economic and Financial Affairs \(ECOFIN\)](#)

[Education, Youth and Culture and Sport](#)

[Employment, Social Policy, Health and Consumer Affairs](#)

[Environment](#)

[Foreign Affairs](#)

[General Affairs](#)

[Justice and Home Affairs](#)

[Transport, Telecommunications and Energy](#)



## 4.2 What the Council does

The Council has six key responsibilities:

- Passing EU laws in co-decision with the Parliament
- Co-ordinating the broad economic and social policies of the Member States
- Concluding international agreements between the EU and other States or international organisations
- Approving the EU's budget, jointly with the Parliament
- Taking the decisions necessary for framing and implementing the EU's [Common Foreign and Security Policy](#) (CFSP) based on guidelines set by the [European Council](#)
- Co-ordinating the activities of Member States and adopting measures in the field of police and judicial co-operation in criminal matters.

## 4.3 The Presidency

The Presidency of the Council plays a vital part in the organisation of the work of the institution, notably as the driving force in the legislative and political decision-making process. The Council is presided over for a period of six months by each Member State in turn, in accordance with a pre-established rota. The Member State holding the Presidency organises and chairs all meetings, and works out compromises capable of resolving difficulties. The Member State also has the opportunity to propose its priorities for its tenure.

The role and duties of the Presidency involve:

- The management and enhancement of co-operation between EU members in the [European Council](#), the Council of the European Union, and the [Committee of Permanent Representatives](#) (COREPER)
- The representation of the Council in other EU institutions and bodies (especially the Parliament and the Commission)
- The representation of the EU in international organisations, meetings, forums, and in its relations with third countries.

The Presidency is assisted by the [Secretariat-General](#), which prepares and ensures the smooth functioning of the Council's work at all levels.

## Presidency rotations

Since 2007, the Presidencies have been organised in groups of three, or 'trios'. Each trio co-operates in a common political programme to ensure consistency and cohesion over an 18-month period. A new Member State is present in every trio, so that it may gain experience from older Member States.

| Trio | Year | Months  | Country        |
|------|------|---------|----------------|
| T1   | 2007 | Jan-Jun | Germany        |
|      |      | Jul-Dec | Portugal       |
|      | 2008 | Jan-Jun | Slovenia       |
|      |      | Jul-Dec | France         |
| T2   | 2009 | Jan-Jun | Czech Republic |
|      |      | Jul-Dec | Sweden         |
|      | 2010 | Jan-Jun | Spain          |
|      |      | Jul-Dec | Belgium        |
| T3   | 2011 | Jan-Jun | Hungary        |
|      |      | Jul-Dec | Poland         |
|      | 2012 | Jan-Jun | Denmark        |
|      |      | Jul-Dec | Cyprus         |
| T4   | 2013 | Jan-Jun | Ireland        |
|      |      | Jul-Dec | Lithuania      |
|      | 2014 | Jan-Jun | Greece         |
|      |      | Jul-Dec | Italy          |
| T5   | 2015 | Jan-Jun | Latvia         |
|      |      | Jul-Dec | Luxembourg     |
|      | 2016 | Jan-Jun | Netherlands    |
|      |      | Jul-Dec | Slovakia       |
| T6   | 2017 | Jan-Jun | Malta          |
|      |      | Jul-Dec | United Kingdom |
|      | 2018 | Jan-Jun | Estonia        |
|      |      | Jul-Dec | Bulgaria       |
| T7   | 2019 | Jan-Jun | Austria        |
|      |      | Jul-Dec | Romania        |
|      | 2020 | Jan-Jun | Finland        |
|      |      |         |                |

#### 4.4 How the Council organises its work

Where the Council acts as legislator, the right of initiative lies with the Commission, which submits a proposal to the Council. The proposal is examined within the Council, which may amend it before adoption. In the acts which it adopts, the Council may confer implementing powers on the Commission. The Treaty of Lisbon instructs that legislative procedural meetings (that include debate and voting) in the Council should be televised.

The Treaty of Lisbon has also expanded the use of **qualified majority voting (QMV)** in the Council by having it replace unanimity as the standard voting procedure in almost every policy area.

#### Voting weights in the Council of the European Union and the European Council

| Member States   | No of votes |
|---|-------------|
| France, Germany, Italy and the United Kingdom         | 29 each     |
| Poland and Spain                                      | 27 each     |
| Romania   | 14          |
| The Netherlands                                       | 13          |
| Belgium, Czech Republic, Greece, Hungary and Portugal | 12 each     |
| Austria, Bulgaria, Sweden                             | 10 each     |
| Denmark, Finland, Ireland, Lithuania and Slovakia     | 7 each      |
| Cyprus, Estonia, Latvia, Luxembourg and Slovenia      | 4 each      |
| Malta   | 3           |
| <b>Total</b>  | <b>345</b>  |

## 5. Other European institutions and bodies

The 'institutional triangle' formed by the Commission, Parliament and Council of the European Union produces the policies and laws that apply throughout the EU. In principle, it is the Commission that proposes new laws, but it is the Parliament and the Council that adopt them. The Commission and the Member States then implement them, and the Commission enforces them. This triangle is flanked by four more institutions: the [Court of Auditors](#), the [Court of Justice of the European Union](#), the [European Central Bank](#) and the [European Council](#). A number of other bodies have key roles in making the EU work, and specialist agencies handle certain technical, scientific or management tasks.

### 5.1 Committee of the Regions

The [Committee of the Regions](#) ensures that regional and local identities, culture and rights are respected. It has to be consulted on matters concerning regional policy, the environment and education. It is composed of representatives of regional and local authorities.

### 5.2 Court of Auditors

The [Court of Auditors](#) checks that all the EU's revenue has been received and all its expenditure incurred in a lawful manner and that financial management of the EU budget has been sound.

The Court presents a yearly audit report to the Parliament and Council, which is examined by the Parliament, which can then approve or question the Commission's handling of the budget. The Court of Auditors has no legal powers of its own.

### 5.3 Court of Justice of the European Union

The [Court of Justice](#) ensures that EU law is uniformly interpreted and effectively applied. It has jurisdiction in disputes involving Member States, EU institutions, businesses and individuals, and is composed of one judge per Member State and eight 'advocates-general', who present reasoned opinions on all cases publicly and impartially. To help the Court of Justice manage the large number of cases brought before it, and to offer citizens better legal protection, the Court of First Instance was created in 1988 and is

responsible for giving rulings on actions brought by private individuals, companies and some organisations, and cases relating to competition law. This court also has one judge from each EU country.

## 5.4 European Central Bank

The [European Central Bank](#) (ECB) manages the euro and safeguards price stability in the [euro area](#). It is also responsible for framing and implementing the EU's economic and monetary policy.

To carry out its role, the ECB works with the European System of Central Banks (ESCB), which covers all EU Member States. The 16 Member States that have adopted the euro and form the euro area, together with their national central banks and the ECB, make up the 'Eurosystem'.

The ECB works in complete independence. No members of the Eurosystem can ask for or accept instructions from any other body. The EU institutions and Member State governments must respect this principle and must not seek to influence the ECB or other Eurosystem members.

## 5.5 European Council

The [European Council](#) (not to be confused with the Council of the European Union) consists of the Heads of State or Government of the Member States, together with its President and the President of the Commission. It defines the general political direction and priorities of the EU. With the entry into force of the Treaty of Lisbon, it has acquired the status of institution. The European Council works alongside and provides leadership to the Council of the European Union, whilst its meetings set the tone of future policy.

The Treaty of Lisbon established a permanent President of the European Council,<sup>8</sup> who represents the EU on the world stage. The President must be a non-head of Government and serve a minimum term of three years, which can be extended to five years.

During any six-month period, the European Council will host one or two full summits. Decisions in the European Council are made unanimously. The European Council publishes conclusions after its meetings calling for specific initiatives, which the Commission and the Council of the European Union are expected to pursue.

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<sup>8</sup> Currently Herman Van Rompuy (Sweden). See Appendix I for more details.

## 5.6 European Data Protection Supervisor

The task of the European Data Protection Supervisor ([EDPS](#)) is to ensure that the EU institutions and bodies respect the right to privacy when processing personal data. The EDPS advises on all processing effected by the EU institutions and bodies, and on proposals for new legislation. It co-operates with national protection authorities in all Member States.

## 5.7 European Economic and Social Committee

The European Economic and Social Committee ([EESC](#)) is a consultative body that gives European interest groups, including trade unions and consumer associations, a formal platform to express their opinions on EU issues.

The EESC has four main roles:

- **Advisory:** Consultation of the EESC by the Commission or the Council is mandatory in certain cases; in others it is optional. The EESC may, however, also adopt opinions on its own initiative
- **Information and integration:** It acts as a forum for the Single Market and has hosted, with the support of other EU bodies, a series of events aimed at bringing the EU closer to the people
- **Relations with economic and social councils:** The EESC maintains regular links with regional and national economic and social councils throughout the EU
- **Relations with economic and social interest groups outside of the EU:** The EESC has links with economic and social interest groups in a number of non-Member States, including Mediterranean countries, Latin America, India and China.

The EESC must be consulted before decisions are taken on economic and social, regional and environment policy. It therefore has a key role to play in the EU's decision-making process.

## 5.8 European Investment Bank

The European Investment Bank ([EIB](#)) is a non-profit-making organisation, independent of the EU budget. It is financed by borrowing on the financial markets and the EIB's shareholders (the Member States), who each pay a contribution to the EIB's capital, with each country's contribution reflecting its economic weight within the EU.

Its priorities in the EU are to support:

- Cohesion and convergence
- Development of trans-European transport networks
- Environmental sustainability
- Innovation
- [Small and medium-sized enterprises \(SMEs\)](#)
- Sustainable, competitive and secure energy.

### 5.8.1 European Investment Fund

The EIB is the majority shareholder in the European Investment Fund ([EIF](#)) with which it forms the [EIB Group](#). The EIF invests in venture capital and provides guarantees for SMEs. It does not lend directly to businesses or invest directly in firms, but works through banks and other financial intermediaries, providing them with guarantees to cover their loans to small businesses.

## 5.9 European Ombudsman

The [European Ombudsman](#) is elected for a renewable term of five years, and acts as an intermediary between the citizen and the EU authorities. It is entitled to investigate complaints of EU maladministration from EU citizens, businesses and organisations.

## 6. The budget of the European Union

### 6.1 Agreeing the budget

The [Interinstitutional Agreement](#) between the Commission, the Council and the Parliament provides for a long-term financial planning instrument, the [Multiannual Financial Framework](#) (MFF), which currently covers the period 2007-2013.

The MFF defines the long-term political priorities for the EU and sets annual maximum amounts for each priority, which then have to be adhered to in the annual budget. It is the Commission, the Parliament and the Council who adopt a [regulation](#) for the MFF.

The process begins with all EU institutions and bodies drawing up their estimates for the draft budget according to their internal procedures. The Commission consolidates these estimates and establishes the annual 'draft budget', which is submitted to the Council and the Parliament.

The Council adopts its position on the draft budget including any amendments and passes it to the Parliament, which can then either adopt the budget at its first reading or hand its amendments back to the Council.

If the Council does not accept the Parliament's amendments, a Conciliation Committee is set up, composed of Council and Parliament representatives. If the conciliatory procedure fails, the Commission has to come up with a new draft budget.

Once a draft budget is agreed upon by the Conciliation Committee, the Council and the Parliament can approve or reject it. The Parliament may adopt the budget even if the Council rejects the joint text. In case the Council and the Parliament both reject the joint draft or fail to decide, the budget is rejected and the Commission has to submit a new draft budget.

### 6.2 2010 expenditure<sup>9</sup>

The [2010 EU budget](#) was adopted during the Parliament plenary session in December 2009, and amounts to €141.5 billion.

The priorities of the 2010 budget are employment and economic recovery. Over €64 billion (45%) of the funds will go towards jobs, infrastructure and competitiveness, including €9.1 billion for research, education and innovation. Agricultural spending,

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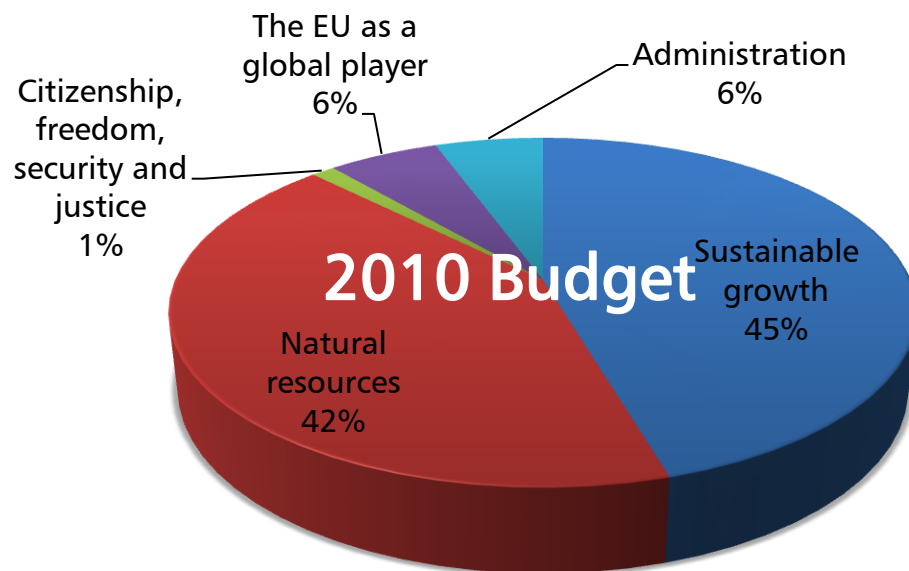
<sup>9</sup> All figures are taken from [http://ec.europa.eu/budget/budget\\_glance/index\\_en.htm](http://ec.europa.eu/budget/budget_glance/index_en.htm)



traditionally the greatest expenditure area, will reach nearly €44 billion. Around €0.7 billion will be spent on projects related to citizenship, including culture and media.

| Expenditure estimates for EU policies  | Budget 2010    | Change from 2009 (%) |
|--|----------------|----------------------|
|  | (in € billion) |                      |
| <b>Sustainable growth</b>  | <b>64.3</b>    | <b>+3.3</b>          |
| Competitiveness  | <b>14.9</b>    | <b>+ 7.9</b>         |
| Education and training   | 1.1            | + 4.4                |
| Research   | 7.5            | + 11.7               |
| Competitiveness and innovation   | 0.5            | + 3.4                |
| Transport and energy networks  | 2.0            | + 10.2               |
| Social policy agenda   | 0.2            | + 22.7               |
| Energy projects  | 2.0            | - 1.0                |
| <b>Cohesion</b>  | <b>49.4</b>    | <b>+ 2.0</b>         |
| Convergence  | 40.4           | + 3.7                |
| Regional competitiveness and employment  | 7.6            | - 6.2                |
| Territorial co-operation   | 1.2            | + 3.7                |
| <b>Natural resources</b>   | <b>59.5</b>    | <b>+5.4</b>          |
| Environment  | 0.3            | - 3.2                |
| Agricultural expenditure and direct aids   | 43.8           | + 6.4                |
| Rural development  | 14.4           | + 2.6                |
| Fisheries  | 0.9            | + 2.6                |
| <b>Citizenship, freedom, security and justice</b>  | <b>1.7</b>     | <b>+10.5</b>         |
| Freedom, security and justice, (fundamental rights and justice, security and liberties, migration flows) | 1.0            | + 16.2               |
| Citizenship, (culture, media, public health and consumer protection)                                     | 0.7            | + 2.8                |
| <b>The EU as a global player</b>   | <b>8.1</b>     | <b>+0.5</b>          |
| Pre-Accession Assistance   | 1.6            | + 4.5                |
| European neighbourhood   | 1.7            | + 3.4                |
| Development co-operation   | 2.5            | + 3.9                |
| Humanitarian aid   | 0.8            | + 3.0                |

|                                    |              |              |
|------------------------------------|--------------|--------------|
| Democracy and human rights         | 0.2          | + 4.3        |
| Common foreign and security policy | 0.3          | + 15.9       |
| Instrument for Stability           | 0.2          | + 16.7       |
| <b>Administration</b>              | <b>7.9</b>   | <b>+3.8</b>  |
| European Commission                | 3.6          | + 2.6        |
| Other institutions                 | 2.9          | + 4.7        |
| <b>Total</b>                       | <b>141.5</b> | <b>+ 3.6</b> |



### 6.3 Raising the money

The means by which money is raised to fund the budget are set out in the agreement known as the [Own Resources Decision](#). This 'decision' allows for three sources of revenue:<sup>10</sup>

- **Traditional own resources**  
These mainly consist of duties that are charged on imports of products coming from a non-EU State, and bring in approximately €14.1 billion (12%) of the total revenue.
- **VAT-based contributions**  
VAT-based resources account for 11% of total revenue, or some €14 billion.
- **Contributions based on gross national income**  
Although this is a balancing item, it has become the largest source of revenue and today accounts for 76% of total revenue (€92.7 billion).

The budget also receives other revenue, such as taxes paid by EU staff on their salaries, contributions from non-EU countries to certain EU programmes and fines on companies that breach competition or other laws. These miscellaneous resources add up to around €1.4 billion, or approximately 1% of the budget.

Revenue flows into the budget in a way which is roughly proportionate to the wealth of the Member States. Austria, Germany, the Netherlands, Sweden and the UK are the largest net contributors.

EU funds flow out to the recipients within the Member States and in third countries in accordance with identified priorities. Less prosperous Member States receive proportionately more than the richer ones and most countries receive more than they pay in to the budget.

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<sup>10</sup> These figures refer to the forecasts for 2010

## Part 2: The European Union and the audiovisual industry

### 7. EU audiovisual policy context

The audiovisual sector directly employs over one million people in the EU.<sup>11</sup> In addition to its economic importance, it plays a key social and cultural role. Television remains the foremost source of information and entertainment in Europe, with most homes having a television, and the average European watching up to four hours a day.<sup>12</sup> Audiovisual content is also increasingly accessed through online and on-demand services.

EU audiovisual and media policy is implemented through a number of initiatives, covering four areas:

- The Regulatory framework - mainly the [Audiovisual Media Services Directive](#), but also EU recommendations on state aid, protecting children online and European film heritage
- Funding programmes, e.g. [MEDIA 2007](#), that complement national measures
- External measures, in particular the defence of European cultural interests in the context of the [World Trade Organisation](#)
- Other measures, including the promotion of online content distribution ([Creative Content Online](#)) and the promotion of [media pluralism](#) and [media literacy](#).

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<sup>11</sup> Source: [http://ec.europa.eu/avpolicy/index\\_en.htm](http://ec.europa.eu/avpolicy/index_en.htm)

<sup>12</sup> *ibid.*

## 8. Political and regulatory framework

### 8.1 Audiovisual and media policies

#### 8.1.1 Audiovisual Media Services Directive

The [Audiovisual Media Services Directive](#) (AVMS) came into force in December 2007. It provides a set of rules for Europe's audiovisual industry that covers all audiovisual media services – traditional, as well as online and on-demand audiovisual content. It replaces the [Television without Frontiers Directive](#), which was last amended in 1997.

The main elements of the AVMS Directive are:

- A comprehensive set of rules covering all audiovisual media services that aims to reduce regulatory red tape and promote industry self-regulation and co-regulation
- Modernised rules on television advertising that make it easier to finance audiovisual content, for example through product placement and sponsorship, combined with standards protecting consumers and ensuring the integrity of content
- Rules on short reporting (e.g. on the use of news report extracts of footage of events that are otherwise subject to exclusive rights)
- Consumer rules, such as obligations for media service providers to improve access for people with visual or hearing impairments.

The Directive extends to all audiovisual media services the country of origin principle, meaning that each service must comply with the rules of the country in which its provider is located. The enforcement of the rules is the responsibility of that Member State. At the same time, the principle promotes media pluralism by opening up national markets to competition from other EU countries.

#### 8.1.2 Working Time Directive

Another [Directive](#) that impacts upon the audiovisual sector (in particular on film crews) is the [Working Time Directive](#), designed to protect workers' health and safety. Under the Directive, each Member State must ensure that every worker is entitled to:

- A maximum number of 48 working hours per week
- A minimum daily rest period of 11 consecutive hours in every 24
- A rest period during working time, if the worker is on duty for longer than six hours
- A minimum weekly rest period of 24 uninterrupted hours

- At least four working weeks of paid annual leave
- Extra protection in the case of night work.

Interpretations of the directive differ across Europe: in the UK it is possible for workers to 'opt out' of the 48-hour maximum working week, while France passed stricter legislation limiting the maximum number of hours spent working each week to 35.

### 8.1.3 Cinema and state aid

European rules exist which govern when Member States are allowed to directly fund activities in their territories which might unfairly advantage businesses elsewhere in Europe and interfere with laws governing competition.

Under state aid rules, Member States must obtain clearance for public funding activities. That said, certain activities – for example, education, health, public service broadcasting, training, research and development, support for **SMEs** – are not required to be notified to the Commission under certain conditions and thresholds.

The [Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on Certain Legal Aspects Relating to Cinematographic and other Audiovisual Works \(Cinema Communication\)](#) came into force in 2001 and sets out rules relating to the public funding (state aid) of film production. Originally intended to expire in 2003, it has been extended three times, most recently in 2007<sup>13</sup>, and is now set to expire on 31 December 2012.

The Cinema Communication allows Member States to provide public funding for film production on the grounds of 'cultural derogation' to normal EU competition law on state aid. The cultural derogation is the name given to a provision<sup>14</sup> in the [Treaty on the Functioning of the European Union](#) which grants Member States the right to support cultural activities, including film, without distorting competition.

The Commission's main concerns as set out in the Cinema Communication are not related to the total volume of support for film production, as this is acknowledged as aid for cultural activities. However, the Commission has expressed concern at certain territoriality requirements, i.e. the 'territorialisation' clauses of certain aid schemes. Territorialisation clauses impose on producers an obligation to spend a certain amount of the film production budget in a particular geographical area, as an eligibility

<sup>13</sup> [http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52009XC0207\(01\):EN:NOT](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52009XC0207(01):EN:NOT)

<sup>14</sup> Clause 107.3(d) in the Treaty on the Functioning of the European Union

condition for receiving aid. Territorialisation clauses may constitute a barrier to the free circulation of workers, goods and services across the EU.

In relation to the volume of state aid, the specific criteria laid down by the Commission are as follows:

- Member States must ensure that the cultural content of the supported works satisfies verifiable national criteria. In accordance with the principle of subsidiarity, the Commission does not express a view, at any stage, about what is considered to be cultural
- Member States may not require producers to spend more than 80% of the budget for the film or television work in their territory, and producers are free to choose which headings in their budgets are spent outside the Member State concerned
- While the proportion of national aid (aid intensity) is limited, in principle, to 50% of the production budget, difficult and low-budget films are excluded from this limit. The Member States define, in each aid scheme, what they consider to be difficult and low-budget films. Films produced in a limited linguistic or cultural area will benefit from greater funding flexibility
- In order to ensure that national schemes for supporting film or television productions are not more attractive in some Member States than in others, supplementary aid for specific production activities (such as post-production) is not allowed.

In the course of 2009, the Commission became concerned about the terms of support for the digitisation of cinemas. Having consulted with Member States and industry, the Commission published a [Communication on the challenges and opportunities of digital cinema](#) which deals specifically with this question and which seeks to focus public support on cinemas that are more dedicated to showing non-national European films (e.g. members of the Europa Cinemas network), cinemas that are unable to deploy virtual print fees (because of the focus of their programming not being on new releases by large-scale distributors) and cinemas in smaller markets (more remote, economically poorer and serving smaller populations). Schemes have been notified by Finland, Italy, Norway and the UK and approved by the Commission. The Italian, Norwegian and UK schemes use the cultural exemption; the Finnish scheme was approved under social and economic terms<sup>15</sup> (it excludes cinemas in larger conurbations).

During 2010, discussions between the Commission and Member States, notably the national film agencies, will continue with a view to agreeing the scope of a new Cinema Communication, its focus (the extent to which it addresses issues other than those specifically related to production) and its terms. A new Communication is anticipated to be adopted by the Commission in the course of 2012.

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<sup>15</sup> Clause 107.3(c) in the Treaty on the Functioning of the European Union

#### 8.1.4 Film heritage

The EU is tasked with encouraging its Member States to co-operate in conserving and safeguarding cultural heritage of European significance, including cinema. The 2005 [Recommendation to Member States on Film Heritage](#) calls for Europe's cinematic works to be methodically collected, catalogued, preserved and restored so that they can be passed on to future generations. EU countries are asked to inform the Commission every two years of what they have achieved in this respect. The Commission also assists directly in efforts to protect film heritage, by periodically organising meetings of the [Cinema Expert Group](#), where experts from all film archives in Europe exchange best practice and look for common solutions to their problems. Standardisation is also promoted, to achieve interoperability among film databases and catalogues in Europe.

#### 8.1.5 Public Service Broadcasting

Public service broadcasters receive licence fees or financial support at national and regional level, in order to fulfil their public service mandate. In 2009 the Commission adopted a new [Communication on the Application of State Aid Rules to Public Service Broadcasting](#) that tightened state aid control in this field. While taking account of technological changes which have fundamentally altered the broadcasting and audiovisual market, the new Communication aims to ensure a level playing field between subsidised public broadcasters and private operators. At the same time the new rules provide several options to establish a financing regime which respects the specific features of the individual broadcasting system of each Member State.

### 8.2 Europe 2020

Every decade or so the EU agrees a long-term strategy. Policy issues that can be linked to this top-level strategy can be prioritised in the work of European institutions, so it is important for issues of audiovisual policy to be able to demonstrate that link.

The period 2001-2010 was run under the [Lisbon Strategy](#), where the main objective was for Europe to become the world's leading knowledge-based economy, centred on research and innovation. The impact of this strategy varied across Europe, with the average Member State investment in knowledge-based fields remaining lower than expected. These results are recorded in the [Lisbon Strategy Evaluation](#).

The [Europe 2020 Strategy](#) replaced the Lisbon Strategy in June 2010, and will run until 2020. It builds on what has been achieved by the Lisbon Strategy, but changes



perspective due to the global financial crisis, aiming to find a way out of the crisis and prepare the EU's economy for the next decade. It identifies three key drivers for growth to be implemented through concrete actions at EU and national levels:

- Inclusive growth (aimed at raising participation in the labour market, the acquisition of skills and the fight against poverty)
- Smart growth (aimed at fostering knowledge, innovation, education and the digital society)
- Sustainable growth (aimed at making EU production more resource efficient whilst boosting competitiveness).

### 8.2.1 Digital Agenda for Europe

The [Digital Agenda for Europe](#) is a strategy to develop a flourishing digital economy by 2020, and is a key initiative under the Europe 2020 Strategy for smart, sustainable and inclusive growth. Launched in May 2010, it outlines policies and actions to maximise the benefit of the digital revolution for all. To achieve these goals, the Commission will work closely with national governments and organisations. An annual Digital Assembly will bring stakeholders together to assess progress and emerging challenges.

The Agenda outlines seven priority areas for action:

- A Single Market to deliver the benefits of the digital era
- Boost cutting-edge research and innovation in information and communication technologies (ICT)
- Empower all Europeans with digital skills and accessible online services
- Enhance trust and security for internet users
- Improve ICT standard-setting and interoperability
- Increase Europeans' access to fast internet
- Unleash the potential of ICT to benefit society.

### 8.2.2 Copyright and Content Online

The digitisation of content presents great opportunities for Europe, but also a number of challenges. First, obstacles still stand in the way of digital distribution of cultural products and services. Furthermore, illegal downloads on a large scale jeopardise the development of an economically viable single market for digital content. Finally, there needs to be greater encouragement for legal cross-border offers.

The [AVMS Directive](#) aims to create a single market for broadcasting and other audiovisual media services, but it does not cover copyright. To that end, the Commission launched its Content Online initiative, which acknowledges the need to improve existing licensing mechanisms.

In 2008, the Commission adopted a [Communication on creative content online in the Single Market](#), which built on a [2006 consultation process](#) and launched further measures to support the cross-border delivery of online content. The Communication launched the [2008 consultation process](#) which identified four main areas requiring EU action:

- Availability of creative content
- Digital rights management systems (DRMs)
- Multi-territory licensing of creative content
- Piracy/unauthorised file-sharing.

The Communication also proposed a stakeholder discussion group, the 'Content Online Platform', to look at forthcoming challenges. The [final report on the Content Online Platform](#) was published in May 2009.

In October 2009, the Commission published a consultation paper entitled [Creative Content in a European Digital Single Market: Challenges for the Future](#), which outlined the copyright challenges for three groups of stakeholders: rightsholders, consumers and commercial users. The consultation was designed to launch a wide-ranging debate on how to develop vibrant online markets for goods and services protected by intellectual property rights. It also addressed the role of legal online markets and explored a variety of copyright management models that might induce a more rapid development of such markets.

The consultation closed in January 2010. Whilst all submissions have been published online, at the time of writing, the Commission's analysis of these submissions had yet to be completed.

### 8.2.3 Europeana

In September 2005 the Commission published the Communication [i2010: Digital Libraries](#), where it announced its strategy to create a European digital library in the framework of the [i2010](#) initiative. The result was [Europeana](#), an online multimedia library that allows users to search and browse the digitised collections of European libraries, archives and museums. There are now over six million items in the library.

In May 2010 the Council adopted [conclusions](#) outlining the next steps for Europeana. Member States agreed to continue and strengthen their support to Europeana and to the digitisation projects carried out by their cultural institutions in order to increase the number of items accessible through the Europeana service.

#### 8.2.4 Media literacy

Media literacy is the ability to access, understand and critically evaluate different aspects of the media and to communicate in a variety of contexts. In 2007 the Commission adopted a [Communication on Media Literacy](#) which links to the provisions of the [AVMS Directive](#) and [MEDIA 2007](#). Article 26 in this Communication introduced a reporting obligation for the Commission on levels of media literacy in all Member States.

In 2009, the [Commission Recommendation on media literacy in the digital environment for a more competitive audiovisual and content industry and an inclusive knowledge society](#) was issued. The recommendation, which called for all EU countries and the media industry to increase people's awareness of the many forms of media messages they encounter, was formally adopted by the Council, which particularly welcomed:

- The Commission's intentions to encourage greater consensus on media literacy and to develop tools to help Member States and the Commission measure levels of media literacy across Europe
- The focus on the active involvement of the industry in promoting media literacy initiatives
- The recognition of the role that the education system could play to promote media literacy in the context of Member States' lifelong learning strategies.

By 2011, the Commission aims to report on the levels of media literacy in all Member States.

#### 8.2.5 Telecoms Reform

The current rules which govern the telecoms sector in the EU were agreed in 2002. To ensure these rules continued to serve the best interests of consumers and industry in this fast-developing sector, an agreement on the [EU Telecoms Reform](#) was reached by the Parliament and Council in November 2009. The new rules now need to be transposed into national laws of all EU Member States by May 2011.

The new rules aim to enhance consumer rights, safeguard internet access, protect data, boost competition, and modernise radio spectrum use. The revised framework includes:

- Allowing 'functional separation' - rules requiring dominant operators to separate their network infrastructure from businesses that offer services using this infrastructure
- Harmonising radio spectrum management in all Member States, especially with a view to the switchover from analogue to digital TV by 2012
- Improving co-operation among Member States' telecoms regulators
- Internet access safeguards.

#### **8.2.6 Video Games Communication**

The fact that video games are played by both minors and adults demands differentiated levels of access and regulation. The objectives of the [Video Games Communication](#) published by the Commission in 2008 are to:

- Call upon the video games and consoles industry to further improve the child protection [PEGI](#) and [PEGI Online](#) initiatives
- Encourage initiatives to improve media literacy
- Ensure high standards of freedom of expression and effective, proportionate measures for the protection of minors
- Evaluate the possible health effects of video games
- Integrate into national systems the information and classification system put in place in the framework of PEGI and PEGI Online.

## 8.3 Culture

### 8.3.1 European Agenda for Culture

In May 2007, the Commission proposed a [European Agenda for Culture](#), founded on three objectives:

- Cultural diversity and intercultural dialogue
- Culture as a catalyst for creativity
- Culture as a key component in international relations.

This Agenda, prepared following a public consultation, was endorsed by the Council in its [Resolution of November 2007](#) and then by the European Council in its [conclusions of December 2007](#).

Under the first set of objectives, the EU and all other relevant stakeholders should work together to foster intercultural dialogue to ensure that the EU's cultural diversity is understood, respected and promoted. To do that, they should seek to enhance the cross-border mobility of artists and workers in the cultural sector and the cross-border dissemination of works of art.

The second set of objectives focuses on the promotion of culture as a catalyst for creativity in the framework of the Lisbon Strategy for growth and jobs and its follow-up, Europe 2020.

Promotion of culture as a vital element in the EU's international relations is the third set of objectives. As a party to the [UNESCO Convention on the Protection and the Promotion of the Diversity of Cultural Expressions](#), the EU is committed to developing a new and more active cultural role for Europe in international relations and to integrating the cultural dimension as a vital element in Europe's dealings with partner countries and regions.

### 8.3.2 Creative industries

In April 2010, the Commission launched a public consultation designed to raise the political profile of Europe's cultural and creative industries. The consultation is linked to a [Green Paper](#) entitled '[Unlocking the potential of cultural and creative industries](#)', which highlights the need to improve access to finance, especially for small businesses, in order to enable the sector to flourish and to contribute to sustainable and inclusive growth.

The public consultation encourages stakeholders and others to consider questions including:

- How can access to funding be facilitated for small and micro-sized enterprises whose only asset is their creativity?
- How can the EU help to secure the right mix of creative and managerial skills in the creative sectors?
- How can innovation and experimentation, including wider use of information and communication technologies, be fostered?

The public consultation launched by the Green Paper ran until the end of July 2010. Whilst all submissions have been published online, at the time of writing, the Commission's analysis of these submissions had yet to be completed

## 9. Funding opportunities

### 9.1 MEDIA 2007

#### 9.1.1 Introducing MEDIA

[MEDIA](#) ('Mesures pour encourager le développement des industries audiovisuelles', or 'ways of encouraging the development of the audiovisual industry') is the EU support programme for the European audiovisual industry. The MEDIA I Programme was adopted in December 1990, and followed by MEDIA II and MEDIA Plus (1996-2006). In 2007, the MEDIA 2007 programme was adopted, and will run until December 2013.

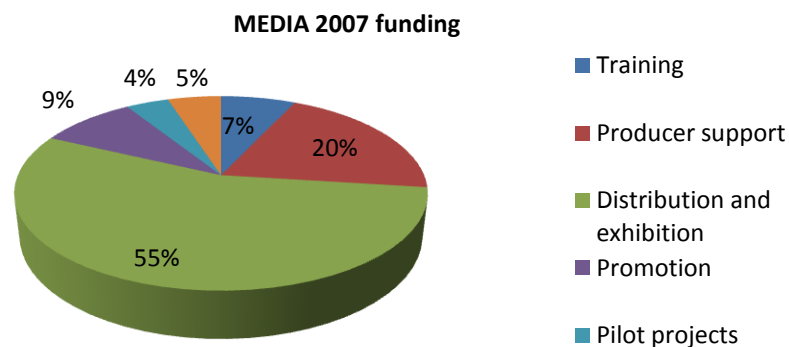
MEDIA 2007 has three aims:

- To preserve and enhance European cultural and linguistic diversity and its cinematographic and audiovisual heritage, guarantee its accessibility to the public and promote intercultural dialogue
- To strengthen the competitiveness of the European audiovisual sector in an open market
- To increase the international circulation and audience of European audiovisual products inside and outside of the European Union.

MEDIA 2007 has five areas of priority:

- Acquisition of skills
- Distribution and exhibition
- New technologies
- Project development
- Promotion and festivals.

MEDIA 2007 has a budget of €755 million over seven years, allocated as below:



The MEDIA Unit is part of [DG Education and Culture](#), and manages the policy and evaluation of the Programme and its budget.

The [Education, Audiovisual and Culture Executive Agency \(EACEA\)](#) is in charge of the operational management of the MEDIA Programme. This includes:

- Preparing and launching Calls for Proposals
- Evaluation and pre-selection of applicants and projects
- Contracting and signing project agreements
- Monitoring of projects and communicating with and providing information to beneficiaries.

The MEDIA Management Committee supervises the Commission in approving the Programme's budget, guidelines and funding allocations, and is made up of representatives from all MEDIA Member States,<sup>16</sup> usually from ministries and/or national public funding agencies.

MEDIA Desk and Antennae staff answer enquiries about MEDIA funding. They also encourage participation in training courses, festivals and markets and help prepare applications. Each MEDIA Member State has a central office, called a Desk, usually based in the capital city. One or more regional offices in key cities often support this national Desk – these are known as Antennae. The MEDIA Desks and Antennae are usually hosted by a national film agency or other relevant organisation.

### 9.1.2 Funding schemes overview

All funding is distributed on the basis of Calls for Proposals consisting of a set of guidelines and application forms. Calls usually work on an annual basis with one or more deadlines throughout a year. All funding is offered as non-repayable grants. European companies can apply for funding from one of the MEDIA funding schemes. Applications are independently assessed, and funding is awarded on the basis of merit.

| Scheme           | Remit   |
|------------------|---|
| <b>Training</b>  |   |
| Initial Training | Available for projects that encourage the networking of film schools and mobility of European film students, in particular through collaboration between European film schools, training institutes, and with the participation of partners from the professional sector. |

<sup>16</sup> Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, The Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, UK



|                                    |  |
|------------------------------------|--|
| Continuous Training                | Available for training providers to continuous professional training activities for film and television industry professionals in the areas of new technologies, economic, financial and commercial management and script development.   |
| <b>Producer support</b>            |  |
| Development – Single Project       | Aimed at companies which have produced at least one previous project which has been distributed recently, and which now wish to invest in the development of another project.  |
| Development – Slate Project        | Aimed at medium-sized companies which have experience at an international level and the financial capacity to contemplate and support the simultaneous development of several projects.  |
| Development – Interactive Projects | Aimed at companies that have produced at least one previous interactive project which has been distributed recently, and that now wish to invest in the development of another interactive project which complements an audiovisual project.   |
| TV Broadcasting                    | Aims to help European independent production companies produce a television programme (in principle not intended for theatrical release) with at least three European broadcasters attached.   |
| i2i Audiovisual                    | Supports production companies that bear the costs of bank financing and/or associated insurance and completion bonds. It offers a grant to cover up to 50% of insurance, financial and completion guarantee costs, capped at €50,000 per project.  |
| <b>Distribution and exhibition</b> |  |
| Selective scheme                   | Designed to facilitate the transnational distribution of European films. It aims to encourage distributors to release films that might be a challenge were they to be supported by market forces alone. As a result of this support European audiences should gain access to a wider range of films. |
| Automatic scheme                   | A subsidy based on the number of paid admissions in a previous calendar year for recent non-national European films. The scheme is designed in two stages: generation and reinvestment.  |
| Sales Agents                       | A subsidy, the amount of which depends on the sales agent's performance in selling European films in a qualifying period. The scheme is designed in two stages: generation and investment.   |
| VoD/DCD                            | Available to support the digital distribution of European audiovisual works to a wider, international audience and/or to cinema exhibitors. This scheme funds advanced distribution services, integrating where necessary digital security systems in order to protect online content.               |
| Networks of cinemas                | European exhibitors do not apply to MEDIA directly, but join the MEDIA-supported network called <a href="#">Europa Cinemas</a> . The purpose of the network is to boost programming of European films with a special emphasis on non-national European titles.                                       |

| Promotion                |   |
|--------------------------|---|
| Access to Markets        | Supports organisations that propose events and activities (including computer-based information tools) designed to promote European audiovisual works and facilitate access to markets for European professionals.          |
| Promotion Outside Europe | Supports organisations that propose activities designed to promote European audiovisual works at festivals and markets outside countries participating in the MEDIA Programme.  |
| Audiovisual Festivals    | Supports film festivals that programme at least 70% European content, and can be used for costs such as subtitling, translation, catalogue printing and travel costs for professionals accompanying a film at the festival. |
| New technologies         |   |
| Pilot Projects           | Supports the pilot phase of projects aiming to develop new ways of creating, distributing and promoting European audiovisual content with the use of new, innovative information and communication technologies.            |

### 9.1.3 MEDIA in the UK

The UK is a significant beneficiary of MEDIA funding, and in 2009 UK companies and films received over €12 million of investment. Over 100 companies were supported to the level of €7.6 million. The beneficiaries included producers, operators in interactive and new media, distributors, sales agents, video-on-demand (VoD) operators, film schools, professional training providers and organisers of festivals and promotional events. A further €5.3 million was invested in the European distribution of over UK films, including Danny Boyle's *Slumdog Millionaire*, Andrea Arnold's *Fish Tank* and Ken Loach's *Looking for Eric*. MEDIA also brings European films to the UK – a traditionally difficult market for foreign language films. 2009 saw *Antichrist*, *A Prophet*, *The White Ribbon* and other European films enjoy box office success for their MEDIA-supported UK releases.<sup>17</sup>

| MEDIA offices in the UK |         |  |                                   |
|-------------------------|---------|--|-----------------------------------|
| Office                  | City    | Contact  | Host organisation                 |
| MEDIA Desk UK           | London  | <a href="#">Agnieszka Moody</a><br>020 7501 7511 | <a href="#">UK Film Council</a>   |
| MEDIA Antenna Scotland  | Glasgow | <a href="#">Emma Valentine</a><br>0141 302 1776  | <a href="#">Creative Scotland</a> |

<sup>17</sup> For more extensive listing of MEDIA support in the UK, see Appendix III

|                        |         |  |   |
|------------------------|---------|--|---|
| MEDIA Antenna<br>Wales | Cardiff | <a href="#">Judy Wasdell</a><br>02920 436112 | <a href="#">Creative Business Wales</a> |
|------------------------|---------|--|---|

#### 9.1.4 MEDIA Mundus

[MEDIA Mundus](#) is a new EU initiative which aims to explore ways of reinforcing co-operation between European and third-country professionals from the audiovisual industry on a basis of mutual benefit. It also aims to encourage a two-way flow of cinematographic/audiovisual works. It will run from 2011 to 2013 and is set to have a budget of €5 million a year. The principle of mutual benefit underpins MEDIA Mundus. It will have the following objectives:

- To enable Europe to play its cultural and political role in the world more effectively
- To increase consumer choice and cultural diversity globally
- To increase the competitiveness of the European audiovisual industry.

MEDIA Mundus builds on the success of [MEDIA International](#), which between 2008 and 2010 funded 70 initiatives encouraging Europe's collaboration with other continents in the areas of training, access to markets, distribution and exhibition.

#### 9.1.5 MEDIA post-2013

2010 has seen the start of preparations for the post-2013 generation of MEDIA. A mid-term evaluation has been conducted, and resulting recommendations published, whilst a public consultation was launched in October 2010. Under the Commission's obligation, an impact assessment of MEDIA 2007 will be conducted, and will consider such issues as the changing audiovisual landscape, and the cultural significance of interactive media, video games and the developing relationship between television and cinema.

## 9.2 Seventh Framework Programme

The [Seventh Framework Programme for Research and Technological Development](#) (FP7) is the EU's main instrument for funding research in Europe. Since their launch in 1984, the Framework Programmes have played a lead role in multidisciplinary research and co-operative activities in Europe and beyond.

Running from 2007 to 2013, FP7 has a budget of €53.2 billion over its seven-year lifespan, the largest funding allocation yet for such programmes.

Through its funding, FP7 draws together all research-related EU initiatives, including the [Competitiveness and Innovation Framework Programme](#) (CIP)<sup>18</sup>, education and training programmes and structural and cohesion funds for regional convergence and competitiveness. It is also a key component of the [European Research Area](#) (ERA), an initiative launched in 2000 to tackle the weaknesses in the field of European research.

The broad objectives of FP7 have been grouped into four categories:

- Capacities
- Co-operation
- Ideas
- People.

For each objective, there is a specific programme corresponding to the main areas of EU research policy. All specific programmes work together to promote and encourage the creation of European poles of (scientific) excellence.

## 9.3 Structural Funds

Four Structural Funds enable the EU to grant financial assistance to resolve structural economic and social problems: the [European Regional Development Fund](#) (ERDF); [European Social Fund](#) (ESF); [European Agricultural Guidance and Guarantee Fund](#) (EAGGF) and the [Financial Instrument for Fisheries Guidance](#) (FIFG). Of these, the ERDF and ESF have relevance to the audiovisual industry.

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<sup>18</sup> See section 9.4i for more information

### 9.3.1 European Regional Development Fund

The European Regional Development Fund ([ERDF](#)) aims to strengthen economic and social cohesion in the EU by correcting imbalances between its regions. In short, the ERDF finances:

- Direct investment in companies (in particular [SMEs](#)) to create sustainable jobs
- Infrastructures linked to research and innovation, telecommunications, environment, energy and transport
- Financial instruments (capital risk funds, local development funds) to support regional and local development and to foster co-operation between towns and regions.

The ERDF can intervene in the three objectives of regional policy:

- **Convergence**

In regions covered by the [Convergence objective](#) (in the UK: Cornwall and the Isles of Scilly, West Wales and the Valleys, as well as the Highlands and Islands under the phasing-out system),<sup>19</sup> ERDF focuses its intervention on modernising and diversifying economic structures as well as safeguarding and creating sustainable jobs, with action in areas including research and technological development; innovation and entrepreneurship; information society; the environment; risk prevention; tourism; culture; transport; energy; education and health.

- **Regional Competitiveness and Employment**

For the [Regional Competitiveness and Employment objective](#), the priorities are based on innovation and knowledge-based economy; environment and risk prevention and access to transport and telecommunications services.

- **European Territorial Co-operation**

The [European Territorial Co-operation objective](#) covers the period 2007-2013, and is financed by the ERDF. It supports these cross-border, transnational and interregional co-operation programmes:

- 52 cross-border co-operation programmes along internal EU borders
- 13 transnational co-operation programmes covering larger areas of co-operation such as the Baltic Sea, Alpine and Mediterranean regions

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<sup>19</sup> A phasing-out system is granted to those regions which would have been eligible for funding under the Convergence objective if the threshold of 75% of GDP had been calculated for the EU at 15 and not at 25.

- The interregional co-operation programme ([INTERREG IVC](#)) and three networking programmes ([Urbact](#), [Interact](#) and [ESPON](#)) covering all EU Member States. They provide a framework for exchanging experience between regional and local bodies in different countries.

### 9.3.2 European Social Fund

The European Social Fund ([ESF](#)) aims to improve employment opportunities in the EU. It operates within the framework of the Convergence and Regional Competitiveness and Employment objectives.

The ESF supports actions in Member States in the following areas:

- Adapting workers and enterprises: lifelong learning schemes, designing and spreading innovative working organisations
- Improving access to employment for job seekers, women and migrants
- Reforming education systems and setting up a network of teaching establishments
- Social integration of disadvantaged people and combating discrimination in the job market.

## 9.4 Other funding opportunities

- **Competitiveness and Innovation Framework Programme**

With **SMEs** as its main target, the Competitiveness and Innovation Framework Programme (**CIP**) supports innovation activities (including eco-innovation), provides better access to finance and delivers business support services in the regions.

It encourages a better take-up and use of ICT and helps to develop the information society. It also promotes the increased use of renewable energies and encourages energy efficiency.

CIP runs from 2007 to 2013 with an overall budget of €3.62 billion. It is divided into three operational programmes, two of which are relevant to the audiovisual industry:

- **The Entrepreneurship and Innovation Programme**

The Entrepreneurship and Innovation Programme (**EIP**) seeks to support innovation and **SMEs** in the EU, focusing on access to finance for SMEs, business services and the improvement of innovation policy.

- **The Information Communication Technologies Policy Support Programme**

The Information Communication Technologies Policy Support Programme (**ICT-PSP**) aims to stimulate a greater uptake of innovative ICT-based services and the exploitation of digital content across Europe by citizens, governments and businesses, in particular SMEs. The focus is on driving this uptake in areas of public interest while addressing EU challenges such as moving towards a low carbon economy or meeting the needs of an ageing society.

### 9.4i Culture Programme

The EU's **Culture Programme** (2007-2013) has a budget of €400 million for projects and initiatives to celebrate Europe's cultural diversity and enhance shared cultural heritage through the development of cross-border co-operation between cultural operators and institutions.

The programme has three main objectives: to promote cross-border mobility of those working in the cultural sector, to encourage the transnational circulation of cultural and artistic output, and to foster intercultural dialogue.

In order to achieve these objectives, the programme supports three strands of activity:

- **Cultural actions**

This strand enables a wide range of cultural organisations coming from various countries to co-operate on cultural and artistic projects. This strand includes three sub-categories: multi-annual co-operation projects, running over a period of three to five years; co-operation measures, running over a maximum period of two years, and special measures, which relate to high-profile actions of considerable scale and scope. The support to the [European Capitals of Culture](#) falls under this sub-strand.

- **Support for cultural bodies**

This strand supports cultural bodies that operate at European level. It aims to encourage exchanges between cultural organisations in different European countries, identify the European artistic community's needs, represent the sector in dealing with EU institutions and participate in the public debate on cultural issues.

- **Support for analysis and dissemination activities**

This strand supports analysis and dissemination activities which help to raise awareness of the Culture Programme. The first focus is on providing support for analysis in the field of cultural co-operation and policy development. The second focus is on cultural contact points which have been established to ensure the effective grassroots dissemination of practical and targeted information on the programme in all participating countries. The third focus is on supporting the collection and dissemination of information, so that cultural operators can make use of the results of previous EU-funded projects.



#### 9.4.2 Lifelong Learning Programme

With a budget of nearly €7 billion for 2007 to 2013, the Lifelong Learning Programme ([LLP](#)) provides funding for all stages of learning; for activities at school, at college, at university, in the workplace and in the community. The LLP is made up of several different programmes offering a variety of opportunities:

- [Comenius](#) for schools
- [ERASMUS](#) for higher education
- [eTwinning](#) for ICT education projects
- [Grundtvig](#) for adult education
- [Leonardo](#) for vocational training
- [Transversal](#) for policy, languages, ICT and dissemination.

In the UK the LLP programmes are managed by the [British Council](#) and [Ecorys](#).

## 10. Audiovisual Policy international dimension

The audiovisual sector's strength as a communication tool, and its economic and cultural features, make it a powerful instrument for international relations and an essential component of actions to foster and improve international cultural co-operation and promote cultural diversity.

As such it plays a key role for the strategic objectives of the [European Agenda for Culture](#). In particular, its contribution is highly relevant for the third strategic objective of the Agenda related to promoting culture as a vital element in the EU's international relations, notably in the context of the implementation of the [UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions](#) at international level by the Community.

### 10.1 Trade relations (including the World Trade Organisation)

The [World Trade Organisation](#) (WTO) regulates international trade. The WTO's [General Agreement on Trade in Services](#) (GATS) is the principal multilateral framework where trade issues are dealt with, including those pertaining to the audiovisual sector.

The audiovisual sector is subject to the most important WTO rule of general application: the most-favoured-nation treatment (MFN), which is an obligation of non-discrimination between trading partners, whereby the most favourable treatment given to any country must be given to all WTO members, unless the treatment in question is granted in the context of regional trade agreements.

The EU and its Member States have sought to maintain their freedom of action in the audiovisual sector on the basis of cultural objectives, and in particular the preservation and development of cultural diversity. They have secured this by notifying the WTO of exemptions from the application of the MFN rule. The EU has managed over time to build consensus around the policy objectives underpinning its position, in particular the protection and promotion of cultural diversity. The negotiations and entry into force of the 2005 [UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions](#)<sup>20</sup> further helped consolidate its stance.

The EU MFN exemption for measures based on agreements on audiovisual co-productions seeks to preserve the possibility of conferring national treatment to audiovisual works covered by such agreements (with respect to all countries with whom

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<sup>20</sup> See section 10.2 for more information.

an agreement may be concluded). Another MFN exemption that is relevant to co-operation with third countries is the exemption allowing for the granting of benefits of specific support programmes (such as [MEDIA](#)) or funds (such as [Eurimages](#)) to audiovisual works and suppliers of such works meeting certain European origin criteria.

## 10.2 United Nations Educational, Scientific and Cultural Organisation

The [United Nations Educational, Scientific and Cultural Organisation](#) (UNESCO) is an agency of the United Nations designed to contribute to international peace and security by promoting collaboration through education, science, and culture. The [UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions](#), which entered into force in March 2007, provides a framework to support and strengthen the EU's internal and external policies. It also provides a legal framework for international co-operation in the area of cultural diversity, with various implications for audiovisual policy.

First, it gives concrete expression, in international treaty law, to the recognition of the specificity of cultural goods and services (such as audiovisual works) and legitimises domestic and international cultural policies. In relation to the fundamental rights aspect, which is key in the EU audiovisual negotiations with countries seeking accession to or stronger ties with the EU, the Convention enshrines important principles such as equal dignity, the respect of minority rights and media pluralism as part of the promotion and the protection of cultural diversity. It can therefore impact positively on audiovisual policy-making and the promotion of pluralism in third countries.

The Convention also provides a commitment to international cultural co-operation actions and can pave the way for new developments of EU international co-operation with third countries through co-operation agreements and other instruments allowing for increased exchanges in the cultural and audiovisual fields.

Among the provisions addressing developing countries, one of particular relevance to the audiovisual sector is Article 16 which provides that developed countries shall facilitate cultural exchanges with developing countries by granting preferential treatment to artists and other cultural professionals and practitioners, as well as cultural goods and services from developing countries.

Lastly, the Convention can bring more clarity regarding situations where parties' measures can be justified for the protection and promotion of cultural diversity. It reaffirms the respect of international rights and obligations arising from other treaties to which the Convention members are parties but without subordinating the

Convention to the latter and obliging, on the contrary, the parties to take into account the relevant provisions of the Convention when applying and interpreting their existing international obligations or when entering into new international obligations.

### 10.3 European Neighbourhood Policy

Launched in 2003, the [European Neighbourhood Policy](#) (ENP) is designed to bring the EU's eastern and southern neighbours closer to the EU, facilitating their participation in the EU internal market and progressively working towards the creation of a free trade area. The EU and its neighbours mutually agree on [Action Plans](#) which set objectives based on joint ownership, common interests and shared values, reciprocal commitments and differentiation. The Action Plans support the implementation of national plans and reform programmes in the political, economic, social and institutional fields.

In the audiovisual field the main goals of co-operation as set out in the Action Plans are:

- A better mutual understanding between EU countries and their neighbours
- Co-operation in the fight against racism and xenophobia
- The establishment of a dialogue on audiovisual policy (including legislation and reform).

The Commission also aims to promote co-operation in the audiovisual field with the EU's closest neighbours and to encourage convergence with EU audiovisual policy.

### 10.4 Relations with third countries

There are three principle organisations designed to support co-operation between the audiovisual industries of EU Member States and third countries:

#### 10.4.1 EUROMED Audiovisual

Following two successful phases of the EUROMED Audiovisual programme, [EUROMED Audiovisual III](#) was launched in early 2010. The programme aims to contribute to intercultural dialogue and cultural diversity by supporting the development of cinematographic and audiovisual capacity in its partner countries.<sup>21</sup> It promotes integration of the Mediterranean region's film and audiovisual industries, and aims to harmonise public sector policy and legislation.

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21

EUROMED Audiovisual III was developed in the framework of the Commission's [Union for the Mediterranean](#), and has a total budget of €11 million over a three-year period.

This programme has the following objectives:

- Co-operation between audiovisual operators in the Mediterranean
- Enhancement of the audiovisual heritage of the Euro-Mediterranean area
- Fostering the broadcasting of cinematographic works from the Mediterranean partners and the EU
- Promotion of investments, jobs and wealth creation in the audiovisual sector
- Transfer of technology and expertise through the training of professionals.

#### 10.4.2 ACP Films

[ACP Films](#) is a programme of the Group of African, Caribbean and Pacific States (ACP), implemented by the ACP Secretariat and financed under the [9th European Development Fund](#) (EDF). The programme covers the 79 countries of the ACP Group and the 15 EU Member States that contributed to the 9th EDF.

A single €6.5 million call for proposals was open from June to September 2008. 24 projects were selected, all of which addressed the programmes' objectives:

- Improving the circulation of ACP cinema and audiovisual works at the intra-ACP level (as a priority), in the EU and internationally
- Industry training, with easier access for young professionals.
- Strengthening the production capacities of the cinema and audiovisual industries in the ACP States.

ACP Films is currently not offering funding, but uses its website to inform the industry about the cinema and audiovisual sector in ACP countries and to offer workshops, financial and legal guidance to industry professionals, and to support ACP Films beneficiaries.

### 10.4.3 Mercosur Audiovisual

[Mercosur Audiovisual](#) was created by the Mercosur authorities<sup>22</sup> in December 2003 to promote audiovisual cooperation within Argentina, Brazil, Paraguay and Uruguay.

The EU provides assistance to Mercosur through its [2007-2013 Regional Programme](#) adopted in August 2007 in the framework of the Regional Strategy for MERCOSUR.

The latest edition of the programme was launched in 2009, and the general objective is to strengthen the cinematographic and audiovisual sector in the MERCOSUR Member States.

The activities of the programme will be developed in the following five axes of intervention:

- Axis 1: Harmonisation of the legislation in the audiovisual sector in Mercosur Member States
- Axis 2: Strengthening the capacities of the [Mercosur Audiovisual Observatory](#)
- Axis 3: Circulation of audiovisual content
- Axis 4: Support for the preservation and dissemination of the audiovisual heritage of Mercosur
- Axis 5: Professional and technical training in the audiovisual sector.

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<sup>22</sup> Mercosur was created in 1991 by the [Treaty of Asuncion](#) and encompasses four Latin American countries: Argentina, Brazil, Paraguay and Uruguay

## Part 3: The other Council

### 11. Introducing the Council of Europe

The [Council of Europe](#), which has its seat in Strasbourg, France, is the first and most widely-based European political organisation. Established in 1949 by ten founding members, it now covers most of the European continent with its 47 Member States:

|                        |                |               |                       |                |
|------------------------|----------------|---------------|-----------------------|----------------|
| Albania                | Czech Republic | Ireland       | The Netherlands       | Slovenia       |
| Andorra                | Denmark        | Italy         | Norway                | Spain          |
| Armenia                | Estonia        | Latvia        | Poland                | Sweden         |
| Austria                | Finland        | Liechtenstein | Portugal              | Switzerland    |
| Azerbaijan             | France         | Lithuania     | Republic of Macedonia | Turkey         |
| Belgium                | Georgia        | Luxembourg    | Romania               | Ukraine        |
| Bosnia and Herzegovina | Germany        | Malta         | Russia                | United Kingdom |
| Bulgaria               | Greece         | Moldova       | San Marino            |                |
| Croatia                | Hungary        | Monaco        | Serbia                |                |
| Cyprus                 | Iceland        | Montenegro    | The Slovak Republic   |                |

Although the Council of Europe and the EU share a common flag and anthem, their roles, functions and aims are quite distinct. The Council of Europe is an intergovernmental organisation which is concerned primarily with protecting human rights, democracy and the rule of law. Its budget for 2010 is €218 million, raised primarily by contributions from Council of Europe Member States.

The objectives of the Council of Europe are to:

- Protect human rights, pluralist democracy and the rule of law
- Promote awareness and encourage the development of Europe's cultural identity and diversity
- Find common solutions to the challenges facing European society
- Consolidate democratic stability in Europe by backing political, legislative and constitutional reform.

The Council of Europe's practical achievements include 200 legally binding European treaties or conventions, many of which are open to non-Member States, on issues ranging from human rights to the fight against crime and from the prevention of torture to data protection.

## 12. European Convention on Cinematographic Co-Production

The [European Convention on Cinematographic Co-Production](#) (ECCC) entered into force in April 1994. Its aims are to promote the development of European multilateral cinematographic co-production, to safeguard creation and freedom of expression and defend the cultural diversity of its signatories, of which there are currently 42.

In order to obtain co-production status, an applicant project should involve at least three co-producers, established in three signatory countries. In the absence of any agreement governing bi-lateral co-production relations between two signatory countries, the Convention shall also apply to bi-lateral co-productions. Co-producers from other countries can only participate if their total contribution to the applicant project does not exceed 30% of the total cost of production.

Currently, the UK has seven bi-lateral treaties (with Australia, Canada, France, India, Jamaica, New Zealand and South Africa), but the Convention enables UK projects to be co-produced with each of the signatory countries of the European Convention and thus have access to the support provided to national films in each of these countries, including, where appropriate, UK Film Tax Relief. Producers can find out more about UK co-production from the [UK Film Council](#).



### **13. Council of Europe interventions**

#### **13.1 Recommendation on Film Policy**

In the context of rapid globalisation and digitalisation of cultural production and distribution, the Council of Europe undertook a review in 2007 to consider whether the policy tools put in place by European countries are effective and adequate in delivering the objectives of diversity and creativity.

The review resulted in a [Recommendation on National Film Policies and the Diversity of Cultural Expressions](#) to the Council of Europe Member States, which provides general guidelines for the review of national film policies with the aim of furthering their development and increasing their effectiveness in a changing audiovisual environment.

The following priority areas were identified:

- Addressing film development and production
- Developing a comprehensive approach to film policies
- Encouraging the distribution and circulation of European films
- European cinema and young people
- Improving the regulatory frameworks for co-production and co-distribution
- Realising the full potential of digital technologies
- Transparency and accountability.

#### **13.2 European Convention for the Protection of the Audiovisual Heritage and its Protocol on the Protection of Television Productions**

This [Convention](#) entered into force in January 2008. The Convention is part of the Council of Europe's work on cultural co-operation, of which promoting European cinema has always been an important concern.

Central to the Convention and the Protocol is the principle of compulsory legal deposit of all moving-image material produced or co-produced and made available to the public in each signatory state. Legal deposit involves a requirement not just to deposit a reference copy with an officially designated archive but also to look after the material and perform any necessary conservation work. In addition the material has to be available for consultation for academic or research purposes, subject to the international or national rules on copyright.

## 14. European Audiovisual Observatory

### 14.1 Origins and role

Set up in December 1992, the [European Audiovisual Observatory](http://www.obs.coe.int/about/oea/org/mission.html) (EAO) gathers and circulates information on the audiovisual industry in Europe. The EAO is a European public service body with representations from 36 Council of Europe Member States and from the EU, which is represented by the Commission. It owes its origins to Audiovisual Eureka and operates within the legal framework of the Council of Europe. It works alongside a number of professional organisations from within the industry and a wide network of correspondents.

According to its statute, 'the aim of the European Audiovisual Observatory shall be to improve the transfer of information within the audiovisual industry, to promote a clearer view of the market and a greater transparency. In doing so, the Observatory shall pay particular attention to ensuring reliability, compatibility and comparability of information'.<sup>23</sup>

The EAO's task is therefore clearly defined: to improve the transfer of and access to information. Achieving this means developing and providing information services in whichever formats audiovisual specialists need them most. The EAO has adopted a pragmatic definition of the audiovisual sector in which it works. Its principal areas of interest are:

- DVD
- Film
- New Media
- Television.

In these four sectors, the EAO provides information services in the fields of market and statistics, law and production and financing.

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<sup>23</sup> <http://www.obs.coe.int/about/oea/org/mission.html>

## 14.2 Information services

The various stages involved in providing information include the systematic collection, documentation and processing of information and data, together with its dissemination to users.

The services offered by the Observatory can be divided into five groups:

- Conferences and workshops
- Databases
- Online publications
- Online services
- Print publications.

The [Yearbook](#), [IRIS](#) (the monthly publication on legal matters) and the other publications and information sources of the EAO offer a comprehensive, trilingual (English, French, German) source of reliable, comparable and regularly updated data on the economic and statistical situation within the European audiovisual sector. Both the Yearbook and IRIS are also available as charged online services.

The EAO provides a number of online databases:

| IRIS Merlin – legal information  |
|--|
| <a href="http://merlin.obs.coe.int">http://merlin.obs.coe.int</a>  |
| The IRIS Merlin database gives access to more than 4,409 articles reporting on legal events of relevance to the audiovisual industry. These articles describe relevant laws, decisions of various courts and administrative authorities, and policy documents from more than 50 countries. They also report on legal instruments, decisions and policy documents of major European and international institutions. |
| KORDA – public funding   |
| <a href="http://korda.obs.coe.int">http://korda.obs.coe.int</a>  |
| The KORDA database holds information on public funding for film and audiovisual production and distribution in Europe. The database includes profiles of national, regional and some pan-European bodies, as well as information on individual funding schemes.  |

|  |
|--|
| <b>LUMIERE - admissions</b>  |
| <a href="http://lumiere.obs.coe.int">http://lumiere.obs.coe.int</a>  |
| The database LUMIERE holds data on admissions of films released in European cinemas since 1996. The database is the result of the collaboration between the EAO and the various specialised national sources as well as the <a href="#">MEDIA Programme</a> .                              |
| <b>MAVISE – television channels and companies</b>  |
| <a href="http://mavise.obs.coe.int">http://mavise.obs.coe.int</a>  |
| This database provides basic data on all the television channels accessible in the EU and two candidate countries (Croatia and Turkey). MAVISE contains key information on more than 4,500 companies, over 6,500 television channels and the line-up of approximately 300 distributors.    |
| <b>PERSKY – directory of TV channels</b>   |
| <a href="http://www.obs.coe.int/db/persky/persky.html">http://www.obs.coe.int/db/persky/persky.html</a>  |
| The objective of PERSKY is to provide a comprehensive and organised database of links to the websites of television channels in the 36 Members States of the EAO and in the EU. It also provides links to other organisations relevant for information on the national television markets. |

## 15. Eurimages

[Eurimages](#) is the Council of Europe fund for the co-production, distribution and exhibition of European cinematographic works. Set up in 1988 as a Partial agreement,<sup>24</sup> it currently has 34 Member States.<sup>25</sup>

Eurimages aims to promote the European film industry by encouraging the production and distribution of films and fostering co-operation between professionals. Its budget is €22 million per year, comprising contributions of Member States

The UK withdrew from Eurimages in 1997, but films with the participation of UK production companies can still benefit from being co-production partners, and received over €2 million between 2006-2009. Examples of Eurimages-funded films involving UK co-production partners are: *The Republic of Trees*, directed by Alicia Duffy and *The Oxford Murders* by Alex de la Iglesia.

Eurimages has four funding programmes:

- **Assistance for co-production**

Almost 90% of Eurimage's resources support co-production. Since it was set up in 1989, Eurimages has supported the co-production of about 1,300 full-length feature films and documentaries. Funding is available for European co-productions, where at least two Eurimages Member States are involved. For bilateral projects, the participation of the majority co-producer must not exceed 80% of the total budget, and the participation of the minority co-producer must not be lower than 10%. For multilateral co-productions, the figures change to 70% and 10% respectively. In the event that co-producers from non-Member States of the fund participate in the project, their combined participation cannot exceed 30%.

- **Assistance for distribution**

Eurimages aims to provide a system of support for distribution complementary to that of the MEDIA Programme's distribution funding schemes.<sup>26</sup> The support is available to distributors in the Eurimages Member States who are not able to benefit from support

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<sup>24</sup> A term used within the Council of Europe to refer to a major activity of European co-operation that is organised by the Council of Europe but does not include all of its member states

<sup>25</sup> Albania, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Serbia, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, The Republic of Macedonia and Turkey.

<sup>26</sup> See section 9 for more details.

awarded by the MEDIA Programme, i.e. Albania, Bosnia and Herzegovina, Serbia, Republic of Macedonia and Turkey. Applicants may apply for distribution support for films originating in any of the Eurimages Member States. Moreover, distributors from any Eurimages Member State may apply for distribution assistance for films originating in the five above countries. No distributor, however, may apply for a film originating in its own country. Assistance may not exceed 50% of the costs, and is capped at €8,000.

- **Assistance to cinemas**

Within the framework of Eurimages, [Europa Cinemas](#) supports cinema exhibition in the Member States of the Council of Europe. This action is complementary to the [MEDIA 2007 exhibition support scheme](#); therefore, only cinemas located in the Eurimages Member States, which do not have access to any MEDIA support, are eligible for assistance. Approximately €1 million is awarded each year for assistance to cinemas.

- **Assistance to digitisation for Eurimages-funded projects**

Eurimages offers digitisation support for the production of [DCI-compliant](#) digital masters (minimum 2k) intended for digital cinema projections, VoD, satellite distribution and high resolution internet distribution. Producers of films supported by Eurimages within the co-production support programme can apply for support once an [answer print](#) is available. The funding can cover 80% of total digitisation costs up to a maximum of €30,000.

## Part 4: The UK Film Council in Europe

### 16. The UK Film Council

The [UK Film Council](#) was set up in 2000 as the lead agency for film in the UK. It works to ensure that the economic, cultural and educational aspects of film are effectively represented at home and abroad. It does this through celebrating and safeguarding the UK's film culture, assisting the UK film industry and nurturing British film talent.

The six core activities of the UK Film Council are:

- Supporting British films and filmmakers
- Nurturing skills and creative talent
- Encouraging innovation for the digital age
- Improving access to films for UK audiences
- Conserving and making accessible the UK's archival heritage
- Providing opportunities to learn about film.

In July 2010, the UK Government announced the [abolition of the UK Film Council](#). The Council's core functions will be taken over by the [British Film Institute \(BFI\)](#) including the distribution of Lottery funds to filmmakers and MEDIA Desk UK. In addition, [Film London](#) will be given a UK-wide responsibility to promote the UK as a filmmaking destination.

The transfer of key activities to the BFI will begin in 2011 and will be completed by spring 2012.

In the meantime, the UK Film Council remains open for business and it is useful to outline how the organisation contributes to film policy at a European level.

#### 16.1 How does the UK Film Council contribute to the European agenda?

- **Co-operation**

In every EU member state there is an agency – sometimes a stand-alone strategic body like the UK Film Council, sometimes a government department – charged with promoting cinema and supporting the national film industry and film culture.

Set up in 2002, the [European Film Agency Directors](#) (EFADs) network now comprises directors from all 27 EU Member States. The UK Film Council shares with France's [centre national du cinéma et de l'image animée](#) (CNC) the role of co-ordinating the network. The network's purpose is to enhance co-operation between the film agencies in order to

strengthen their ability to drive film policy at home, across Europe and around the world.

Growing out of EFADs, the European Film Agency Research Network (EFARN) brings together the research specialists of the national film agencies and the EAO to share data, co-ordinate data holdings and co-operate to fill gaps and improve effectiveness. Film is a significant ingredient in building political and trading relationships throughout Europe as is demonstrated by the [European Convention on Co-production](#). The UK plays a vital role in facilitating the burgeoning exchanges between Europe and countries including Brazil, China, India and South Africa.

- **Advocacy**

The UK Film Council works alongside the UK government to inform and drive policies and actions aimed at improving European competitiveness, notably around skills training; the quality and range of film in Europe; the competitiveness of the European film industry; tackling copyright theft and infringement; promoting media literacy; access to finance; and the value of film to audiences, both as citizens and consumers. It is at the forefront of policy initiatives to help European film adapt to and take advantage of digital technologies

- **Expertise**

The UK Film Council provides expert advice to the UK government on European matters, notably on [Directives](#) affecting the audiovisual sector, on [state aid](#) regulation, on the [UNESCO Convention on Cultural Diversity](#), on intellectual property, funding programmes and the workplans of the EU Presidencies. Through the [Department for Culture, Media and Sport](#) (DCMS), the UK Film Council supplies up-to-date information and analysis to ministers and officials ahead of [Council of the European Union](#) and Audiovisual Working Group meetings, and to the [UK Permanent Representative](#). Its Research and Statistics Unit provides a wealth of statistical information to organisations across Europe.

The UK Film Council hosts and co-funds MEDIA Desk UK, which provides information and advice to the UK audiovisual industry on the EU's MEDIA Programme, and more generally on the international aspects of filmmaking.

The UK Film Council also represents the UK alongside the DCMS at the MEDIA Programme's Management Committee, and is contributing actively to the discussion of ways to improve the Programme's effectiveness in anticipation of the implementation of MEDIA post-2013.



## Glossary of acronyms

### AVMS

Audiovisual Media Services (Directive)

### CFSP

Common Foreign and Security Policy

### CIP

Competitive and Innovation Framework Programme

### COREPER

Committee of Permanent Representatives

### CNC

Centre National de la Cinématographie

### DCMS

Department for Culture, Media and Sport

### DG

Directorate General

### EACEA

Education, Audiovisual and Culture Executive Agency

### EAGGF

European Agriculture Guidance and Guarantee Fund

### EAO

European Audiovisual Observatory

### EC

European Community (now the European Union)

### ECB

European Central Bank

### ECCC

European Convention on Cinematographic Co-production

### EDPS

European Data Protection Supervisor

### EEC

European Economic Community

### EESC

European Economic and Social Committee

### EFADS

European Film Agency Directors (network)

### EFARN

European Film Agency Research Network

### EIB

European Investment Bank

### EIF

European Investment Fund

### ENP

European Neighbourhood Policy

### ERA

European Research Area

### ERDF

European Regional Development Fund

### ESF

European Social Fund

### EU

European Union

**FIFG**

Financial Instrument for Fisheries Guidance

**QMV**

Qualified Majority Voting

**FP7**

Seventh Framework Programme

**SEA**

Single European Act

**GATS**

General Agreement on Trade in Services

**UK**

United Kingdom

**ICT**

Information and Communication Technologies

**UN**

United Nations

**ICT-PSP**

Information and Communication Technologies Policy Support Programme

**UNESCO**

United Nations Educational, Scientific and Cultural Organisation

**LLP**

Lifelong Learning Programme

**VoD**

Video-on-Demand

**MFF**

Multiannual Financial Framework

**WTO**

World Trade Organisation

**MFN**

Most Favoured Nation

## Glossary of terms

### answer print

Finished composite print of a film, complete with all the required optical effects and titles. The answer print is presented to the client for optical approval, after which it is corrected for colour, quality, synchronization etc, and a final print is made.

### Committee of Permanent Representatives (COREPER)

COREPER is responsible for preparing the work of the Council of the European Union. It consists of one ambassador ('Permanent Representative') from each Member State, and is chaired by the Member State which holds the Council Presidency. It is both a forum for dialogue (among the Permanent Representatives and between them and their respective national capitals) and a means of political control (guidance and supervision of the work of the expert groups).

### competition law

Regulates the exercise of market power by large companies, governments and other economic entities. It is integral to many of the core values of the EU, such as free movement of workers, goods and services. It prevents anti-competitive agreements and forbids price-fixing, control of production and market sharing.

### Copenhagen criteria

These are the rules that define whether a country is eligible to join the EU. The criteria require that a Member State has the institutions to preserve democratic governance and human rights, has a functioning market economy, and accepts the obligations and intent of the EU.

### direct universal suffrage

Election directly under a system where all persons (EU citizens) of voting age are eligible to vote.

### Directive

An EU legislative act which requires Member States to achieve a particular result without dictating the means of achieving that result. Directives normally leave Member States with a certain amount of leeway as to the exact rules to be adopted, and can be adopted by means of a variety of legislative procedures depending on their subject matter.

### discharge

The discharge is the decision by which the Parliament, at the Council's recommendation, 'liberates' the Commission for its management of the implementation of the EU budget. The discharge procedure may give rise to three situations: the granting, the

postponement or the refusal of discharge. This process of parliamentary scrutiny is designed to ensure that budget appropriations are used in accordance with the principle of sound financial management, namely with the principles of economy, effectiveness and efficiency.

### euro area

The economic and monetary union (EMU) of 16 Member States which have adopted the euro as their sole legal tender. It currently consists of Austria, Belgium, Cyprus, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia and Spain. Monetary policy of the zone is the responsibility of the European Central Bank.

### G8

The Group of Eight (G8) is an informal but exclusive body whose members aim to tackle global challenges through action and discussion. Members can agree on policies and can set objectives, but compliance is voluntary. It currently comprises the governments of eight countries: Canada, France, Germany, Italy, Japan, Russia, the United Kingdom and the United States. The EU is represented by the president of the Commission and the leader of the country that holds the EU presidency, but it does not take part in G8 political discussions and cannot host or chair the annual summit.

### G-20 major economies

The Group of Twenty Finance Ministers and Central Bank Governors (G-20 major economies) is a forum for co-operation and consultation on matters pertaining to the international financial system. The 20 member economies comprise 19 countries plus the EU, which is represented by the President of the European Union and by the European Central Bank. The 19 countries are: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, Republic of Korea, Turkey, United Kingdom and the United States of America.

### Green Paper

A document published by the Commission to stimulate discussion on given topics at EU level. Green Papers invite the relevant parties (bodies or individuals) to participate in a consultation process and debate on the basis of the proposals they put forward. Green Papers may give rise to legislative developments that are then outlined in White Papers.

### infringement procedure

Each Member State is responsible for the implementation of EU law within its own legal system. The Commission is responsible for ensuring that EU law is correctly applied. Consequently, where a Member State fails to comply with EU law, the Commission has powers of its own to try to bring the infringement to an end and, where necessary, may refer the case to the European Court of Justice. The Commission takes whatever action it

deems appropriate in response to either a complaint or indications of infringements which it detects itself.

### Member State

A state that is party to the EU treaties and has taken on the privileges and obligations of EU membership. Being an EU Member State places a country under binding laws in exchange for representation in the EU's legislative and judicial institutions. Member States maintain much autonomy, including in the sectors of national military and foreign policy.

### motion of censure

The process by which the Parliament can dismiss an entire Commission. Adopting a motion of censure requires a two-thirds majority.

### principle of subsidiarity

The principle of subsidiarity is intended to ensure that decisions are made as closely as possible to the EU citizen and that constant checks are made as to whether action at EU level is justified in the light of the possibilities available at national, regional or local level.

### proportional representation

In the case of the European Parliament, the apportionment of seats is not strictly in accordance with the population of the Member States. At present, the number of seats allocated to each Member State is determined by the treaties.

### regulation

An EU legislative act that becomes immediately enforceable as law in all Member States simultaneously. Regulations can be adopted by means of a variety of legislative procedures depending on their subject matter.

### qualified majority voting (QMV)

The current voting system of the Council is defined in the Treaty of Nice. Member States have to cast their votes *en bloc* (i.e. a Member State may not split its vote), while different Member States have different voting weights. The Treaty of Lisbon stipulates that these voting arrangements will apply until 31 October 2014, when the 'double majority' system, which better reflects the size of Member State populations, will enter into force.

### state aid

Financial support given to national companies by Member States.

### small and medium-sized enterprises (SMEs); micro enterprises

The Commission uses the following figures to ascertain whether a business can be classified as a small, medium or micro enterprise:

| Enterprise category | Headcount | Turnover       | or | Balance sheet total |
|---------------------|-----------|----------------|----|---------------------|
| Medium-sized        | < 250     | ≤ € 50 million |    | ≤ € 43 million      |
| Small               | < 50      | ≤ € 10 million |    | ≤ € 10 million      |
| Micro               | < 10      | ≤ € 2 million  |    | ≤ € 2 million       |

## Appendices

### I. Directory of contacts and biographies

#### I.i The European Commission

*More details on the entries in **bold** can be found in section 1.ii.*

| Portfolio                                     | Commissioner               | Member State   |
|---|----------------------------|----------------|
| President                                     | <b>José Manuel Barroso</b> | Portugal       |
| First Vice-President                          | Catherine Ashton*          | United Kingdom |
| Vice-Presidents                               | <b>Joaquín Almunia</b>     | Spain          |
|   | Siim Kallas                | Estonia        |
|   | <b>Neelie Kroes</b>        | Netherlands    |
|   | Viviane Reding             | Luxembourg     |
|   | Maroš Šefčovič             | Slovakia       |
|   | Antonio Tajani             | Italy          |
| Agriculture and Rural Development             | Dacian Cioloş              | Romania        |
| Climate Action                                | Connie Hedegaard           | Denmark        |
| Competition                                   | <b>Joaquín Almunia</b>     | Spain          |
| Development                                   | Andris Piebalgs            | Latvia         |
| Digital Agenda                                | <b>Neelie Kroes</b>        | Netherlands    |
| Economic and Monetary Affairs                 | Olli Rehn                  | Finland        |
| Education, Culture, Multilingualism and Youth | <b>Androulla Vassiliou</b> | Cyprus         |
| Employment, Social Affairs and Inclusion      | <b>László Andor</b>        | Hungary        |
| Energy  | Günther Oettinger          | Germany        |
| Enlargement and European Neighbourhood Policy | Štefan Füle                | Czech Republic |
| Environment                                   | Janez Potočnik             | Slovenia       |
| Financial Programming and Budget              | Janusz Lewandowski         | Poland         |
| Health and Consumer Policy                    | John Dalli                 | Malta          |
| Home Affairs                                  | Cecilia Malmström          | Sweden         |

|  |                       |            |
|--|-----------------------|------------|
| Industry and Entrepreneurship                                    | Antonio Tajani        | Italy      |
| Inter-Institutional Relations and Administration                 | Maroš Šefčovič        | Slovakia   |
| Internal Market and Services                                     | Michel Barnier        | France     |
| International Co-operation, Humanitarian Aid and Crisis Response | Kristalina Georgieva  | Bulgaria   |
| Justice, Fundamental Rights and Citizenship                      | Viviane Reding        | Luxembourg |
| Maritime Affairs and Fisheries                                   | Maria Damanaki        | Greece     |
| Regional Policy  | Johannes Hahn         | Austria    |
| Research, Innovation and Science                                 | Máire Geoghegan-Quinn | Ireland    |
| Taxation and Customs Union, Audit and Anti-Fraud                 | Algirdas Šemeta       | Lithuania  |
| Trade  | <b>Karel De Gucht</b> | Belgium    |
| Transport  | Siim Kallas           | Estonia    |

\* See section 1.vi



## I.ii A-Z biographies of Commissioners with relevance to the audiovisual industry

### [Joaquín Almunia](#), Spain

Vice-President of the European Commission

European Commissioner for Competition



Joaquín Almunia joined the Commission in 2004, and is currently responsible for DG Competition. He was previously European Commissioner for Economic and Monetary Affairs.

Almunia was chief economist of the Spanish trade union affiliated to the Socialist Workers' Party (PSOE), from 1976 to 1979. He was an economist at the Council Bureau of the Spanish Chambers of Commerce in Brussels from 1972 to 1975.

Almunia was a PSOE Member of the Cortes Generales from 1979 to 2004, representing Madrid. He was Minister of Employment and Social Security from 1982 to 1986 and Minister of Public Administration from 1986 to 1991, and was PSOE spokesperson from 1994 to 1997. Almunia was the party leader from 1997 to 2000.

### [László Andor](#), Hungary

European Commissioner for Employment, Social Affairs and Inclusion



László Andor is a Hungarian economist and European Commissioner for Employment, Social Affairs and Inclusion. Since 2003 he has been a Member of the Board of the Economic Section of the Hungarian Socialist Party, and until early 2010 he was on the board of directors of the [European Bank for Reconstruction and Development](#), (EBRD), representing the Czech Republic, Croatia, Hungary and Slovakia.

### [José Manuel Barroso](#), Portugal

President of the European Commission



After graduating in law from the University of Lisbon, José Manuel Barroso completed a Diploma in European Studies and a Master's degree in Political Science at the University of Geneva.

His political career began in 1980 when he joined the Social Democratic Party (PSD). He was named President of the party in 1999 and re-elected three times.

During the same period, he served as Vice-President of the European People's Party. In April 2002, he was elected Prime Minister of Portugal. He remained in office until July 2004 when he became the eleventh, and current President of the European Commission.

[Karel De Gucht](#), Belgium

European Commissioner for Trade

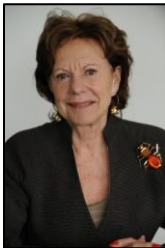


Before Karel De Gucht became the current European Commissioner for Trade, he had been the Commissioner for Development, the Belgian Minister of Foreign Affairs, and chairman of the Flemish Liberals and Democrats (VLD), a Belgian political party. De Gucht was a member of the Flemish Parliament from 1999 to 2003 and a member of the European Parliament 1995 to 1999.

[Neelie Kroes](#), Netherlands

Vice-President of the European Commission

European Commissioner for Digital Agenda



Neelie Kroes' political career began in the Rotterdam Municipal Council, and in 1971 she was elected as a Member of the Dutch Parliament. From 1982 to 1989 Kroes served as Minister for Transport, Public Works and Telecommunication in the Netherlands.

She was appointed President of Nyenrode University from 1991 to 2000, and served on various company boards. Prior to serving as European Commissioner for Competition from 2004 to 2009, Kroes worked as an advisor to numerous charity organisations.

In 2010 she became the European Commissioner for Digital Agenda.

[Androulla Vassiliou](#), Cyprus

European Commissioner for Education, Culture, Multilingualism and Youth



Androulla Vassiliou was elected to the House of Representatives of Cyprus in 1996, for the Movement of United Democrats, and re-elected in 2001 until 2006. During this time she served on the European Affairs Committee and the Joint Parliamentary Committee of Cyprus and the EU. She was also an Alternate Representative of the Cyprus to the European Convention which drew up the European Constitution, the

unratified precursor to the Treaty of Lisbon.

Between 2001 and 2006 she was Vice-President of the European Liberal Democrat and Reform Party, and the chairperson of the European Liberal Women's Network.

In 2008 Vassiliou was appointed as European Commissioner for Health. In February 2010 she was given the portfolio of Education, Culture, Multilingualism and Youth.

### **I.iii The European Parliament**

#### **President of the European Parliament**

[Jerzy Buzek](#) (Czech Republic)



Educated in Silesia and Poland, Jerzy Buzek is a Polish engineer, academic lecturer and politician. He was the Prime Minister of Poland from 1997-2001 and has been a member of the European Parliament since June 2004. In July 2009, he was elected President of the European Parliament, succeeding Hans-Gert Pöttering. He has pledged to make human rights and the promotion of the Eastern partnership two of his priorities during his term of office, which will last two and a half years until, due to a political deal, Social Democrat MEP Martin Schulz will take over.

#### I.iv Key Members of the European Parliament (MEPs)

##### [Jean-Marie Cavada](#)

Democratic Movement MEP for the Ile de France, France  
European People's Party



Jean-Marie Cavada had a successful media career before turning to politics, working as the director of several French television companies (France 2, France 3, TF1). He was also the CEO of FR5 (an educational channel) from 1994 to 1997, and of Radio France Overseas (RFO) from 1997 to 1998. He also held the role of Administrator of ARTE France's Supervisory Board (1998-2004) and Administrator at the French Press Agency (1998-2001).

Cavada was first elected as an MEP in 2004, and is currently a member of the Education and Culture Committee and a substitute member of the Legal Affairs Committee

He also chairs the European Parliament's Media Intergroup.

##### [Pilar del Castillo Vera](#)

Partido Popular MEP, Spain  
European People's Party



Pilar del Castillo Vera was the Minister for Education, Culture and Sport from 2000 to 2004, and was elected as a Granada Province representative to the national parliament in the 2004 general election. She resigned in July 2004 when she was elected to the European Parliament in the European elections.

Pilar del Castillo Vera is the rapporteur for the Digital Agenda for Europe, and Chair of the Board of Governors of the European Internet Foundation. She currently also holds the following posts in the Parliament:

- Member of the Committee on Industry, Research and Energy
- Member of the Delegation for Relations with India
- Substitute for the Committee on Economic and Monetary Affairs
- Substitute for the Delegation for relations with the Maghreb countries and the Arab Maghreb Union (including Libya).

### [Malcolm Harbour](#)

Conservative MEP for West Midlands, UK  
European Conservatives and Reformists



Malcolm Harbour became an active member of the Conservative Party in 1972, and became an MEP for the West Midlands region in 1999. Initially a member of the European People's Party - European Democrats Group (EPP - ED) he gained a position on the Committee on Internal Market and Consumer Protection, serving as the EPP-ED spokesman and co-ordinator.

Harbour was also delegated several other responsibilities in the Parliament, and has been active on the single market strategy and the communications framework legislation.

After the 2009 election, Harbour transferred to the new European Conservatives and Reformists Group (ECR). He was nominated by the ECR and then subsequently elected as the chairman of the Committee on Internal Market and Consumer Protection.

### [Mary Honeyball](#)

Labour MEP for Greater London, UK  
Group of the Progressive Alliance of Socialists and Democrats in the European Parliament



Mary Honeyball joined the Labour Party in the 1970s, and was first elected as an MEP in March 2000. Her current posts within the European Parliament are:

- Member of the Culture and Education Committee
- Member of the Women's Rights and Gender Equality Committee
- Substitute in the Regional Development Committee.

### [Emma McClarkin](#)

Conservative MEP for the East Midlands, UK  
European Conservatives and Reformists



Emma McClarkin's political career began with a role as Press Officer for the East Midlands Conservative MEPs, then as Political Advisor to Roger Helmer MEP in the European Parliament.

Emma is now one of five elected MEPs for the East Midlands region. Since elected Emma has been appointed Conservative Spokesperson and Co-ordinator on the Culture and Education and Sport Committee, and is a member of the Internal Market and Consumer Protection Committee and International Development Committee. She is also a member of the European Parliament's Media Intergroup.

### [Doris Pack](#)

Christian Democratic Union MEP for Saarland, Germany  
Group of the European People's Party



Doris Pack became a CDU MP in 1974, and a member of the Parliamentary Assembly of the Council of Europe in 1981. Pack was elected as an MEP in 1989, and has held various roles within the Parliament, including the Chair of the Franco-German Foundation for Cultural Cooperation, Vice Chair of the German Association of the European Foundation for Cultural Cooperation in Europe and a member of the ZDF Television Council.

Doris Pack currently holds the following posts in the Parliament:

- Chair of the Committee on Culture and Education
- Member of the Conference on Committee Chairs
- Member of the Delegation for relations with Albania, Bosnia and Herzegovina, Serbia, Montenegro and Kosovo
- Substitute on the Committee on Foreign Affairs
- Substitute on the Committee on Women's Rights and Gender Equality
- Substitute on the Delegation to EU-Croatia Joint Parliamentary Committee.

## Helga Trüpel

Group of the Greens/European Free Alliance, Germany



From 1987 to 1991, and 1995 to 2004 Helga Trüpel was a local councillor, and became an MEP and Vice-Chair of the Education and Culture Committee in 2004. She is currently the rapporteur for the Parliament's report on Europeana: *Europeana - the next steps*. In January 2010, she actively participated in a conference organised by [the Federation of European Films Directors](#) (FERA) focusing on cinema in the digital age.

## **I.v European Culture Committee members**

### **Chair**

Doris Pack, Germany

### **Vice chairs**

Lothar Bisky, Germany

Morten Løkkegaard, Sweden

Timo Soini, Finland

Helga Trüpel, Germany

### **UK members:**

Mary Honeyball

Emma McClarkin

### **Other members:**

Magdi Cristiano Allam, Italy

Maria Badia i Cutchet, Spain

Malika Benarab-Attou, France

Piotr Borys, Poland

Jean-Marie Cavada, France

Silvia Costa, Italy

Santiago Fisas Ayxela, Spain

Cătălin Sorin Ivan, Romania

Petra Kammerevert, Germany

Marek Henryk Migalski, Poland

Katarína Nevedalová, Slovakia

Chrysoula Paliadelis, Greece

Marie-Thérèse Sanchez-Schmid, France

Marietje Schaake, the Netherlands

Marco Scurria, Italy

Joanna Senyszyn, Poland

Emil Stoyanov, Bulgaria

Hannu Takkula, Finland

László Tökés, Romania

Corneliu Vadim Tudor, Romania

Gianni Vattimo, Italy

Marie-Christine Vergiat, France

Sabine Verheyen, Germany

Milan Zver, Slovakia



## I.vi The European Council

### President of the European Council

[Herman Van Rompuy](#) (Belgium)



Herman Van Rompuy was elected by the members of the European Council as the first permanent President of the European Council in November 2008. Until the Treaty of Lisbon, the position had rotated among the Prime Ministers of the Member States for six months each. The Presidency is now held for a period of two and a half years, renewable once. A politician of the Christian Democratic and Flemish party, he served as the 49th Prime Minister of Belgium from December 2008 to November 2009.

### High Representative of Foreign Affairs and Security Policy

[Catherine Ashton](#) (UK)



Baroness Catherine Ashton worked in the public, private and voluntary sectors and then chaired the Health Authority in Hertfordshire from 1998 to 2001. In 1999 Ashton became a life peer. She then took on the position of Parliamentary Under-Secretary of State in the Department for Education and Skills in 2001, and subsequently in the Department for Constitutional Affairs and Ministry of Justice. She became a Privy Councillor in May 2006.

Ashton was appointed Leader of the House of Lords and Lord President of the Queen's Privy Council in Gordon Brown's first Cabinet in June 2007. As well as Leader of the Lords, she took responsibility in the House of Lords for equalities issues. She took the Treaty of Lisbon to the UK's upper chamber.

Ashton was the European Commissioner for Trade from October 2008 to December 2009, and has since been appointed as the inaugural High Representative of the European Union for Foreign Affairs and Security Policy. The position presides over several European institutions, including the European Union Institute for Security Studies as the Chair of its Board.

## II. European Film Market statistical overview 2008

### European theatrical market overview

- In 2008, the population of the EU-27 countries stood at approximately 498 million compared with 304 million in the USA (Table 1.1)
- Despite a much larger population, total admissions in the EU-27 were fewer than in the USA: 925 million compared with 1,248 million (Table 1.2)
- USA box office gross (\$8,987 million) was also greater than the EU-27 total (\$8,123 million), as was the number of screens (38,834 in the USA against 29,225 in EU-27), though the EU-27 countries produced more films than the USA (1,142 in EU-27 compared with 520 in USA) (Table 1.2)
- New Member States since 2004 (Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia who joined in 2004 and Bulgaria and Romania who joined in 2007) accounted for 20.8% of the EU-27 population but only 8.5% of admissions (Table 1.1)
- France had the biggest box office gross in the EU in 2008 (\$1,678 million), and the highest number of admissions (189.7 million). The UK had both the second highest gross box office and second highest number of admissions (\$1,585 million box office and 164.2 million admissions) (Table 1.3)
- France was also the most prolific European film producer, with 196 titles in 2008, followed by Germany (151), Spain (150) and Italy (146). The UK produced 126 titles (including 27 inward features and 22 co-productions) (Table 1.3)
- New Member States produced a total of 151 films in 2008, 12.7% of the EU-27 total (Table 1.3)
- Of the five largest European film markets, France, UK and Germany all saw an increase in admissions from 2007 to 2008, whereas Italy and Spain saw falls. The strongest growth was seen in Romania (+29.7%), Slovakia (+21.2%) and Bulgaria (+14.2%) (Table 2.1)
- Overall, admissions across the EU-27 increased slightly, by 0.5%, compared with a fall of 2.6% in the USA
- Films from USA dominated the top 20 films at the EU-27 box office in 2008, though there were two completely European films (*Bienvenue chez les Ch'tis* and *Astérix aux jeux olympiques*) and five others (*Mamma Mia!*, *Quantum of Solace*, *The Dark Knight*, *The Mummy: Tomb of the Dragon Emperor* and *Wanted*) with European involvement (Table 2.2)

- UK films had a strong showing in the top 20 European films at the EU-25 box office in 2003. Eight of the top 20 films, including the top three, have UK involvement and they had a 55% share of total admissions for the top 20 films (Table 2.3)
- French films achieved the greatest home market share (45% in 2008), followed by the Czech Republic (40%) and Denmark (32%). The UK, in fourth place, saw its home market share increase from 29% in 2007 to 31% (Table 2.5)
- Outside its home market, the UK had its highest share of 2003 box office gross in Germany (19.6%), followed by Austria (18.2%) and Spain (17.6%) (Table 2.6)
- Latvia achieved the highest number of admission per screen in the EU-27 (47,093), well above the average (31,646). The UK was second highest with 45,491 (Table 3.1)
- Ireland had the highest average admissions per person (4.1) in Europe, followed by France (3.0). Ireland's average number of admissions per person was the same as in the USA (Table 3.1)
- Ireland had the highest screen density in Europe (9.9 screens per 100,000 population), while Romania had the lowest (0.6). The EU-27 average (5.9) was well below the US (13.0 screens per 100,000 population) (Table 3.1).
- Denmark had the highest average ticket price in Europe (€9.27), followed by Sweden (€8.57) and Finland (€7.94). The lowest prices were found in Eastern Europe (Table 3.2)
- The UK, at €6.50, had highest ticket price of the five largest European film markets (France, Germany, Italy, Spain and UK) (Table 3.2)
- France had the most digital screens in Europe by June 2009 (598), followed by the UK (432). The EU-27 total stood at 2,293 digital screens in 1,121 sites. All of the EU-27 countries now have at least one digital screen (Table 3.3).

## DVD

- Overall, the UK had the largest DVD market in Europe. In 2008, 333.2 million DVD and Blu-ray units were either rented or sold in the UK, 29% of the European total (of the 17 countries for which data are available). Germany had the second highest video market with 19% of the European total (Tables 4.1 and 4.2)
- The volume of DVD and Blu-ray sales rose slightly across Europe (over the 17 countries for which data are available) from 2007 to 2008 (at an average rate of 0.6%), compared with a fall of 7.4% in the USA (Table 4.1)

- The UK had the largest DVD and Blu-ray sales market in Europe with 38% of the Europe total (of the 17 countries for which data are available) (Table 4.1)
- The volume of DVD and Blu-ray rentals saw a fall across Europe from 2007 to 2008. The average rate of decline for Europe (over the 17 countries for which data are available) was 15.6% (compared with a 2.6% increase in the USA). The largest percentage falls were seen in Poland (-34.5%), France (-26.0%) and Sweden (-23.2%) (Table 4.2)
- Germany's rental DVD and Blu-ray market fell by 1.1% between 2007 and 2008, but it still had the largest rental market, accounting for 23.2% of the European total (of the 17 countries for which data are available)
- Italy had the highest estimated penetration of DVD hardware in TV households in Europe (the 17 countries for which data are available) at 94.3% of households (followed by Denmark with 91.5%). The corresponding percentage for the USA is 87.6%, which is the same as for The Netherlands, the country with sixth highest penetration in Europe (Table 4.3).

## Film on TV

- The UK broadcast the most films on TV in 2008 (23,362 on 29 channels), followed by Germany (22,430 on 16 channels) and France (19,420 on 21 channels) (Table 5.1).
- The UK broadcast the highest number of UK films as a percentage of all films broadcast (7%), followed by Ireland (5%), Finland (4%) and Belgium (4%).

## Tables

- 1.1: Population, GDP and admissions, 2008
- 1.2: Market Indicators, EU27 and USA 2008
- 1.3: Market Indicators, EU27 countries compared in 2008
- 1.4: Number of feature films produced in Europe, USA and Japan, 2004-2008
- 2.1: Admissions in millions 2004-2008, EU27 ranked by 2008 admissions
- 2.2: Top 20 films on release in Europe in 2008
- 2.3: Top 20 EU27 films on release in Europe in 2008
- 2.4: Top 20 UK films released in Europe 2005-2008
- 2.5: Domestic production share of admissions in home market in 2007 and 2008
- 2.6: UK market share in selected EU-27 countries in 2008
- 3.1: EU27 populations, screens and admissions, 2008
- 3.2: Average ticket price, EU-27 and USA, 2007 and 2008
- 3.3: Digital cinema screens in Europe, June 2009
- 4.1: Retail DVD and Blu-ray market in Europe

- 4.2: Rental DVD and Blu-ray market in Europe
- 4.3: Estimated penetration of DVD hardware in TV households in selected EU27 countries, 2007 and 2008
- 5.1: Number of films broadcast on TV 2006-2008

**Table 1.1: Population, GDP and admissions, 2008**

| Country        | Population<br>(million) | GDP<br>(€ billion) | Admissions<br>(million) | Admissions<br>(average per<br>person) |
|----------------|-------------------------|--------------------|-------------------------|---------------------------------------|
| Austria        | 8.3                     | 281.87             | 15.63                   | 1.9                                   |
| Belgium        | 10.7                    | 344.68             | 21.92                   | 2.1                                   |
| Bulgaria       | 7.6                     | 34.12              | 2.82                    | 0.4                                   |
| Cyprus         | 0.8                     | 17.25              | 0.87                    | 1.1                                   |
| Czech Republic | 10.4                    | 147.88             | 12.90                   | 1.2                                   |
| Germany        | 82.2                    | 2,495.80           | 129.40                  | 1.6                                   |
| Denmark        | 5.5                     | 233.03             | 13.12                   | 2.4                                   |
| Estonia        | 1.3                     | 16.07              | 1.63                    | 1.2                                   |
| Spain          | 45.3                    | 1,088.50           | 107.81                  | 2.4                                   |
| Finland        | 5.3                     | 184.73             | 6.86                    | 1.3                                   |
| France         | 64.0                    | 1,950.09           | 189.71                  | 3.0                                   |
| UK             | 61.2                    | 1,818.95           | 164.22                  | 2.7                                   |
| Greece         | 11.2                    | 239.14             | 11.83                   | 1.1                                   |
| Hungary        | 10.0                    | 105.54             | 10.35                   | 1.0                                   |
| Ireland        | 4.4                     | 181.81             | 18.23                   | 4.1                                   |
| Italy          | 59.6                    | 1,572.24           | 111.60                  | 1.9                                   |
| Lithuania      | 3.4                     | 32.20              | 3.38                    | 1.0                                   |
| Luxembourg     | 0.5                     | 39.35              | 1.13                    | 2.3                                   |
| Latvia         | 2.3                     | 23.16              | 2.35                    | 1.0                                   |
| Malta          | 0.4                     | 5.70               | 0.99                    | 2.4                                   |
| Netherlands    | 16.4                    | 595.88             | 23.51                   | 1.4                                   |
| Poland         | 38.1                    | 362.42             | 33.75                   | 0.9                                   |
| Portugal       | 10.6                    | 166.44             | 15.98                   | 1.5                                   |
| Romania        | 21.5                    | 139.75             | 3.80                    | 0.2                                   |
| Sweden         | 9.2                     | 328.09             | 15.25                   | 1.7                                   |
| Slovenia       | 2.0                     | 37.14              | 2.42                    | 1.2                                   |
| Slovakia       | 5.4                     | 64.78              | 3.36                    | 0.6                                   |
| EU27           | 497.6                   | 12,506.78          | 924.84                  | 1.9                                   |
| USA            | 304.4                   | 9,818.74           | 1,248.20                | 4.1                                   |

*Sources: European Audiovisual Observatory (EAO), Screen Digest, Eurostat, US Census Bureau*

**Table 1.2: Market Indicators, EU27 and USA 2008**

|      | Population<br>(million) | Admissions<br>(million) | Box Office<br>Gross (\$m) | Screens | Films<br>produced |
|------|-------------------------|-------------------------|---------------------------|---------|-------------------|
| EU27 | 497.6                   | 924.8                   | 8,123.0                   | 29,225  | 1,142             |
| USA  | 304.4                   | 1,248.2                 | 8,987.1                   | 38,834  | 520               |

*Sources: Screen Digest, European Audiovisual Observatory, US Census Bureau, Eurostat*

Table 1.3: Market Indicators, EU27 countries compared in 2008

| Box office rank | Country        | Population (million) | Admissions (million) | Box Office Gross (\$million) | Box Office Gross (€ million) | No of screens | No of films produced |
|-----------------|----------------|----------------------|----------------------|------------------------------|------------------------------|---------------|----------------------|
| 3               | Germany        | 82.2                 | 129.40               | 1,170.3                      | 794.7                        | 4,810         | 151                  |
| 1               | France         | 64.0                 | 189.71               | 1,677.9                      | 1,139.4                      | 5,418         | 196                  |
| 2               | UK             | 61.2                 | 164.22               | 1,584.5                      | 1,067.4                      | 3,610         | 126                  |
| 5               | Italy          | 59.6                 | 111.60               | 874.3                        | 644.5                        | 4,136         | 146                  |
| 4               | Spain          | 45.3                 | 107.81               | 912.0                        | 619.3                        | 4,140         | 150                  |
| 7               | Poland         | 38.1                 | 33.75                | 207.9                        | 155.3                        | 1,043         | 33                   |
| 18              | Romania        | 21.5                 | 3.80                 | 21.0                         | 14.4                         | 136           | 11                   |
| 6               | Netherlands    | 16.4                 | 23.51                | 243.1                        | 165.1                        | 649           | 44                   |
| 13              | Greece         | 11.2                 | 11.83                | 138.0                        | 93.9                         | 524           | 29                   |
| 10              | Belgium        | 10.7                 | 21.92                | 183.2                        | 128.0                        | 491           | 46                   |
| 14              | Portugal       | 10.6                 | 15.98                | 102.9                        | 69.9                         | 572           | 15                   |
| 16              | Czech Republic | 10.4                 | 12.90                | 71.4                         | 48.8                         | 689           | 34                   |
| 17              | Hungary        | 10.0                 | 10.35                | 56.9                         | 39.5                         | 407           | 26                   |
| 8               | Sweden         | 9.2                  | 15.25                | 189.8                        | 130.6                        | 848           | 34                   |
| 12              | Austria        | 8.3                  | 15.63                | 142.7                        | 104.3                        | 579           | 27                   |
| 25              | Bulgaria       | 7.6                  | 2.82                 | 10.1                         | 9.8                          | 94            | 5                    |
| 11              | Denmark        | 5.5                  | 13.12                | 178.3                        | 121.7                        | 397           | 24                   |
| 19              | Slovakia       | 5.4                  | 3.36                 | 17.2                         | 11.8                         | 235           | 7                    |
| 15              | Finland        | 5.3                  | 6.86                 | 80.3                         | 54.5                         | 313           | 13                   |
| 9               | Ireland        | 4.4                  | 18.23                | 185.7                        | 126.1                        | 435           | 39                   |
| 20              | Lithuania      | 3.4                  | 3.38                 | 17.0                         | 11.8                         | 80            | 6                    |
| 21              | Latvia         | 2.3                  | 2.35                 | 14.4                         | 9.8                          | 50            | 5                    |

|    |            |     |      |      |      |     |    |
|----|------------|-----|------|------|------|-----|----|
| 22 | Slovenia   | 2.0 | 2.42 | 14.1 | 9.6  | 110 | 12 |
| 24 | Estonia    | 1.3 | 1.63 | 10.7 | 7.3  | 67  | 11 |
| 26 | Cyprus     | 0.8 | 0.87 | 8.4  | 6.0  | 31  | 1  |
| 23 | Luxembourg | 0.5 | 1.13 | 11.1 | n.c. | 33  | 2  |
|    | Malta      | 0.4 | 0.99 | ~    | ~    | 38  | ~  |

*Sources: European Audiovisual Observatory, Screen Digest, Eurostat, UK Film Council*

~ Data not available



**Table 1.4: Number of feature films produced in Europe, USA and Japan, 2004-2008**

|       | 2004 | 2005 | 2006  | 2007  | 2008  |
|-------|------|------|-------|-------|-------|
| EU27  | 860  | 917  | 1,046 | 1,045 | 1,142 |
| USA   | 611  | 699  | 673   | 656   | 520   |
| Japan | 310  | 356  | 417   | 407   | 418   |

*Source: European Audiovisual Observatory*

Table 2.1: Admissions in millions 2004-2008, EU27 ranked by 2008 admissions

| Country        | 2004  | 2005  | 2006  | 2007  | 2008  | 2007/08<br>% change |
|----------------|-------|-------|-------|-------|-------|---------------------|
| France         | 195.5 | 175.5 | 188.8 | 177.9 | 189.7 | 6.7%                |
| UK             | 171.3 | 164.7 | 156.6 | 162.4 | 164.2 | 1.1%                |
| Germany        | 156.7 | 127.3 | 136.7 | 125.4 | 129.4 | 3.2%                |
| Italy          | 116.3 | 105.6 | 106.1 | 116.4 | 111.6 | -4.1%               |
| Spain          | 143.9 | 127.7 | 121.7 | 116.9 | 107.8 | -7.8%               |
| Poland         | 33.4  | 23.6  | 32.0  | 32.6  | 33.8  | 3.4%                |
| Netherlands    | 23.0  | 20.6  | 23.4  | 23.1  | 23.5  | 2.0%                |
| Belgium        | 24.1  | 22.1  | 23.9  | 22.7  | 21.9  | -3.3%               |
| Ireland        | 17.3  | 16.4  | 17.9  | 18.4  | 18.2  | -0.7%               |
| Portugal       | 17.1  | 15.8  | 16.4  | 16.3  | 16.0  | -2.1%               |
| Austria        | 19.4  | 15.7  | 17.3  | 15.7  | 15.6  | -0.4%               |
| Sweden         | 16.6  | 14.6  | 15.3  | 14.9  | 15.2  | 2.1%                |
| Denmark        | 12.8  | 12.2  | 12.6  | 12.1  | 13.1  | 8.2%                |
| Czech Republic | 12.0  | 9.5   | 11.5  | 12.8  | 12.9  | 0.5%                |
| Greece         | 12.0  | 12.7  | 12.8  | 13.8  | 11.8  | -13.9%              |
| Hungary        | 13.7  | 12.1  | 11.7  | 11.1  | 10.4  | -6.9%               |
| Finland        | 6.9   | 6.1   | 6.7   | 6.5   | 6.9   | 5.3%                |
| Romania        | 4.0   | 2.8   | 2.8   | 2.9   | 3.8   | 29.7%               |
| Lithuania      | 1.5   | 1.2   | 2.5   | 3.3   | 3.4   | 1.7%                |
| Slovakia       | 2.9   | 2.2   | 3.4   | 2.8   | 3.4   | 21.2%               |
| Bulgaria       | 3.1   | 2.4   | 2.4   | 2.5   | 2.8   | 14.2%               |
| Slovenia       | 3.0   | 2.4   | 2.7   | 2.4   | 2.4   | 0.5%                |
| Latvia         | 1.7   | 1.7   | 2.1   | 2.4   | 2.4   | -2.7%               |
| Estonia        | 1.2   | 1.1   | 1.6   | 1.6   | 1.6   | 0.2%                |
| Luxembourg     | 1.4   | 1.2   | 1.3   | 1.2   | 1.1   | -1.6%               |
| Malta          | 1.0   | 1.0   | 0.9   | 1.0   | 1.0   | -1.0%               |
| Cyprus         | 1.0   | 0.8   | 0.8   | 0.9   | 0.9   | 0.3%                |

Source: European Audiovisual Observatory

Table 2.2: Top 20 films on release in Europe in 2008

|    | Title   | Country of Origin | Year | Admissions |
|----|---|-------------------|------|------------|
| 1  | <i>Mamma Mia!</i>   | USA/UK            | 2008 | 33,790,643 |
| 2  | <i>Quantum of Solace</i>                                  | UK/USA            | 2008 | 27,486,233 |
| 3  | <i>Indiana Jones and the Kingdom of the Crystal Skull</i> | USA               | 2008 | 26,562,497 |
| 4  | <i>Madagascar: Escape 2 Africa</i>                        | USA               | 2008 | 25,045,775 |
| 5  | <i>The Dark Knight</i>                                    | USA/UK            | 2008 | 24,563,377 |
| 6  | <i>Bienvenue chez les Ch'tis</i>                          | FR                | 2008 | 24,241,611 |
| 7  | <i>Kung Fu Panda</i>                                      | USA               | 2008 | 22,107,540 |
| 8  | <i>Hancock</i>  | USA               | 2008 | 20,597,392 |
| 9  | <i>WALL·E</i>   | USA               | 2008 | 18,986,623 |
| 10 | <i>Sex and the City</i>                                   | USA               | 2008 | 16,450,032 |
| 11 | <i>High School Musical 3: Senior Year</i>                 | USA               | 2008 | 14,676,000 |
| 12 | <i>Astérix aux jeux olympiques</i>                        | FR/DE/ES/IT       | 2008 | 13,542,137 |
| 13 | <i>The Chronicles of Narnia: Prince Caspian</i>           | UK/USA            | 2008 | 13,434,375 |
| 14 | <i>The Mummy: Tomb of the Dragon Emperor</i>              | USA/DE            | 2008 | 11,665,266 |
| 15 | <i>Iron Man</i>   | USA               | 2008 | 10,538,010 |
| 16 | <i>National Treasure: Book of Secrets</i>                 | USA               | 2007 | 9,927,165  |
| 17 | <i>Horton Hears a Who!</i>                                | USA               | 2008 | 9,575,680  |
| 18 | <i>I Am Legend</i>  | USA               | 2007 | 9,157,861  |
| 19 | <i>Wanted</i>   | USA/DE/RU         | 2008 | 7,962,334  |
| 20 | <i>What Happens in Vegas</i>                              | USA               | 2008 | 7,866,430  |

Source: European Audiovisual Observatory

Note: Based on data from 25 European countries including Switzerland, Croatia, Norway and Turkey. UK admissions are estimated using an average ticket price.

Table 2.3: Top 20 EU27 films on release in Europe in 2008

|    | Title   | Country of origin | Year | Admissions |
|----|---|-------------------|------|------------|
| 1  | <i>Mamma Mia!</i>                                     | USA/UK            | 2008 | 33,790,643 |
| 2  | <i>Quantum of Solace</i>                              | UK/USA            | 2008 | 27,486,233 |
| 3  | <i>The Dark Knight</i>                                | USA/UK            | 2008 | 24,563,377 |
| 4  | <i>Bienvenue chez les Ch'tis</i>                      | FR                | 2008 | 24,241,611 |
| 5  | <i>Astérix aux jeux olympiques</i>                    | FR/DE/ES/IT       | 2008 | 13,542,137 |
| 6  | <i>The Chronicles of Narnia: Prince Caspian</i>       | UK/USA            | 2008 | 13,434,375 |
| 7  | <i>The Mummy: Tomb of the Dragon Emperor</i>          | USA/DE            | 2008 | 11,665,266 |
| 8  | <i>Wanted</i>   | USA/DE/RU         | 2007 | 7,962,334  |
| 9  | <i>Burn After Reading</i>                             | USA               | 2008 | 7,777,339  |
| 10 | <i>10,000 BC</i>                                      | USA/UK            | 2008 | 7,610,036  |
| 11 | <i>Juno</i>   | USA/CA/HU         | 2008 | 6,113,819  |
| 12 | <i>Sweeney Todd: The Demon Barber of Fleet Street</i> | UK/USA            | 2008 | 5,920,022  |
| 13 | <i>Vicky Cristina Barcelona</i>                       | USA/ES            | 2008 | 5,294,935  |
| 14 | <i>Keinohrhasen</i>                                   | DE                | 2007 | 5,253,531  |
| 15 | <i>Tropic Thunder</i>                                 | USA/DE            | 2008 | 4,979,155  |
| 16 | <i>Recep Ivedik</i>                                   | TR                | 2008 | 4,692,195  |
| 17 | <i>Rambo</i>  | USA/DE            | 2008 | 4,231,253  |
| 18 | <i>Hellboy II: The Golden Army</i>                    | USA/UK            | 2008 | 4,149,503  |
| 19 | <i>Earth</i>  | UK/DE             | 2007 | 3,985,663  |
| 20 | <i>A.R.O.G.</i>                                       | TR                | 2008 | 3,770,751  |

Source: European Audiovisual Observatory

Note: Based on data from 25 European countries including Switzerland, Croatia, Norway and Turkey

UK admissions are estimated using an average ticket price.

Table 2.4: Top 20 UK films released in Europe 2005-2008

|    | Title   | Country of Origin | Year | Admissions |
|----|---|-------------------|------|------------|
| 1  | <i>Harry Potter and the Goblet of Fire</i>                  | UK/USA            | 2005 | 41,130,450 |
| 2  | <i>Harry Potter and the Order of the Phoenix</i>            | UK/USA            | 2007 | 38,675,452 |
| 3  | <i>The Da Vinci Code</i>                                    | USA/UK            | 2006 | 36,240,018 |
| 4  | <i>Mamma Mia!</i>   | USA/UK            | 2008 | 33,790,643 |
| 5  | <i>Star Wars: Episode III - Revenge of the Sith</i>         | USA/UK            | 2005 | 33,032,427 |
| 6  | <i>Quantum of Solace</i>                                    | UK/USA            | 2008 | 27,486,233 |
| 7  | <i>Casino Royale</i>  | UK/USA/DE/CZ      | 2006 | 26,086,925 |
| 8  | <i>The Dark Knight</i>                                      | USA/UK            | 2008 | 24,563,377 |
| 9  | <i>Charlie and the Chocolate Factory</i>                    | UK/USA            | 2005 | 20,814,729 |
| 10 | <i>Mr. Bean's Holiday</i>                                   | UK/FR/DE/USA      | 2007 | 15,524,853 |
| 11 | <i>The Golden Compass</i>                                   | USA/UK            | 2007 | 14,632,030 |
| 12 | <i>The Chronicles of Narnia: Prince Caspian</i>             | UK/USA            | 2005 | 13,434,375 |
| 13 | <i>Wallace &amp; Gromit in The Curse of the Were-Rabbit</i> | UK/USA            | 2005 | 13,081,836 |
| 14 | <i>The Bourne Ultimatum</i>                                 | USA/UK/DE         | 2007 | 12,897,874 |
| 15 | <i>Kingdom of Heaven</i>                                    | UK/DE/ES/USA      | 2005 | 12,147,000 |
| 16 | <i>Sahara</i>   | USA/UK/DE/ES      | 2005 | 10,919,744 |
| 17 | <i>Batman Begins</i>  | USA/UK            | 2005 | 10,808,180 |
| 18 | <i>La Môme</i>  | FR/CZ/UK          | 2007 | 7,907,116  |
| 19 | <i>10,000 BC</i>  | USA/UK            | 2008 | 7,610,036  |
| 20 | <i>The Interpreter</i>                                      | USA/UK/FR         | 2005 | 7,565,928  |

Source: European Audiovisual Observatory

**Table 2.5: Domestic production share of admissions in home market in 2007 and 2008 (ranked by 2008 share)**

| Country        |   | 2007 (%) | 2008 (%) | 2007/08 change (%) |
|----------------|---|----------|----------|--------------------|
| France         | b | 36.5     | 45.4     | 24.4               |
| Czech Republic | b | 35.2     | 39.6     | 12.6               |
| Denmark        | b | 25.6     | 32.3     | 26.2               |
| UK             | a | 28.5     | 31.1     | 9.0                |
| Italy (3)      | b | 29.3     | 28.2     | -3.6               |
| Germany        | b | 18.9     | 26.6     | 40.7               |
| Poland         | b | 24.7     | 24.1     | -2.5               |
| Finland        | b | 20.0     | 23.2     | 16.0               |
| Sweden         | b | 21.6     | 20.2     | -6.5               |
| Netherlands    | b | 13.5     | 17.9     | 32.6               |
| Spain          | b | 13.5     | 13.2     | -2.4               |
| Hungary        | b | 13.0     | 11.4     | -12.3              |
| Estonia (2)    | a | 15.4     | 7.6      | -50.6              |
| Austria        | b | 1.9      | 5.6      | 196.8              |
| Latvia         | b | 7.4      | 5.0      | -32.4              |
| Belgium (1)    | b | 2.9      | 4.7      | 62.1               |
| Slovenia       | b | 5.7      | 4.3      | -24.6              |
| Romania        | b | 4.8      | 3.6      | -25.0              |
| Portugal       | a | 2.8      | 2.5      | -9.4               |
| Lithuania      | b | 2.6      | 2.4      | -7.7               |
| Luxembourg     | b | 0.2      | ~        | ~                  |
| USA            | a | 90.0     | 91.5     | 1.6                |

*Source: European Audiovisual Observatory*

~ data not available

a: market share of gross box-office.

b: market share of admissions.

(1): Figures refer to Brussels region only. Co-productions with US are counted as US films

(2): First release films only

(3): Data are Observatory estimates based on Cinetel data.

Table 2.6: UK market share in selected EU-27 countries in 2008

| Country | Box office for UK films (£m) | UK share (%) |
|---------|------------------------------|--------------|
| Germany | 149.4                        | 19.6         |
| France  | 19.6m (admissions)           | 10.8         |
| UK      | 291.2                        | 31.1         |
| Spain   | 107.6                        | 17.6         |
| Austria | 18.7                         | 18.2         |

*Source: UK Film Council*

Table 3.1: EU27 populations, screens and admissions, 2008

| Country        | Population (millions) | Admissions (millions) | Admissions per screen | Screens | Admissions per person | Screens per 100k pop |
|----------------|-----------------------|-----------------------|-----------------------|---------|-----------------------|----------------------|
| Austria        | 8.3                   | 16                    | 27,001                | 579     | 1.9                   | 7.0                  |
| Belgium        | 10.7                  | 22                    | 44,649                | 491     | 2.1                   | 4.6                  |
| Bulgaria       | 7.6                   | 3                     | 30,035                | 94      | 0.4                   | 1.2                  |
| Cyprus         | 0.8                   | 1                     | 28,022                | 31      | 1.1                   | 3.9                  |
| Czech Republic | 10.4                  | 13                    | 18,718                | 689     | 1.2                   | 6.6                  |
| Germany        | 82.2                  | 129                   | 26,901                | 4,810   | 1.6                   | 5.9                  |
| Denmark        | 5.5                   | 13                    | 33,045                | 397     | 2.4                   | 7.3                  |
| Estonia        | 1.3                   | 2                     | 24,343                | 67      | 1.2                   | 5.0                  |
| Spain          | 45.3                  | 108                   | 26,042                | 4,140   | 2.4                   | 9.1                  |
| Finland        | 5.3                   | 7                     | 21,927                | 313     | 1.3                   | 5.9                  |
| France         | 64.0                  | 190                   | 35,015                | 5,418   | 3.0                   | 8.5                  |
| UK             | 61.2                  | 164                   | 45,491                | 3,610   | 2.7                   | 5.9                  |
| Greece         | 11.2                  | 12                    | 22,574                | 524     | 1.1                   | 4.7                  |
| Hungary        | 10.0                  | 10                    | 25,436                | 407     | 1.0                   | 4.1                  |
| Ireland        | 4.4                   | 18                    | 41,906                | 435     | 4.1                   | 9.9                  |
| Italy          | 59.6                  | 112                   | 26,982                | 4,136   | 1.9                   | 6.9                  |
| Lithuania      | 3.4                   | 3                     | 42,204                | 80      | 1.0                   | 2.4                  |
| Luxembourg     | 0.5                   | 1                     | 34,385                | 33      | 2.3                   | 6.8                  |
| Latvia         | 2.3                   | 2                     | 47,093                | 50      | 1.0                   | 2.2                  |
| Malta          | 0.4                   | 1                     | 26,053                | 38      | 2.4                   | 9.3                  |
| Netherlands    | 16.4                  | 24                    | 36,232                | 649     | 1.4                   | 4.0                  |
| Poland         | 38.1                  | 34                    | 32,360                | 1,043   | 0.9                   | 2.7                  |
| Portugal       | 10.6                  | 16                    | 27,936                | 572     | 1.5                   | 5.4                  |



|          |       |      |        |        |     |      |
|----------|-------|------|--------|--------|-----|------|
| Romania  | 21.5  | 4    | 27,923 | 136    | 0.2 | 0.6  |
| Sweden   | 9.2   | 15   | 17,981 | 848    | 1.7 | 9.2  |
| Slovenia | 2.0   | 2    | 21,982 | 110    | 1.2 | 5.5  |
| Slovakia | 5.4   | 3    | 14,306 | 235    | 0.6 | 4.4  |
| EU-27    | 497.6 | 925  | 31,646 | 29,225 | 1.9 | 5.9  |
| USA      | 304.4 | 1248 | 31,619 | 39,476 | 4.1 | 13.0 |

*Sources: European Audiovisual Observatory, Screen Digest, Eurostat, US Census Bureau*

Table 3.2: Average ticket price, EU-27 and USA, 2007 and 2008

| Country        | Average price 2007 (€) | Average price 2008 (€) |
|----------------|------------------------|------------------------|
| Austria        | 6.72                   | 6.67                   |
| Belgium        | 5.71                   | 5.84                   |
| Bulgaria       | 2.71                   | 3.47                   |
| Cyprus         | 6.54                   | 6.87                   |
| Czech Republic | 3.37                   | 3.79                   |
| Germany        | 6.04                   | 6.14                   |
| Denmark        | 9.12                   | 9.27                   |
| Estonia        | 4.38                   | 4.47                   |
| Spain          | 5.51                   | 5.74                   |
| Finland        | 7.80                   | 7.94                   |
| France         | 5.95                   | 6.01                   |
| UK (€)         | 7.39                   | 6.50                   |
| UK (£)         | 5.05                   | 5.18                   |
| Greece         | 6.28                   | 7.48                   |
| Hungary        | 3.49                   | 3.82                   |
| Ireland        | 6.64                   | 6.92                   |
| Italy          | 5.76                   | 5.78                   |
| Lithuania      | 3.14                   | 3.50                   |
| Luxembourg     | 6.50                   | 6.67                   |
| Latvia         | 3.68                   | 4.17                   |
| Malta          | 4.90                   | ~                      |
| Netherlands    | 6.92                   | 7.02                   |
| Poland         | 3.90                   | 4.60                   |
| Portugal       | 4.24                   | 4.37                   |
| Romania        | 3.52                   | 3.78                   |
| Sweden         | 8.55                   | 8.57                   |
| Slovenia       | 4.04                   | 3.97                   |
| Slovakia       | 3.00                   | 3.50                   |
| EU-27          | 6.06                   | 6.04                   |
| USA (euro)     | 5.02                   | 4.88                   |
| USA \$         | 6.8                    | 7.2                    |

Sources: European Audiovisual Observatory, Screen Digest, UK Film Council

**Table 3.3: Digital cinema screens in Europe, June 2009**

| Country        | Sites | Screens |
|----------------|-------|---------|
| Austria        | 40    | 128     |
| Belgium        | 18    | 114     |
| Bulgaria       | 9     | 19      |
| Cyprus         | 1     | 1       |
| Czech Republic | 21    | 25      |
| Germany        | 105   | 208     |
| Denmark        | 13    | 15      |
| Estonia        | 1     | 2       |
| Spain          | 107   | 162     |
| Finland        | 18    | 27      |
| France         | 150   | 598     |
| UK             | 267   | 432     |
| Greece         | 11    | 15      |
| Hungary        | 15    | 20      |
| Ireland        | 15    | 47      |
| Italy          | 132   | 183     |
| Lithuania      | 3     | 4       |
| Luxembourg     | 5     | 22      |
| Latvia         | 1     | 2       |
| Malta          | 1     | 2       |
| Netherlands    | 48    | 77      |
| Poland         | 64    | 82      |
| Portugal       | 39    | 51      |
| Romania        | 7     | 24      |
| Sweden         | 17    | 20      |
| Slovenia       | 9     | 9       |
| Slovakia       | 4     | 4       |
| EU-27 total    | 1,121 | 2,293   |

*Source: European Audiovisual Observatory*

**Table 4.1: Retail DVD and Blu-ray market in Europe (ranked by 2008 figures)**

| Country        | 2007<br>(million units) | 2008<br>(million units) | 2007/08 +/- (%) |
|----------------|-------------------------|-------------------------|-----------------|
| UK             | 248.9                   | 256.7                   | 3.1             |
| Germany        | 103.6                   | 103.0                   | -0.6            |
| France         | 88.1                    | 87.2                    | -1.1            |
| Netherlands    | 35.3                    | 35.1                    | -0.4            |
| Italy          | 37.6                    | 32.7                    | -13.1           |
| Sweden         | 25.1                    | 27.6                    | 10.1            |
| Spain          | 30.0                    | 25.0                    | -16.6           |
| Belgium        | 23.9                    | 24.2                    | 1.0             |
| Denmark        | 17.4                    | 19.3                    | 10.6            |
| Ireland        | 12.7                    | 13.6                    | 7.6             |
| Finland        | 12.0                    | 12.6                    | 4.8             |
| Austria        | 11.4                    | 11.7                    | 3.1             |
| Poland         | 8.3                     | 8.5                     | 3.0             |
| Portugal       | 6.7                     | 7.4                     | 9.3             |
| Hungary        | 3.4                     | 3.5                     | 4.3             |
| Czech Republic | 3.0                     | 3.3                     | 13.0            |
| Greece         | 0.5                     | 0.5                     | -3.1            |
| Total          | 667.8                   | 671.8                   | 0.6             |
| USA            | 1,095.8                 | 1,014.5                 | -7.4            |

*Source: European Audiovisual Observatory*

Note: In 2007 Blu-ray accounted for 0.3% of the total DVD and Blu-ray retail market of the European countries shown  
In 2008 Blu-ray accounted for 1.4% of the total DVD and Blu-ray retail market of the European countries shown  
In 2007 Blu-ray accounted for 0.5% of the total DVD and Blu-ray retail market of the USA  
In 2008 Blu-ray accounted for 2.2% of the total DVD and Blu-ray retail market of the USA

Table 4.2: Rental DVD and Blu-ray market in Europe (ranked by 2008 figures)

| Country        | 2007<br>(million units) | 2008<br>(million units) | 2007/08 +/- (%) |
|----------------|-------------------------|-------------------------|-----------------|
| Germany        | 108.7                   | 107.5                   | -1.1            |
| UK             | 98.0                    | 76.5                    | -21.9           |
| Spain          | 85.6                    | 69.1                    | -19.3           |
| Italy          | 75.2                    | 60.2                    | -20.0           |
| Sweden         | 34.7                    | 26.6                    | -23.2           |
| France         | 35.0                    | 25.9                    | -26.0           |
| Belgium        | 20.9                    | 20.8                    | -0.6            |
| Netherlands    | 24.6                    | 20.0                    | -19.0           |
| Ireland        | 14.5                    | 14.2                    | -2.4            |
| Portugal       | 15.4                    | 11.9                    | -22.7           |
| Denmark        | 11.7                    | 10.2                    | -12.7           |
| Finland        | 6.2                     | 5.8                     | -7.0            |
| Austria        | 6.5                     | 5.2                     | -19.7           |
| Greece         | 5.2                     | 4.6                     | -11.9           |
| Hungary        | 3.8                     | 3.0                     | -20.8           |
| Poland         | 3.6                     | 2.3                     | -34.5           |
| Czech Republic | 0.0                     | 0.0                     |                 |
| Total          | 549.7                   | 463.8                   | -15.6           |
| USA            | 2,458.2                 | 2,523.0                 | 2.6             |

Source: European Audiovisual Observatory

Note: In 2007 Blu-ray accounted for 0.04% of the total DVD and Blu-ray rental market of the European countries shown  
In 2008 Blu-ray accounted for 0.5% of the total DVD and Blu-ray rental market of the European countries shown  
In 2007 Blu-ray accounted for 0.5% of the total DVD and Blu-ray rental market of the USA  
In 2008 Blu-ray accounted for 3.4% of the total DVD and Blu-ray rental market of the USA

**Table 4.3: Estimated penetration of DVD hardware in TV households in selected EU27 countries, 2007 and 2008 (ranked by 2008 %)**

| Country        | 2007 (%) | 2008 (%) |
|----------------|----------|----------|
| Italy          | 88.4     | 94.3     |
| Denmark        | 89.0     | 91.5     |
| Ireland        | 86.7     | 90.8     |
| UK             | 86.1     | 89.7     |
| Sweden         | 81.3     | 88.6     |
| Netherlands    | 86.5     | 87.6     |
| Portugal       | 75.2     | 84.0     |
| Spain          | 75.2     | 79.1     |
| France         | 74.7     | 77.6     |
| Germany        | 72.5     | 73.7     |
| Belgium        | 69.8     | 72.0     |
| Austria        | 63.7     | 67.2     |
| Hungary        | 50.4     | 53.7     |
| Finland        | 50.4     | 53.5     |
| Greece         | 48.0     | 52.2     |
| Czech Republic | 37.9     | 41.1     |
| Poland         | 34.7     | 40.1     |
| USA            | 84.3     | 87.6     |

*Source: European Audiovisual Observatory*

Table 5.1: Number of films broadcast on TV 2006-2008 (ranked by number of channels in 2008)

|             | 2006           |             |                | 2007           |             |                | 2008           |             |                |
|-------------|----------------|-------------|----------------|----------------|-------------|----------------|----------------|-------------|----------------|
| Country     | No of channels | No of films | No of UK films | No of channels | No of films | No of UK films | No of channels | No of films | No of UK films |
| UK          | 31             | 22,674      | 2,332          | 28             | 17,508      | 1823           | 29             | 23,362      | 1604           |
| France      | 21             | 21,183      | 965            | 21             | 18,917      | 506            | 21             | 19,420      | 498            |
| Germany     | 16             | 15,889      | 856            | 16             | 21,905      | 814            | 16             | 22,430      | 797            |
| Belgium     | 13             | 14,541      | 392            | 13             | 14,179      | 411            | 13             | 14,897      | 540            |
| Netherlands | 9              | 1,203       | 24             | 9              | 1,323       | 18             | 9              | 1,421       | 14             |
| Sweden      | 8              | 14,068      | 572            | 7              | 10,764      | 355            | 8              | 10,808      | 360            |
| Spain       | ~              | ~           | ~              | 7              | 4,396       | 59             | 7              | 4,100       | 71             |
| Italy       | 7              | 3,913       | 123            | 7              | 3,553       | 102            | 7              | 3,583       | 64             |
| Denmark     | 6              | 2,507       | 74             | 6              | 2,859       | 68             | 6              | 2,987       | 48             |
| Finland     | 4              | 1,302       | 44             | 4              | 1,286       | 44             | 4              | 1,385       | 53             |
| Austria     | 3              | 2,078       | 32             | 3              | 2,130       | 47             | 3              | 2,078       | 58             |
| Ireland     | 3              | 1,449       | 104            | 2              | 1,320       | 81             | 2              | 1,253       | 63             |
| Luxembourg  | ~              | ~           | ~              | 1              | 1           | 0              | 1              | 2           | 0              |

Source: European Audiovisual Observatory

Note: The channels included are major channels assigned to the main country of reception (for example RTL 4 and RTL are considered as Dutch channels although based in Luxembourg).

The countries of origin of films are assigned by Infomedia, and so the criteria determining UK films in this table may be different from the criteria used by the UK Film Council.

### III. Examples of MEDIA funding: UK beneficiaries 2007-2009

#### Development Slate funding UK beneficiaries: 2007 – 2009

| Year          | Company                    | UK nation        | Amount (€)       |
|---------------|----------------------------|------------------|------------------|
| 2009          | Aardman Animations         | England          | 190,000          |
| 2009          | B.L.T.V                    | England          | 102,503          |
| 2008          | Borderline Productions     | Northern Ireland | 138,172          |
| 2009          | Century Films              | England          | 74,076           |
| 2007          | Dan Films                  | England          | 150,000          |
| 2009          |                            |                  | 190,000          |
| 2008          | Ecosse Films               | England          | 130,000          |
| 2007          | Fiesta Productions         | England          | 90,000           |
| 2009          | Film & Music Entertainment | England          | 168,848          |
| 2007          |                            |                  | 125,000          |
| 2009          | Fragile Films              | England          | 190,000          |
| 2007          | Future Films               | England          | 150,000          |
| 2007          | Griffilms                  | Wales            | 80,000           |
| 2007          | H2O Motion Pictures (UK)   | England          | 80,000           |
| 2007          | Handmade Films             | England          | 100,000          |
| 2007          | Impossible Pictures        | England          | 150,000          |
| 2007          | Magic Light Pictures       | England          | 100,000          |
| 2008          | Mentorn Media              | England          | 190,000          |
| 2008          | Number 9 Films             | England          | 190,000          |
| 2008          | Recorded Picture Company   | England          | 190,000          |
| 2008          | Revolution Films           | England          | 190,000          |
| 2007          | Ruby Films                 | England          | 80,000           |
| 2007          | Samuelson Productions      | England          | 125,000          |
| 2007          | Slate Films                | England          | 100,000          |
| 2009          | The Bureau Film Company    | England          | 150,000          |
| 2008          | Third Films                | England          | 135,816          |
| 2008          | Tiger Lily Films           | England          | 124,370          |
| 2008          | Verymuchso Productions     | England          | 70,000           |
| 2009          | Wellington Films           | England          | 77,477           |
| <b>Total:</b> |                            |                  | <b>3,831,262</b> |



Development Single Project and Interactive funding UK beneficiaries: 2007 – 2009

|                     |           | 2007      | 2008      | 2009      | Genre totals |
|---------------------|-----------|-----------|-----------|-----------|--------------|
| Animation           | Companies | 3         | 3         | 3         | 9            |
|                     | Total (€) | 160,000   | 171,193   | 135,271   | 466,464      |
| Documentary         | Companies | 13        | 12        | 6         | 31           |
|                     | Total (€) | 386,492   | 416,435   | 148,549   | 951,476      |
| Fiction             | Companies | 18        | 13        | 16        | 47           |
|                     | Total (€) | 832,947   | 604,970   | 600,635   | 2,038,552    |
| Interactive project | Companies | 2         | 6         | 4         | 12           |
|                     | Total (€) | 146,500   | 385,136   | 378,684   | 910,320      |
| Year totals         | Companies | 36        | 34        | 29        | 99           |
|                     | Total (€) | 1,525,939 | 1,577,734 | 1,263,139 | 4,366,812    |

EU films released in the UK with Selective Scheme funding: 2007 – 2009

| Year | Company                    | Film  | Award (€) |
|------|----------------------------|---|-----------|
| 2007 | Arrow Films                | <i>Obsuhoval jsem anglického krále</i>      | 7,000     |
| 2007 | Artificial Eye             | <i>4 Luni, 3 Saptamini si 2 Zile</i>        | 50,000    |
| 2009 |                            | <i>Antichrist</i>                           | 60,000    |
| 2007 |                            | <i>Auf der Anderen Seite</i>                | 40,000    |
| 2008 |                            | <i>Birdwatchers</i>                         | 50,000    |
| 2009 |                            | <i>Das Weisse Band</i>                      | 60,000    |
| 2007 |                            | <i>Du levande</i>                           | 25,000    |
| 2008 |                            | <i>Entre les murs</i>                       | 75,000    |
| 2008 |                            | <i>Il Divo</i>                              | 55,000    |
| 2009 |                            | <i>Katalin Varga</i>                        | 20,000    |
| 2007 |                            | <i>Lady Chatterley</i>                      | 55,000    |
| 2009 |                            | <i>Le refuge</i>                            | 30,000    |
| 2009 |                            | <i>Lourdes</i>                              | 30,000    |
| 2008 |                            | <i>O'Horten</i>                             | 40,000    |
| 2009 |                            | <i>Politist, adjectiv</i>                   | 15,000    |
| 2008 |                            | <i>Pranzo di Ferragosto</i>                 | 25,000    |
| 2008 |                            | <i>Revanche</i>                             | 25,000    |
| 2008 |                            | <i>Waltz with Bashir</i>                    | 125,000   |
| 2009 |                            | <i>Zanan-e bedun-e mardan</i>               | 12,000    |
| 2009 | Atlantic Film Distribution | <i>Amintiri din epoca de aur</i>            | 25,000    |
| 2008 |                            | <i>De Ofrivilliga</i>                       | 19,000    |
| 2009 | Dogwoof                    | <i>Kirschblüten - Hanami</i>                | 6,000     |
| 2007 |                            | <i>Knallhart</i>                            | 10,000    |
| 2009 |                            | <i>Videocracy</i>                           | 12,000    |
| 2007 |                            | <i>Wesele</i>                               | 6,000     |
| 2008 | ICA Films                  | <i>Delta</i>                                | 10,000    |
| 2007 |                            | <i>Elle s'appelle Sabine</i>                | 4,000     |
| 2007 | Metrodome Distribution     | <i>Die Fälscher</i>                         | 80,000    |
| 2008 |                            | <i>Le premier jour du reste de ta vie</i>   | 77,000    |
| 2007 |                            | <i>Le Serpent</i>                           | 25,000    |
| 2009 |                            | <i>Partir</i>                               | 40,000    |
| 2009 |                            | <i>Séraphine</i>                            | 30,000    |
| 2009 | More2Screen                | <i>Pianomania</i>                           | 3,000     |
| 2008 | New Wave Films             | <i>Le silence de Lorna</i>                  | 40,000    |
| 2009 |                            | <i>Singularidades de uma rapariga loira</i> | 8,000     |
| 2008 |                            | <i>Sztuczki</i>                             | 20,000    |

|               |                              |                                      |                  |
|---------------|------------------------------|--------------------------------------|------------------|
| 2008          |                              | <i>Un conte de Noël</i>              | 50,000           |
| 2009          | Optimum Releasing            | <i>Bébé(s)</i>                       | 12,000           |
| 2007          |                              | <i>Frontières</i>                    | 3,000            |
| 2008          |                              | <i>Gomorra</i>                       | 75,000           |
| 2009          |                              | <i>Le concert</i>                    | 30,000           |
| 2009          |                              | <i>Panique au village</i>            | 80,000           |
| 2008          |                              | <i>Paris</i>                         | 70,000           |
| 2007          |                              | <i>Persepolis</i>                    | 70,000           |
| 2009          |                              | <i>Un prophète</i>                   | 100,000          |
| 2007          | Pathe Scope                  | <i>Moliere</i>                       | 70,000           |
| 2007          | Peccadillo Pictures          | <i>Emma's Glück</i>                  | 12,000           |
| 2008          | Revolver Films               | <i>Kaerlighed pa film</i>            | 25,000           |
| 2007          |                              | <i>Mio Fratello e Figlio Unico</i>   | 60,000           |
| 2007          |                              | <i>Savage Grace</i>                  | 60,000           |
| 2009          | Soda Pictures                | <i>Cea mai fercita fata din lume</i> | 12,000           |
| 2007          |                              | <i>Garage</i>                        | 30,000           |
| 2008          |                              | <i>Home</i>                          | 36,000           |
| 2007          |                              | <i>Irina Palm</i>                    | 20,000           |
| 2007          | Tartan Films Distribution    | <i>Ex Drummer</i>                    | 3,000            |
| 2007          |                              | <i>Funny Games (Remake)</i>          | 100,000          |
| 2007          |                              | <i>Retour en Normandie</i>           | 7,000            |
| 2007          | The Works UK Distribution    | <i>2 Jours a Paris</i>               | 90,000           |
| 2007          |                              | <i>Paris, Je T'aime</i>              | 20,000           |
| 2007          | Transmedia International     | <i>Quelques Jours en Septembre</i>   | 20,000           |
| 2007          | Trinity Filmed Entertainment | <i>Import/Export</i>                 | 17,000           |
| <b>Total:</b> |                              |                                      | <b>2,286,000</b> |

UK films distributed in EU with Selective Scheme funding: 2007-2009

| No of territories | Film                                  | Award (€)        |
|-------------------|---------------------------------------|------------------|
| 14                | <i>Becoming Jane</i>                  | 387,000          |
| 7                 | <i>Death of a President</i>           | 81,000           |
| 15                | <i>Fish Tank</i>                      | 441,000          |
| 10                | <i>Genova</i>                         | 218,000          |
| 19                | <i>Happy Go Lucky</i>                 | 581,000          |
| 15                | <i>Looking for Eric</i>               | 590,500          |
| 1                 | <i>Mrs Henderson Presents</i>         | 10,000           |
| 9                 | <i>My Enemy's Enemy</i>               | 146,000          |
| 4                 | <i>Red Road</i>                       | 17,500           |
| 16                | <i>Slumdog Millionaire</i>            | 636,500          |
| 9                 | <i>Soi Cowboy</i>                     | 41,000           |
| 10                | <i>The Broken</i>                     | 186,000          |
| 1                 | <i>The Road to Guantanamo</i>         | 4,000            |
| 10                | <i>Turtle: The Incredible Journey</i> | 393,000          |
| <b>Total:</b>     |                                       | <b>3,732,500</b> |

UK films distributed in EU with Automatic Scheme funding: 2007-2009

| No of territories | Film   | Award (€) |
|-------------------|--|-----------|
| 1                 | <i>A Bunch of Amateurs</i>                     | 10,288    |
| 1                 | <i>A Cock and Bull Story</i>                   | 90,735    |
| 1                 | <i>A Complete History of my Sexual Favours</i> | 4,000     |
| 2                 | <i>An Education</i>                            | 124,201   |
| 1                 | <i>And When Did You Last See Your Father?</i>  | 14,695    |
| 1                 | <i>Atonement</i>                               | 335,084   |
| 4                 | <i>Becoming Jane</i>                           | 32,519    |
| 2                 | <i>Better Things</i>                           | 51,140    |
| 1                 | <i>Book of Blood</i>                           | 8,041     |
| 2                 | <i>Boy A</i>                                   | 53,091    |
| 1                 | <i>Brick Lane</i>                              | 6,257     |
| 11                | <i>Brideshead Revisited</i>                    | 558,666   |
| 1                 | <i>Bronson</i>                                 | 13,000    |
| 1                 | <i>Cashback</i>                                | 5,928     |
| 8                 | <i>Cassandra's Dream</i>                       | 538,687   |
| 3                 | <i>Centurion</i>                               | 75,065    |
| 6                 | <i>Cheri</i>                                   | 571,167   |
| 4                 | <i>Closing the Ring</i>                        | 253,039   |
| 1                 | <i>Colour me Kubrik: A true...ish Story</i>    | 15,000    |
| 13                | <i>Control</i>                                 | 241,667   |
| 4                 | <i>Copying Beethoven</i>                       | 271,869   |
| 2                 | <i>Cracks</i>                                  | 75,395    |
| 3                 | <i>Creation</i>                                | 78,820    |
| 6                 | <i>Dorian Gray</i>                             | 226,368   |
| 5                 | <i>Earth</i>                                   | 595,131   |
| 5                 | <i>Easy Virtue</i>                             | 257,385   |
| 1                 | <i>Faintheart</i>                              | 3,618     |
| 6                 | <i>Fish Tank</i>                               | 154,286   |
| 2                 | <i>Five Minutes of Heaven</i>                  | 16,169    |
| 3                 | <i>Franklyn</i>                                | 256,797   |
| 4                 | <i>Genova</i>                                  | 159,959   |
| 7                 | <i>Hallam Foe</i>                              | 78,588    |
| 4                 | <i>Hannibal Rising</i>                         | 153,153   |
| 4                 | <i>Happy-Go-Lucky</i>                          | 157,045   |
| 3                 | <i>Harry Brown</i>                             | 29,294    |
| 1                 | <i>Hot Fuzz</i>                                | 94,907    |

|    |  |           |
|----|--|-----------|
| 3  | <i>How to Lose Friends &amp; Alienate People</i> | 110,904   |
| 3  | <i>Hunger</i>                                    | 86,181    |
| 1  | <i>Hush</i>                                      | 8,124     |
| 3  | <i>In the Loop</i>                               | 40,632    |
| 1  | <i>Incendiary</i>                                | 17,634    |
| 7  | <i>It's a Free World</i>                         | 179,978   |
| 1  | <i>Joy Division</i>                              | 3,600     |
| 9  | <i>Looking for Eric</i>                          | 699,642   |
| 1  | <i>Love and Other Disasters</i>                  | 96,561    |
| 3  | <i>Man on Wire</i>                               | 14,806    |
| 2  | <i>Mrs Ratcliffe's Revolution</i>                | 21,324    |
| 2  | <i>My Enemy's Enemy</i>                          | 37,760    |
| 1  | <i>New Town Killers</i>                          | 4,522     |
| 2  | <i>Nightwatching</i>                             | 36,649    |
| 3  | <i>Nowhere Boy</i>                               | 106,932   |
| 1  | <i>Of Time and the City</i>                      | 33,200    |
| 1  | <i>Rage</i>                                      | 8,000     |
| 2  | <i>Red Road</i>                                  | 3,506     |
| 1  | <i>Run Fat Boy Run</i>                           | 94,967    |
| 1  | <i>Scenes of a Sexual Nature</i>                 | 4,210     |
| 3  | <i>Severance</i>                                 | 380,177   |
| 1  | <i>Shooting Dogs</i>                             | 608       |
| 8  | <i>Slumdog Millionaire</i>                       | 702,604   |
| 1  | <i>Soi Cowboy</i>                                | 1,680     |
| 4  | <i>Somers Town</i>                               | 138,205   |
| 7  | <i>Son of Rambow</i>                             | 356,683   |
| 8  | <i>St Trinian's</i>                              | 226,433   |
| 1  | <i>Tamara Drewe</i>                              | 31,328    |
| 2  | <i>The Bank Job</i>                              | 218,239   |
| 1  | <i>The Boat that Rocked</i>                      | 213,436   |
| 1  | <i>The Broken</i>                                | 32,000    |
| 1  | <i>The Deaths of Ian Stone</i>                   | 223,838   |
| 6  | <i>The Descent 2</i>                             | 177,640   |
| 18 | <i>The Duchess</i>                               | 953,172   |
| 2  | <i>The Escapist</i>                              | 72,077    |
| 3  | <i>The Last Legion</i>                           | 1,025,551 |
| 1  | <i>The Magic Flute</i>                           | 12,000    |
| 2  | <i>The Meerkats</i>                              | 198,017   |
| 5  | <i>The Queen</i>                                 | 130,876   |

|               |                                       |                   |
|---------------|---------------------------------------|-------------------|
| 4             | <i>The Secret of Moonacre</i>         | 729,215           |
| 1             | <i>The Tournament</i>                 | 24,632            |
| 1             | <i>The Turtle's Song</i>              | 33,000            |
| 3             | <i>This is England</i>                | 27,832            |
| 1             | <i>Turtle: The Incredible Journey</i> | 1,000             |
| 2             | <i>Unmade Beds</i>                    | 11,600            |
| 1             | <i>Valhalla Rising</i>                | 2,160             |
| 2             | <i>Venus</i>                          | 35,262            |
| 1             | <i>Waz</i>                            | 102,960           |
| 1             | <i>We Want Sex (Made in Dagenham)</i> | 4,905             |
| 1             | <i>Wilderness</i>                     | 155,092           |
| <b>Total:</b> |                                       | <b>13,442,408</b> |

### Initial Training funding UK beneficiaries: 2007-2010

| Year   | Lead organisation                   | Project title   | Award (€) |
|--------|-------------------------------------|---|-----------|
| 2007   | Edinburgh Napier University         | Engage  | 150,000   |
| 2008   |                                     | Engage  | 150,000   |
| 2009   |                                     | Engage 3  | 150,000   |
| 2007   | London International Film School    | A Fistful of Euros  | 43,983    |
| 2008   |                                     | A Fistful of Euros  | 55,488    |
| 2009   |                                     | Il était une fois...under €1m - European Film School Forum II | 60,000    |
| 2007   | National Film and Television School | Passion to Market   | 190,000   |
| 2008   |                                     | Passion to Market   | 190,000   |
| 2009   |                                     | Passion to Market   | 200,000   |
| Total: |                                     |   | 1,189,471 |

### Continuous Training funding UK beneficiaries: 2007-2010

| Year          | Lead organisation         | Project title                          | Award (€)      |
|---------------|---------------------------|--|----------------|
| 2009          | Independent Cinema Office | Cultural Cinema Exhibition Course 2010 | 39,475         |
| 2007          | Moonstone                 | Moonstone International Screen Labs    | 275,000        |
| 2007          | Performing Arts Lab       | Pygmalion Plus                         | 120,000        |
| 2008          |                           | Pygmalion Plus                         | 100,000        |
| 2009          | Power to the Pixel        | The Cross Media Film Lab               | 164,908        |
| 2009          | Seize the Media           | Introduction to Transmedia             | 24,999         |
| 2009          | The Bureau Film Company   | Save Our Scripts (SOS)                 | 71,084         |
| <b>Total:</b> |                           |  | <b>795,466</b> |



### UK Audiovisual Festivals funding beneficiaries: 2007-2009

| Year   | Lead organisation                            | Project title  | Award (€) |
|--------|--|--|-----------|
| 2008   | Diamond Bullet Films                         | European Independent Film Festival   | 15,000    |
| 2007   | Kino Screen                                  | Manchester International Film Festival   | 15,000    |
| 2007   | Leeds City Council                           | Leeds International Film Festival  | 35,000    |
| 2008   |  |  | 35,000    |
| 2009   |  |  | 32,116    |
| 2008   | Sheffield International Documentary Festival | Sheffield International Documentary Festival   | 26,269    |
| 2007   |  |  | 15,000    |
| 2007   | Sheffield Media and Exhibition Centre        | Showcomotion Young People's Film Festival & Showcomotion Children's Media Conference | 29,381    |
| 2008   |  |  | 12,427    |
| Total: |  |  | 215,193   |

### UK Access to Markets funding beneficiaries: 2007-2009

| Year          | Lead organisation                               | Project title               | Award (€)      |
|---------------|---|-----------------------------|----------------|
| 2008          | Film London                                     | Production Finance Market   | 47,767         |
| 2009          |   | Production Finance Market   | 55,000         |
| 2009          | Power to the Pixel                              | The Cross-Media Film Market | 40,000         |
| 2007          | Sheffield International Documentary Festival    | MeetMarket                  | 40,000         |
| 2008          |   | MeetMarket                  | 87,951         |
| 2009          |   | MeetMarket                  | 79,464         |
| 2009          | World Congress of Science and Factual Producers | Producer Networking Events  | 40,000         |
| <b>Total:</b> |   |                             | <b>390,182</b> |

