



Fiscal incentives and cash rebates – a game changer for public funding?

Cannes, 16 May 2026
#Cannes2026

European Audiovisual Observatory
Cannes 2026 conference



Observatoire européen de l'audiovisuel
European Audiovisual Observatory
Europäische Audiovisuelle Informationsstelle



Welcome and introduction

Maja Cappello

Acting Executive Director and Head of Department for Legal Information
European Audiovisual Observatory

Philippine Colrat

Digital & Media EU Policy Manager,
Amazon

Marianne Furevold-Boland

Head of Drama, Entertainment & Fiction at
broadcaster NRK
(Norway)

Moderators

**Maja Cappello and
Martin Kanzler,
European Audiovisual
Observatory**

Peter Dinges

CEO of the Federal Film Board - FFA
(Germany)

Edith Sepp

CEO of the Estonian Film Institute
(Estonia)

Carlo Cresto- Dina

Tempesta
(Italy)

Filip Bobiňski

CEO of Dramedy Productions
(Czechia)



Production incentives

- a game changer for public funding ?

Elisa Joliveau-Breney

Film Analyst

Department for Market Information

European Audiovisual Observatory

The game is changing

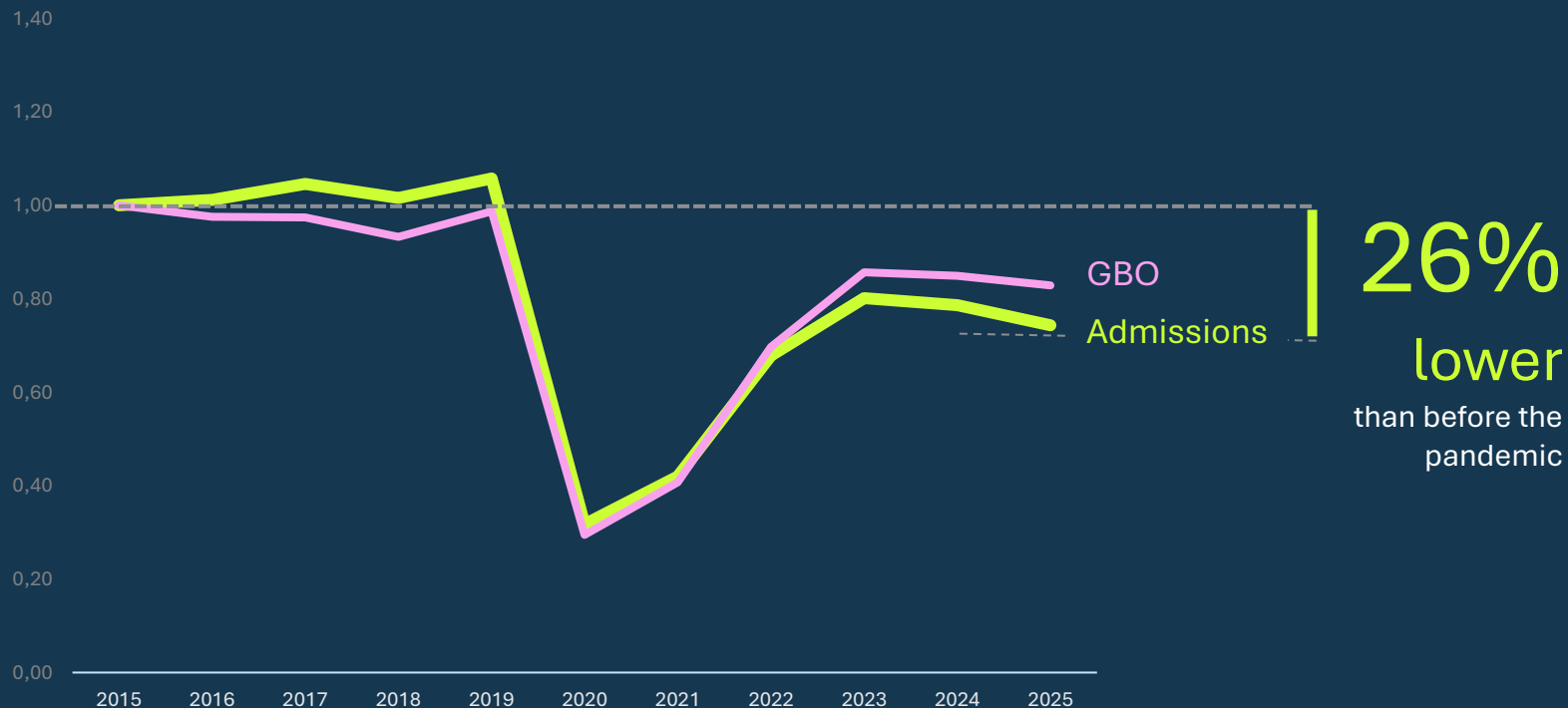
01 Changes on the market side

Vast majority of European films generated low admissions

02 Changes on the support side

The drop in admissions – the main revenue source - seems to persist...

Indexed development of GBO and admissions in Europe, by year, compared to 2015



Methodology remarks:

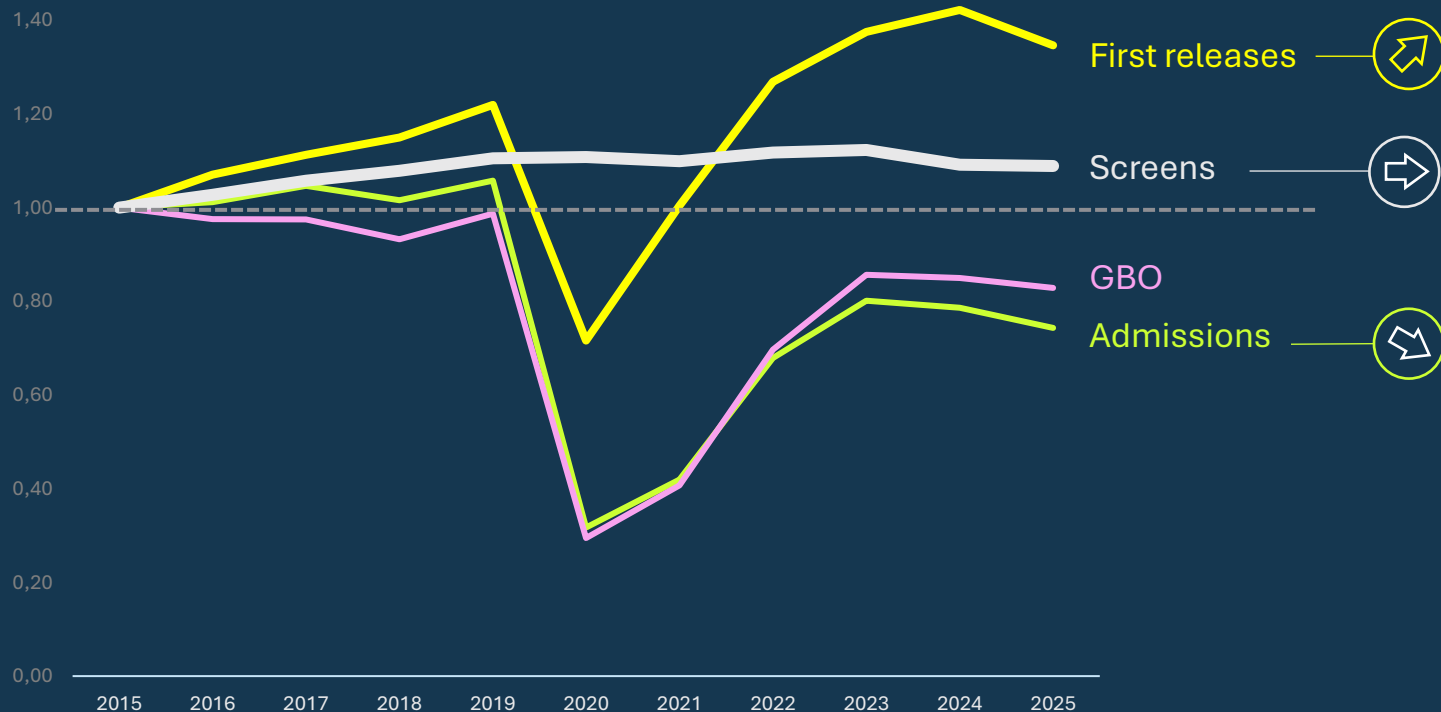
- Development indexed n0=2015
- Europe = 46 member states of the COE

Related sources:

FOCUS
Yearbook

... amidst increasing number of releases and stagnating screens...

Indexed development of selected indicators in Europe, by year, compared to 2015



Methodology remarks:

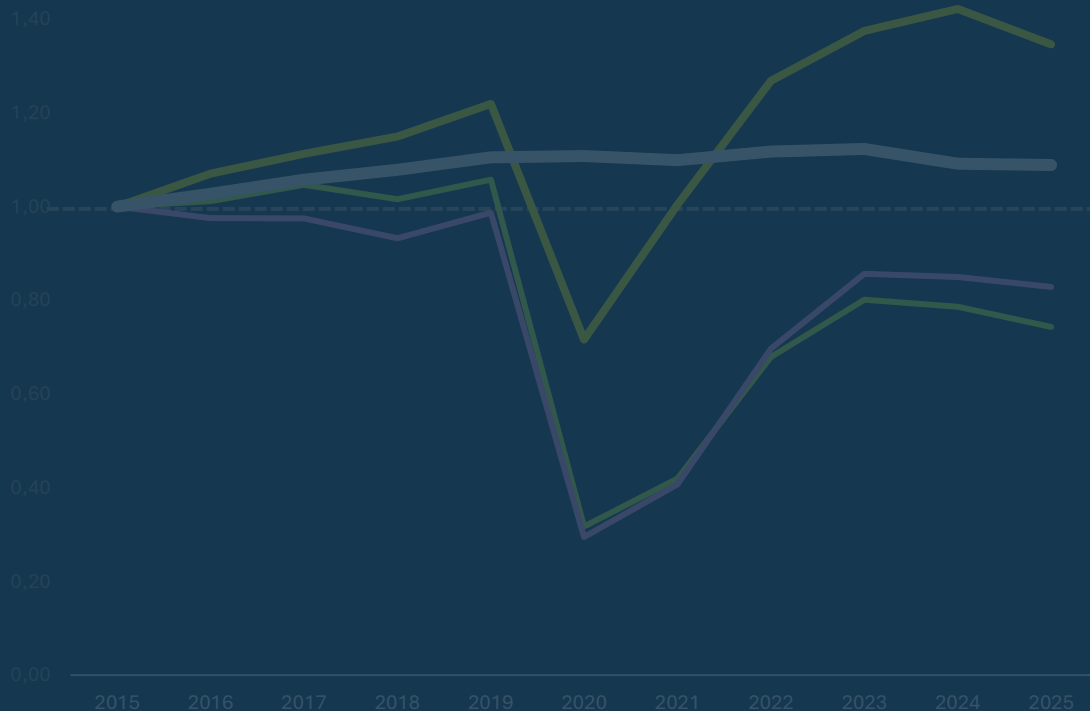
- Development indexed n0=2015
- Europe = 46 member states of the COE

Related sources:

FOCUS
Yearbook
LUMIERE

... and high market concentration.

Indexed development of selected indicators in Europe, by year, compared to 2015



And about **170** films
capturing 80% of total
admissions

Methodology remarks:

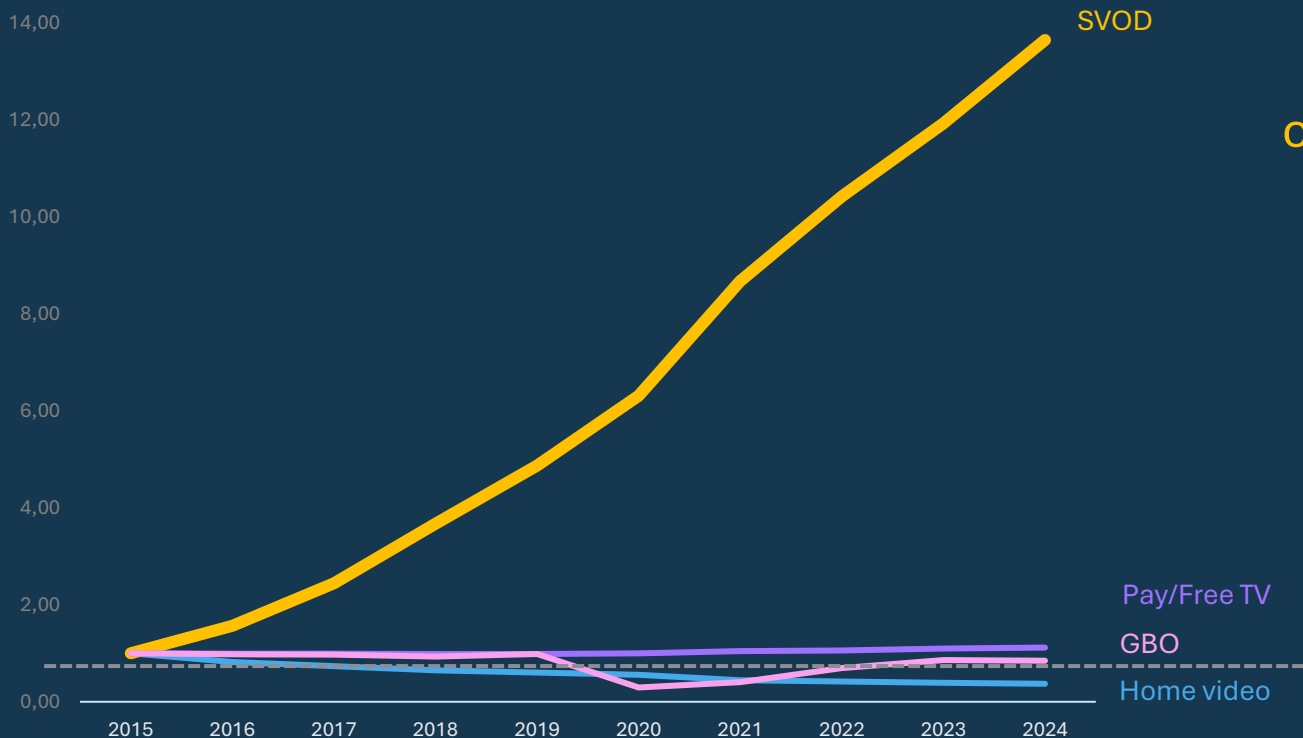
- Development indexed n0=2015
- Europe = 46 member states of the COE

Related sources:

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Yearbook
LUMIERE

SVOD is the only growth segment of the European market.

Indexed development of audiovisual market revenues in Europe, by year, compared to 2015



SVOD
only growth
segment
...but European
theatrical films
unlikely to benefit

Methodology remarks:

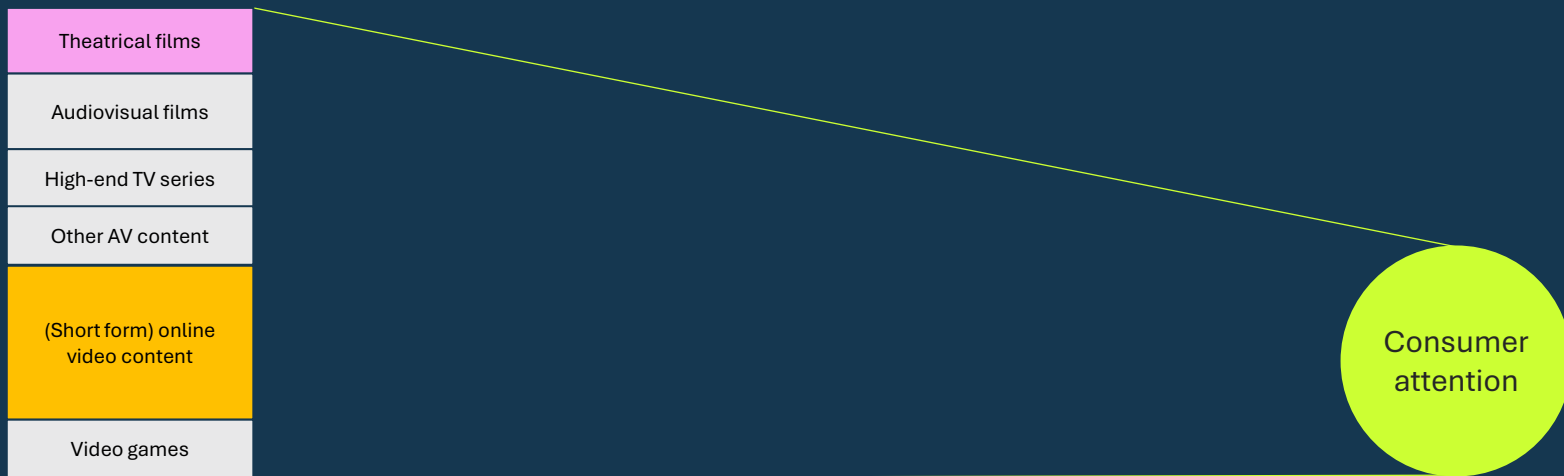
- Estimated segment revenues
- Development indexed n0=2015
- Europe = 46 member states of the COE

Related sources:

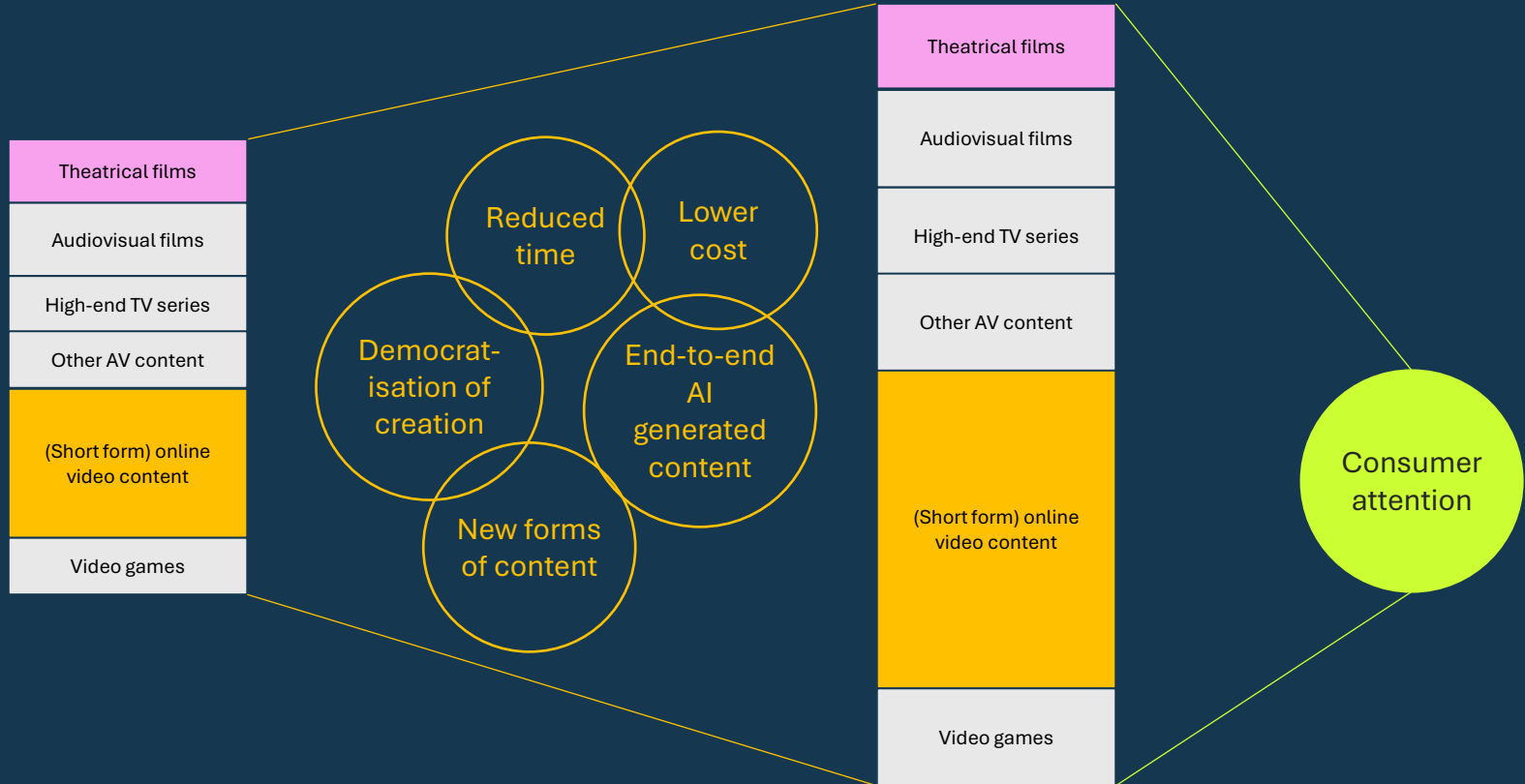
Yearbook

Source: European Audiovisual Observatory

Film is competing for consumer attention...



... with AI likely to lead to explosion of on-screen content.

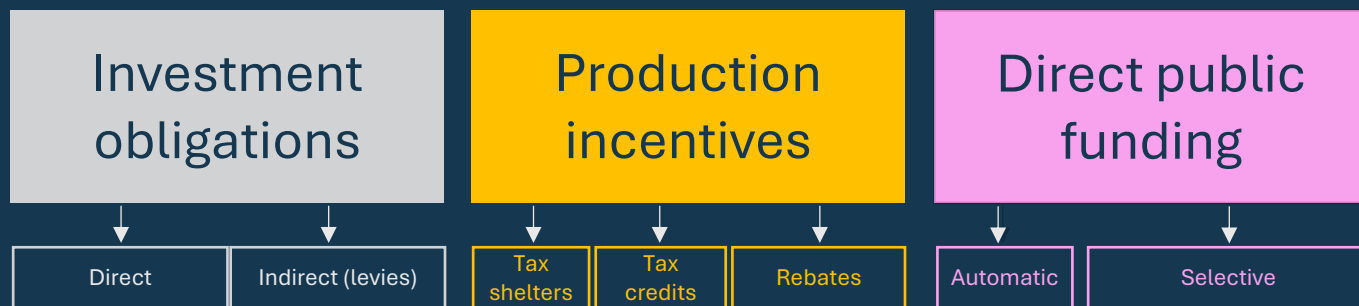


01 Changes on the market side

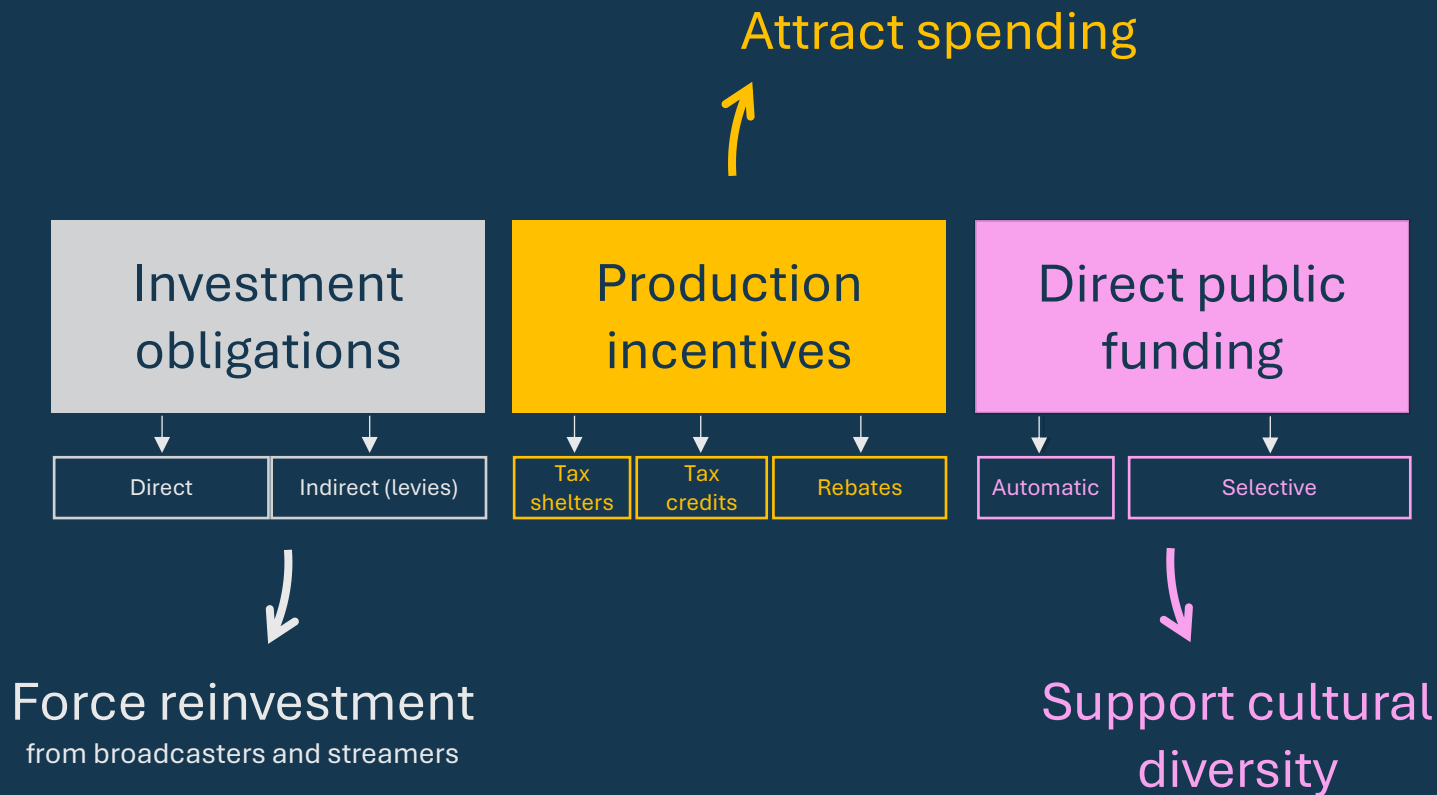
Vast majority of European films generated low admissions

02 Changes on the support side

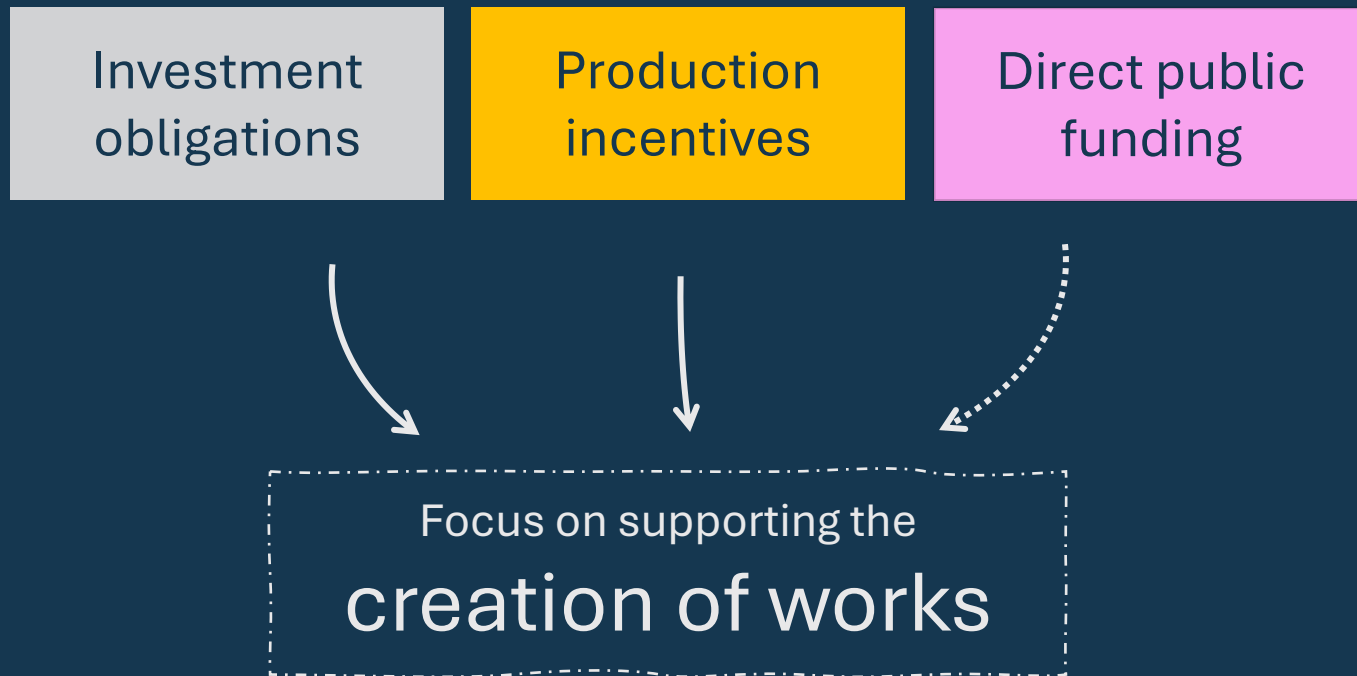
Three main film & audiovisual policy tools ...



... with different purposes...



... but one common characteristic...



Investment
obligations

Production
incentives

Direct public
funding

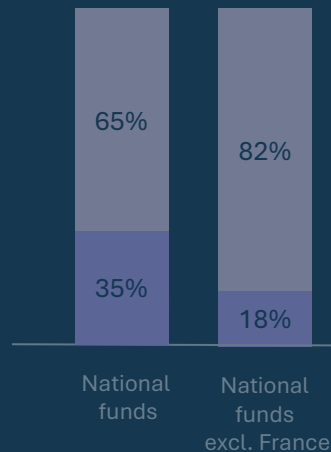


game is changing

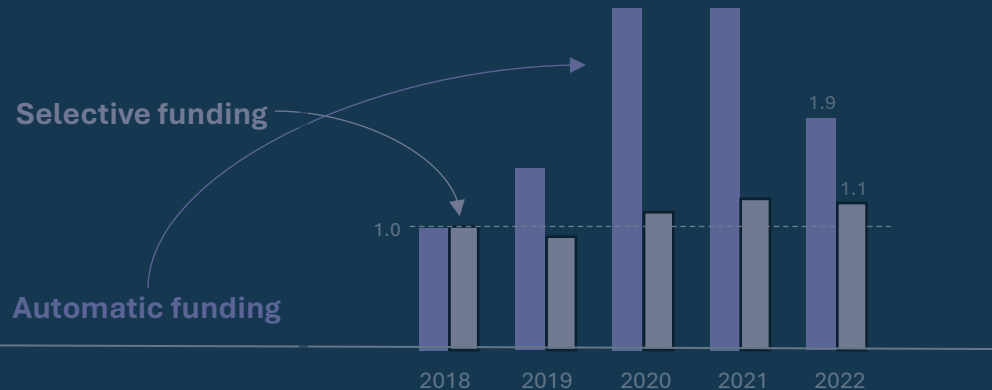
Increasing importance of automatic support...

Direct public
funding

Breakdown of national funds' net activity
spend ^{***} Σ2018-2022



Indexed development of selective and automatic
funding ^{***} Σ2018-2022



**Automatic funding
growing stronger**

Selective funding still majority, but stagnating

Methodology remarks:

■ Activity spend

Related sources:

Funding report

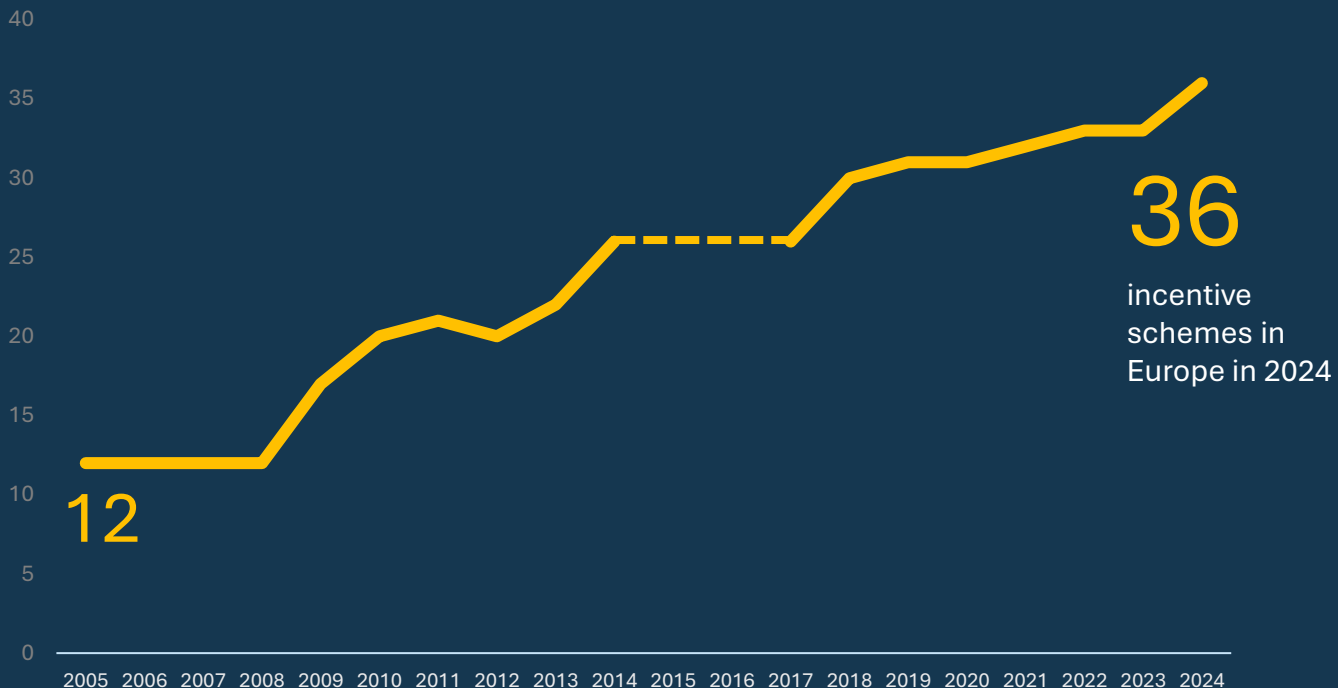
Source: European Audiovisual Observatory

Increasing number of incentives schemes...

Direct public
funding

Production
incentives

Number of active film and television production incentives schemes in Europe, by year



Related sources:

EAO - Impact analysis of fiscal incentive schemes supporting film and audiovisual production in Europe - December 2014

Olsberg SPI - Incentives White Paper - November 2024

Source: European Audiovisual Observatory, Olsberg SPI

... and still growing...

36

incentive
schemes in
Europe in 2024

Direct public
funding

Production
incentives

Denmark to launch production rebate in 2026 to attract international film, TV shoots

BY GABRIELLA GEISINGER | 26 NOVEMBER 2024

Independent Film Tax Credit gets official greenlight from UK government

BY MONA TABBARA | 9 OCTOBER 2024

Armenia approves cash rebate program for film production.

Ireland Introduces Europe's First Unscripted Tax Credit



By Jessica Whitlock
January 9, 2025 @ 10:00am

Ukraine launches €50m culture fund, 30% cash rebate for international productions

BY ELLIE CALNAN | 21 NOVEMBER 2025

Swiss cantons Geneva and Neuchatel to launch rebate schemes for filmmakers

BY MARTIN BLANEY | 11 AUGUST 2025

Related sources:

EAO - Impact analysis of fiscal incentive schemes supporting film and audiovisual production in Europe - December 2014

Olsberg SPI - Incentives White Paper - November 2024

... almost every country in Europe has a scheme now...

Production incentives

A map of Europe with countries colored in orange, purple, green, and red, representing different categories. The map shows the following color distribution: Orange: Iceland, Norway, Sweden, Finland, Poland, Czech Republic, Slovakia, Hungary, Austria, Germany, France, Spain, Portugal, Italy, Greece, Turkey, Cyprus, and most of the Balkans. Purple: United Kingdom, Ireland, and Malta. Green: Luxembourg and Liechtenstein. Red: San Marino.

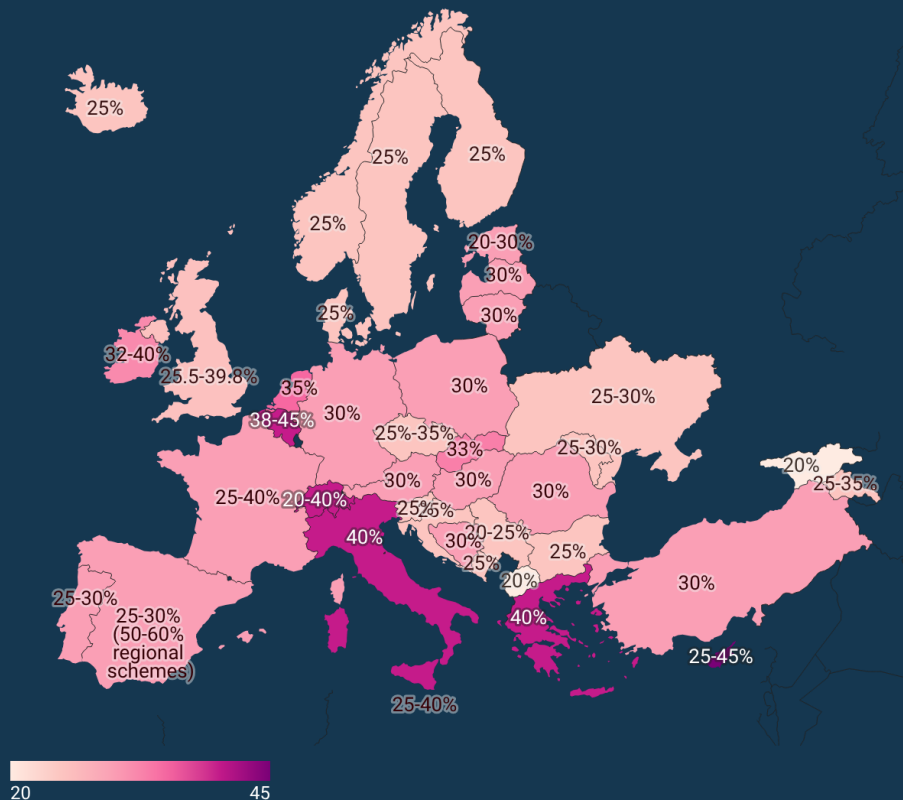
■ Rebate
 ■ Rebate/ Tax credit
 ■ Tax credit
 ■ Tax shelter

... with rates ranging between 20% and 45%...

Direct public
funding

Production
incentives

Incentive schemes active in Europe, by rate range



Related sources:

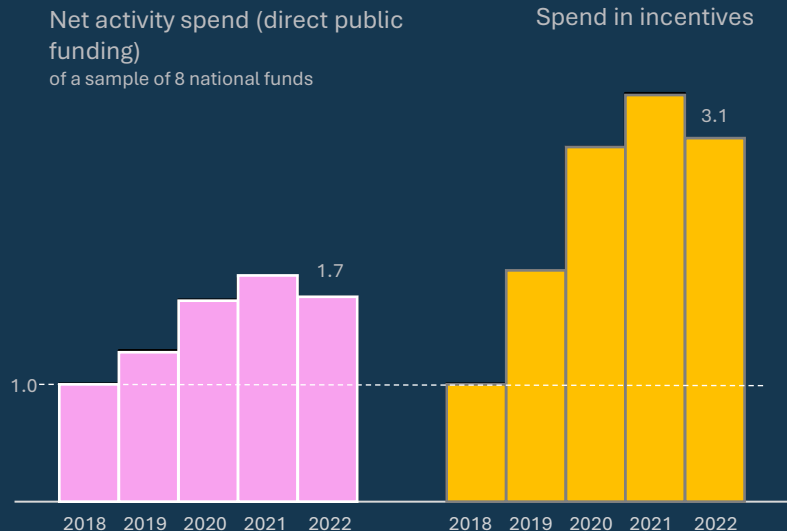
Olsberg SPI – Global
Incentives Index -
November 2025

Source: European Audiovisual Observatory, Olsberg SPI

No data on volume available... but...

Direct public
funding

Production
incentives



Incentive support
increased
significantly stronger
than direct public
funding

Methodology remarks:

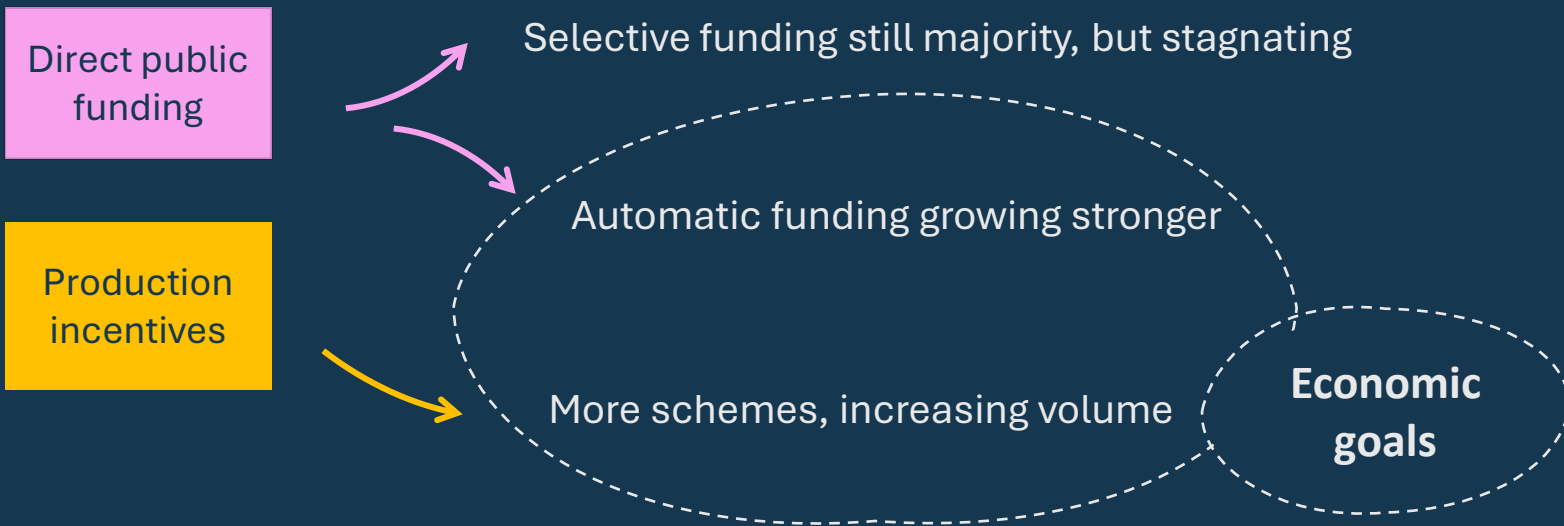
- Development net activity spend vs. incentives 2018-2022
- Indexed development 2018 = n0. Based on sample of 8 national funds with incentives.

Related sources:

Funding report

Source: European Audiovisual Observatory

..indicating a shift towards economic policy goals?



Methodology remarks:

- Development net activity spend vs. incentives 2018-2022
- Indexed development 2018 = n0. Based on sample of 8 national funds with incentives.

Related sources:

Funding report

Source: European Audiovisual Observatory

Streamer investment obligations starting to show effect...

Direct public
funding

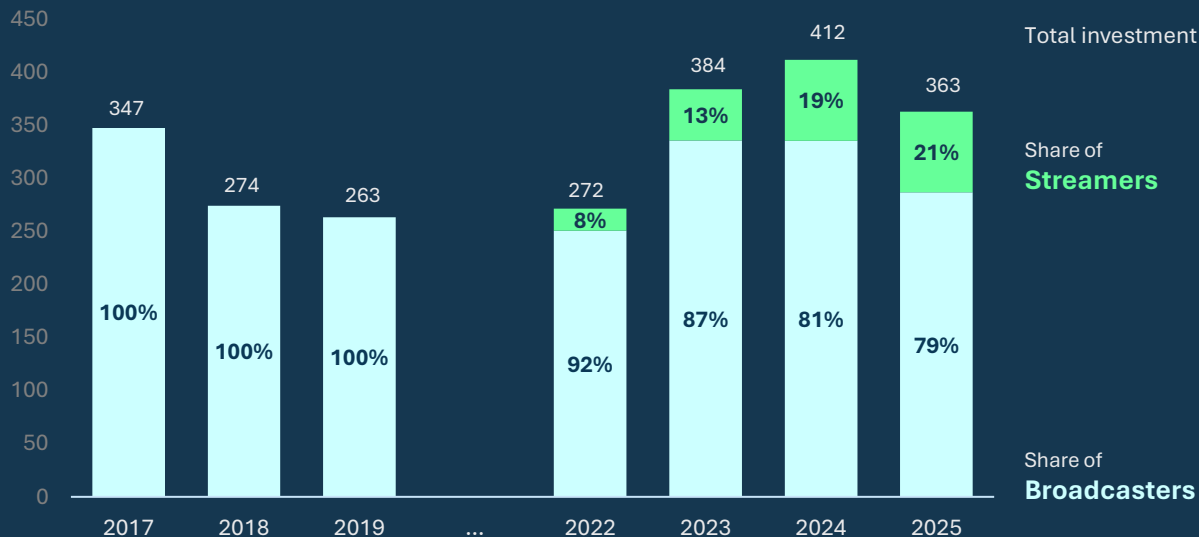
Production
incentives

Investment
obligations

In France



Investments of broadcaster and streamers into French films, by year, in EUR millions



Methodology remarks:

- Broadcasters include pay-TV, public broadcasters and free private TV

Related sources:

CNC - Observatoire de la production
cinématographique 2025

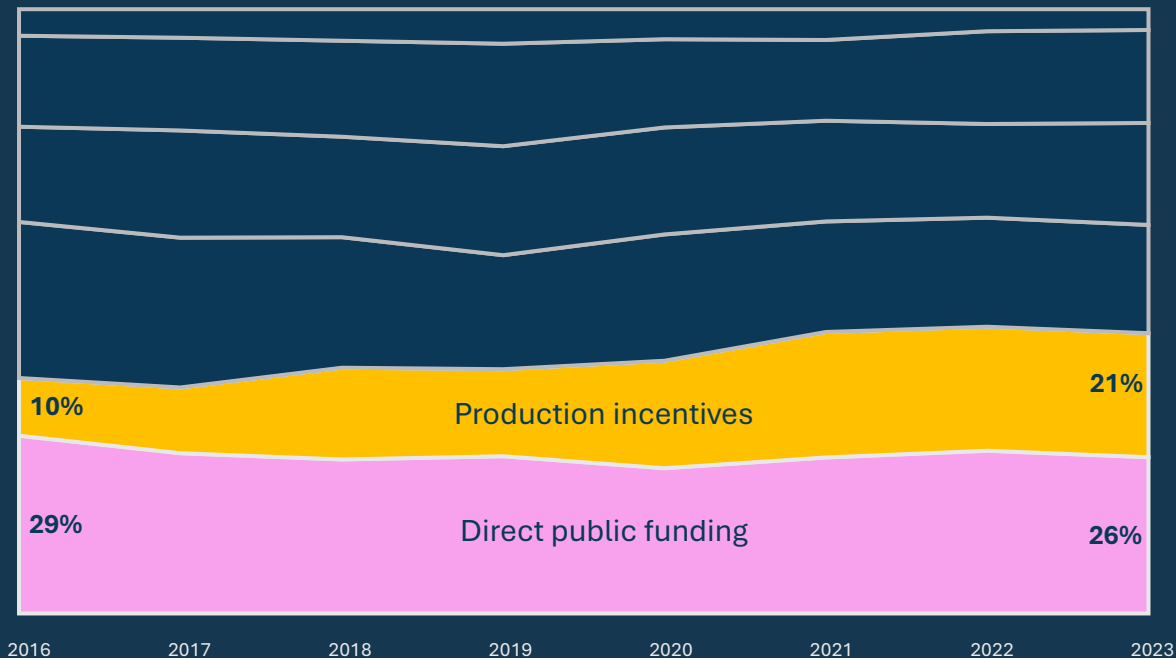
Direct public
funding

Production
incentives

Investment
obligations

These trends are also
visible in the financing
structures of
European films...

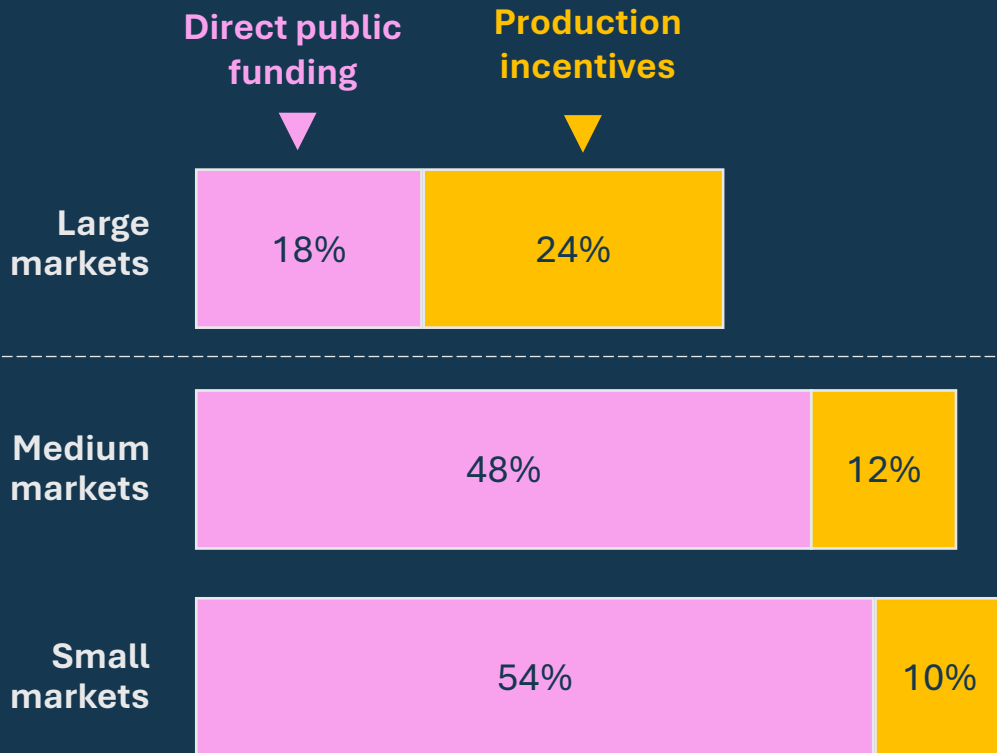
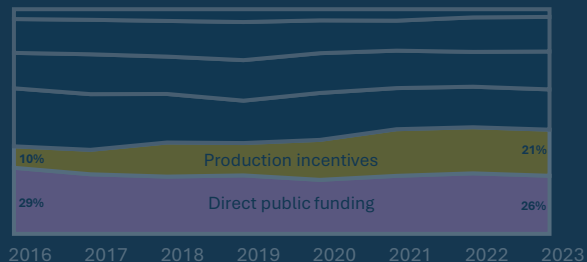
These trends are also visible in the financing structures of European films...



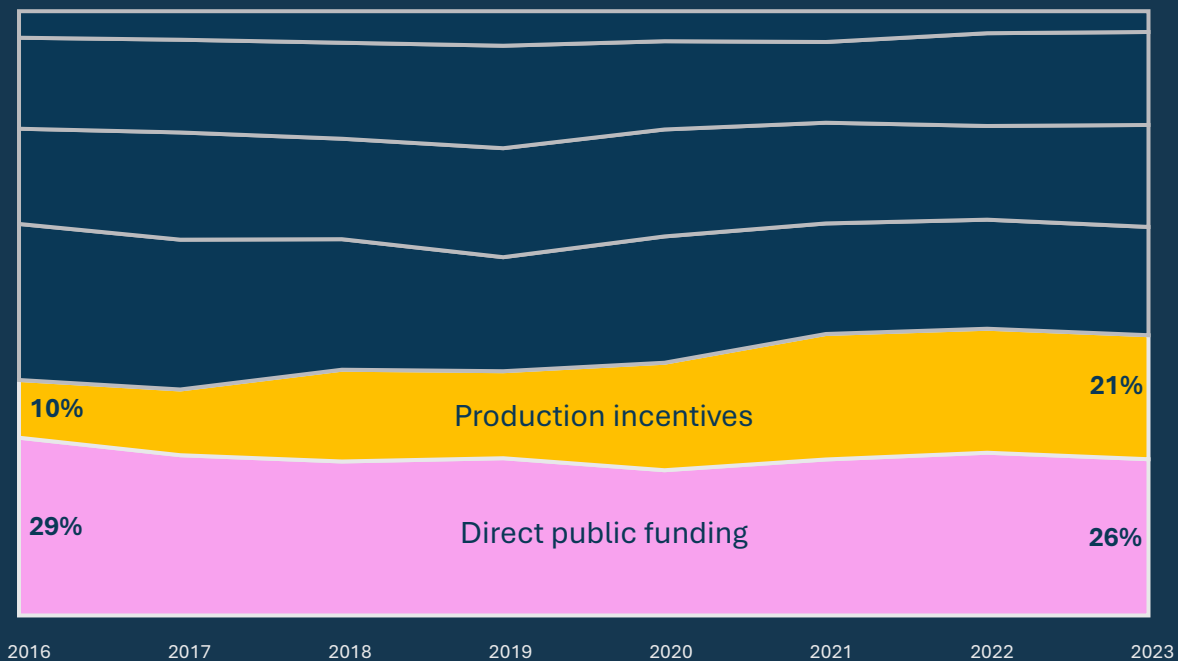
Production incentives

Direct public funding

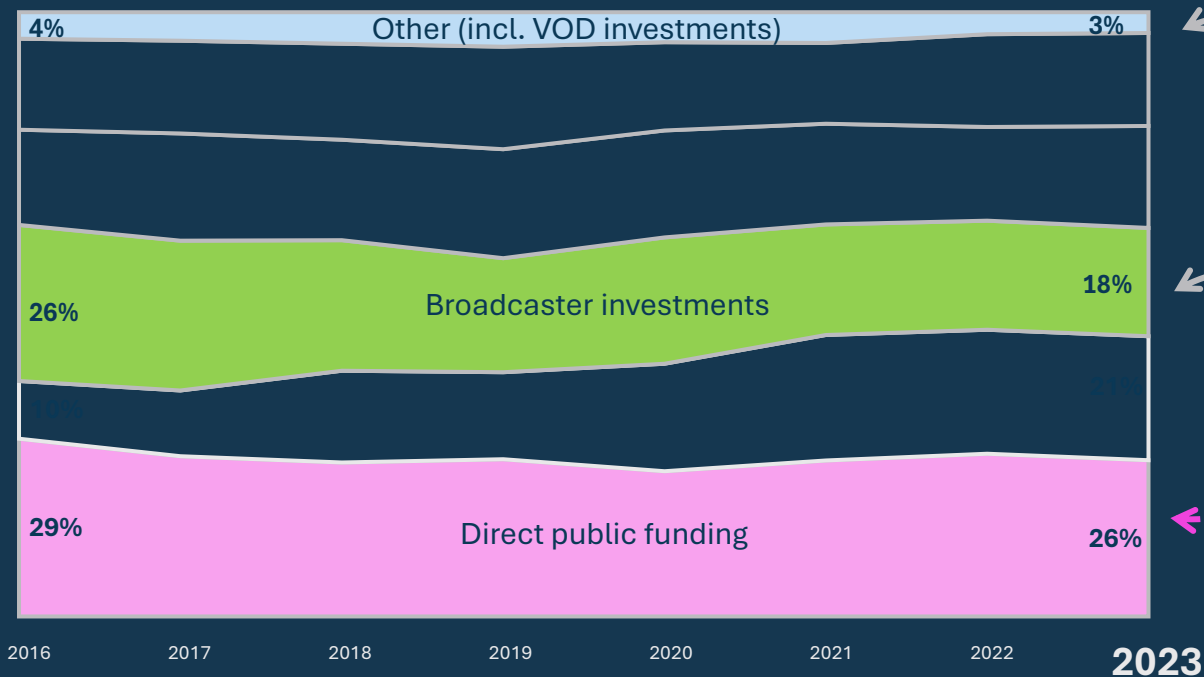
... with differences according to market size...



... the effects of investment obligations not yet visible...

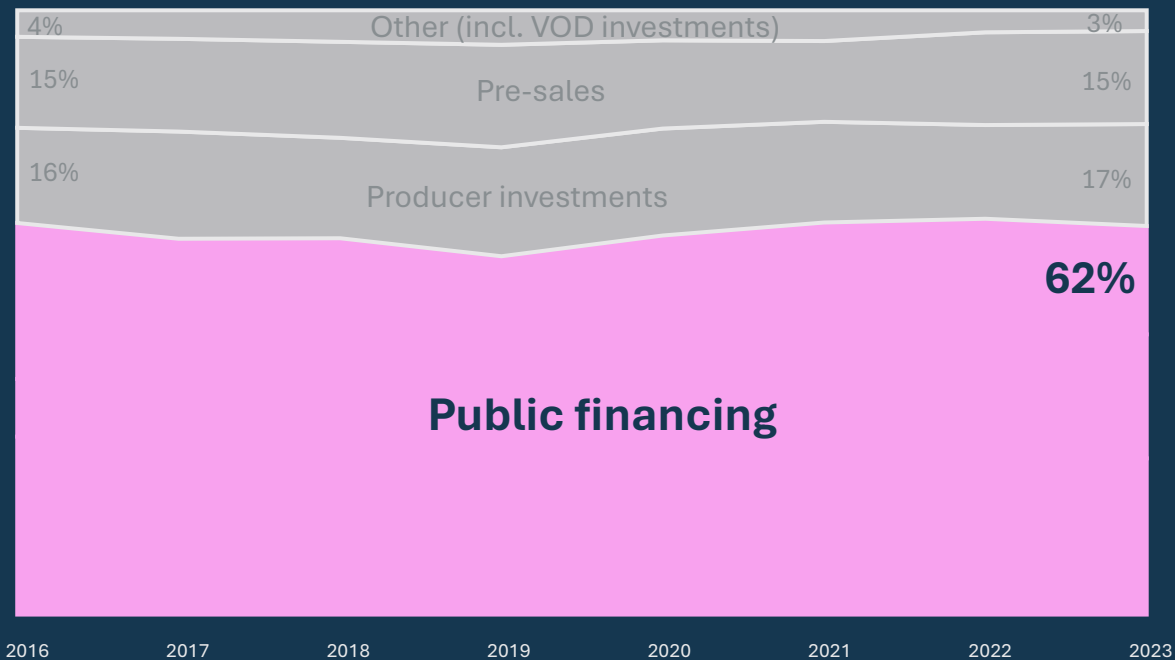


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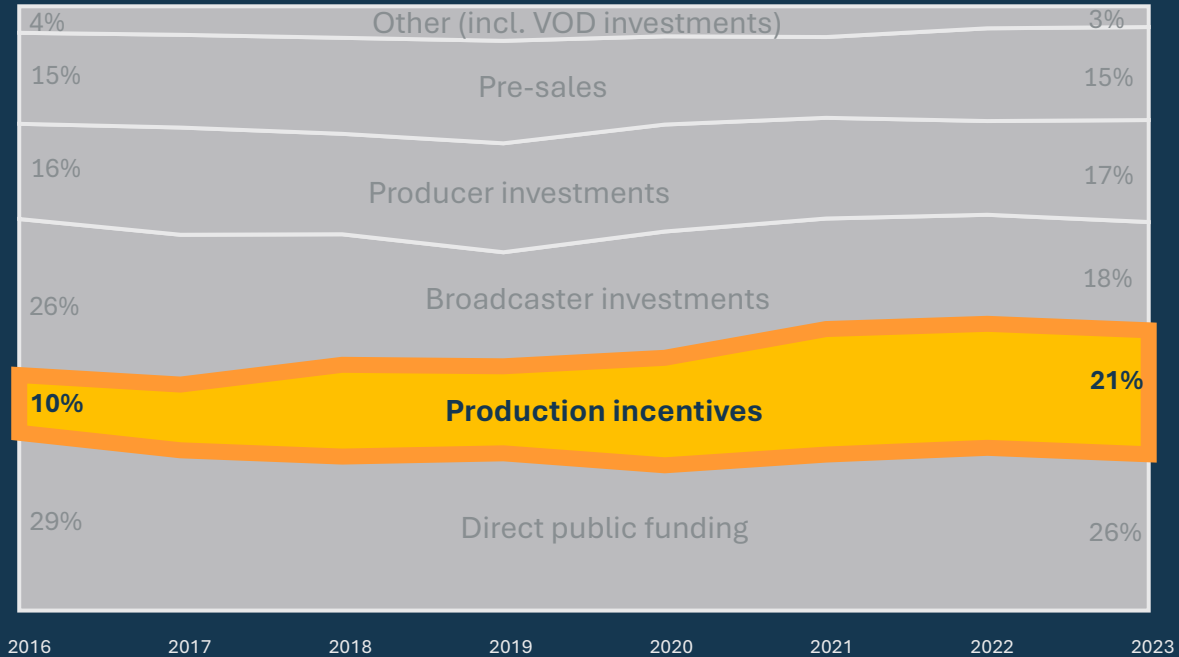


Investment obligations

Public financing essential for European films...



... incentives stand out.



Thank you!

Understanding fiscal incentives as a policy tool

Sophie Valais

Deputy Head of
Department for Legal Information
European Audiovisual Observatory

Incentives within the broader policy framework



**DIRECT PUBLIC
FUNDING**



**FISCAL INCENTIVES
AND CASH REBATES**



LEGAL OBLIGATIONS

Rationale and policy goals of incentives

DUAL RATIONALE



```
graph TD; A[DUAL RATIONALE] --> B[Cultural promotion: talents, local culture, language]; B --> C[Industrial development: attracting investment, employment, skills development, infrastructure, boosting competitiveness...]; C --> D[NEW TARGETED POLICY OBJECTIVES]; D --> E[Lower-budget production, independent production, attract private capital production, diversity and inclusion, sustainability, ..];
```

Cultural promotion: talents, local culture, language

Industrial development: attracting investment, employment, skills development, infrastructure, boosting competitiveness...

NEW TARGETED POLICY OBJECTIVES

Lower-budget production, independent production, attract private capital production, diversity and inclusion, sustainability, ..

EU State aid in the audiovisual sector

Rule

- Compatibility assessment of State aid under **Art. 107(3)(d) TFEU**
- Four cumulative conditions to qualify as state aid: state resources + selective advantage + distort competition + effect on trade

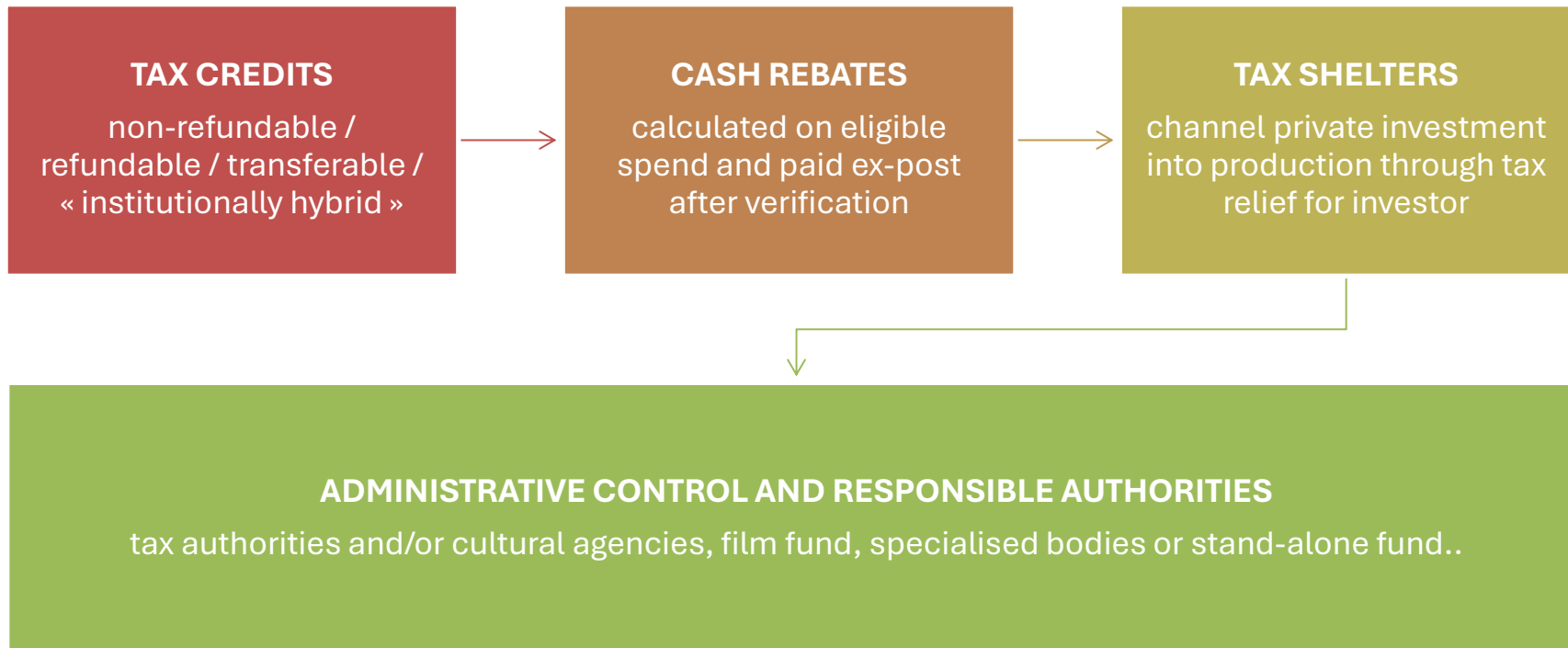
Framework

- Assessed under the EC Communication on state aid for films and other audiovisual works (**Cinema Communication**)
- Ensures that the incentive supports cultural objectives without causing undue distortion of competition.

Exemptions

- **De minimis aid** (<€300 000 / per company / over 3-year period)
- **General Block Exemption Regulation (GBER)** for certain cultural / heritage support

Types of fiscal incentives



Key design parameters and policy goals

Thresholds, caps, minimum spend

High: attract large international shoots (e.g., Czech Republic: 25–35% rebate, local spend required)
Low: support domestic/lower-budget works (e.g., Ireland: enhanced tax credit for lower-budget films)
Caps on project/per-work tax credits (e.g., Italy)
Higher rates for green productions, minimum spend (e.g., Portugal)

Eligibility

Producer: Executive vs. “delegate”/original producers (e.g., UK: BFI cultural certification)
Work Origin: Domestic vs. international (e.g., France: separate schemes)
Work Type: Film only, or film & TV (e.g., Austria: selective rules for independent producers)

Cultural test

Mandatory for most schemes; evaluates content, language, talent, and heritage links

Balancing trends & challenges in fiscal incentives



Combine economic & cultural goals



Balance attraction of foreign investment with local sector growth



Integrate fiscal incentives with direct funding and long-term policy



Address skills, infrastructure, and diversity gaps



Adapt schemes to changing market conditions



Strategic calibration is key: not only generosity, but sustainability and impact



Monitor and adjust for effectiveness & equity

New IRIS Report of the European Audiovisual Observatory

New report just out!

**Fiscal incentives and
cash rebates in the
audiovisual sector**

IRIS

A publication
of the European Audiovisual Observatory



Thank you!

sophie.valais@coe.int



Introducing the panel

Philippine Colrat

Digital & Media EU Policy Manager,
Amazon

Marianne Furevold-Boland

Head of Drama, Entertainment & Fiction at
broadcaster NRK
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Over to you!

Q&A

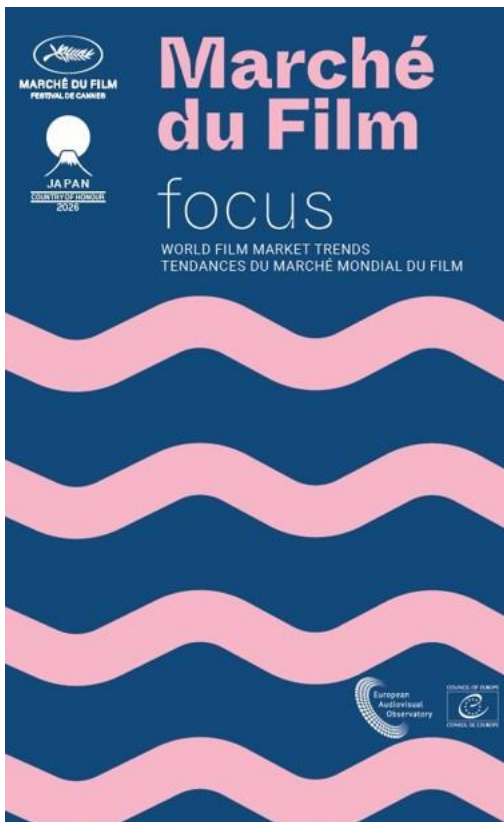
Closing Remarks

Maja Cappello

Acting Executive Director and Head of Department for Legal Information
European Audiovisual Observatory

European Audiovisual Observatory Stand H1 (just turn right and you're there!)





This year's freebie !

Thank you for coming and see you next year!

A conference by
The European Audiovisual Observatory
WWW.OBS.COE.INT

