



Key characteristics of the European film financing ecosystem

theatrical

from a big picture point of view

COE member states

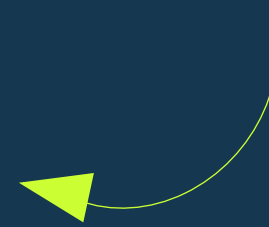
A presentation of the European Audiovisual Observatory
by Martin Kanzler

CULT Committee Workshop 15.04.2026



01 Key characteristics of European production ecosystem

02 Financing of European theatrical films

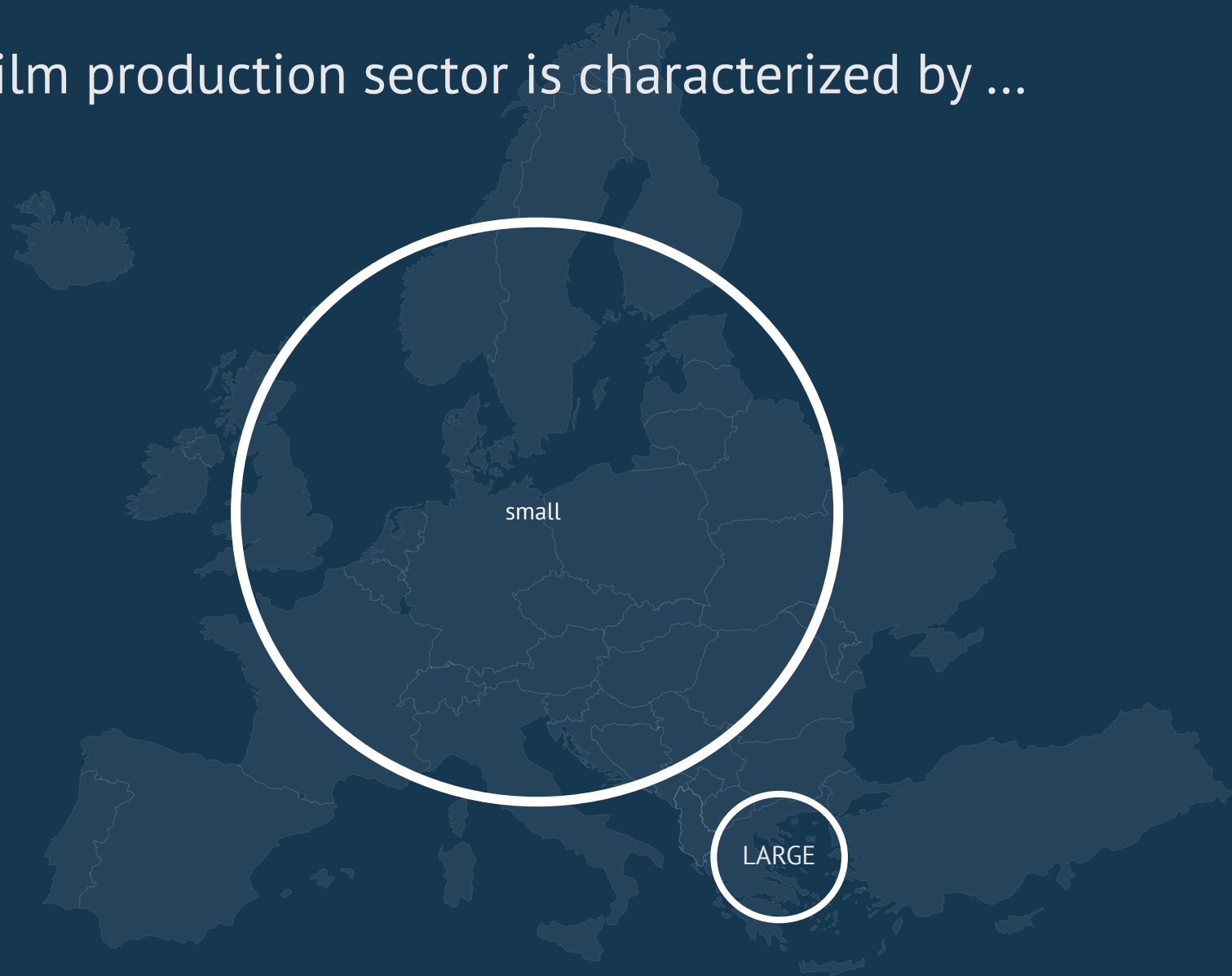


01 ● One important thing up-front → Limitations of a BIG PICTURE VIEW

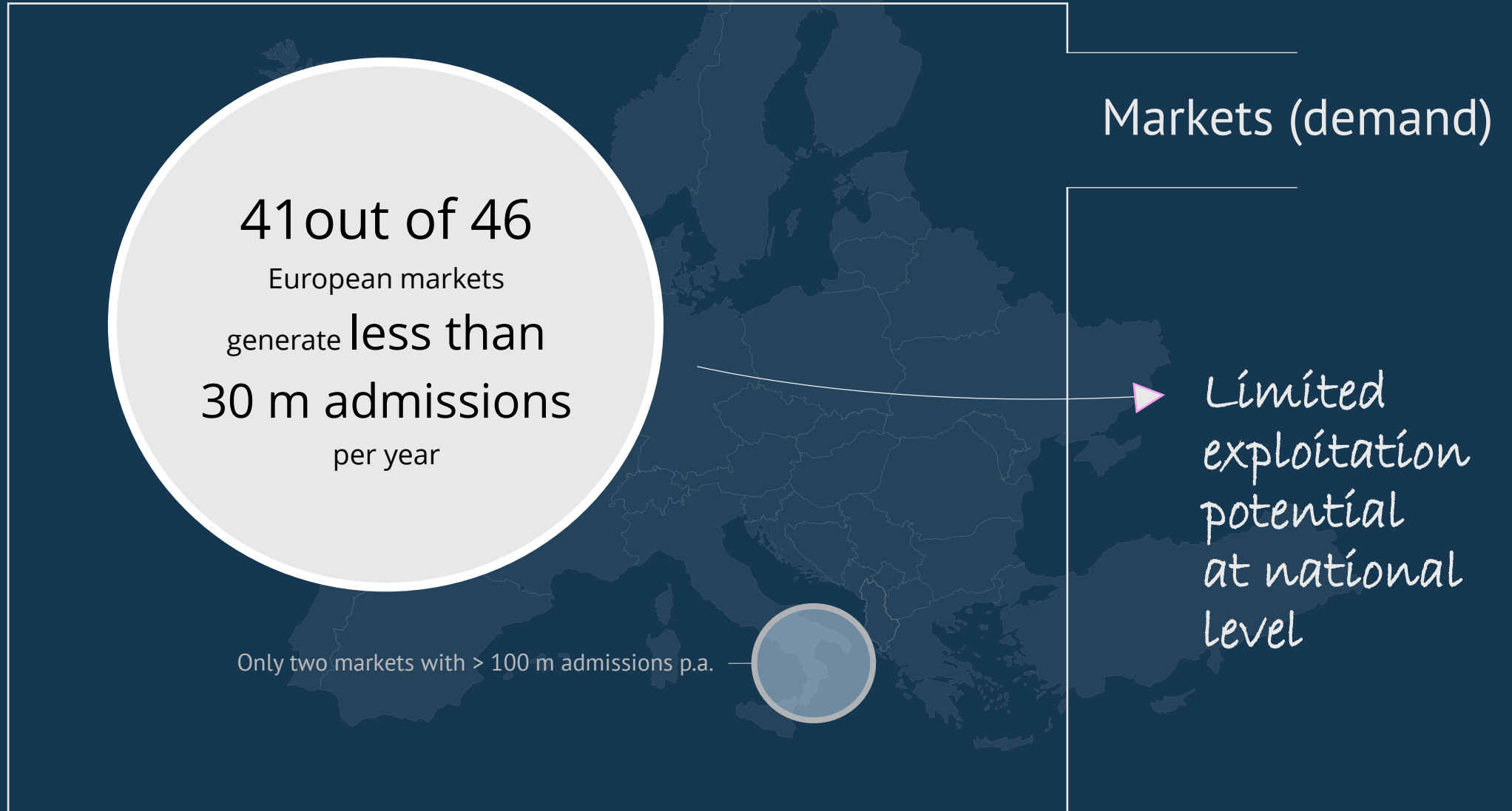
Film 1 ≠ Film 2

Europe ≠ Europe

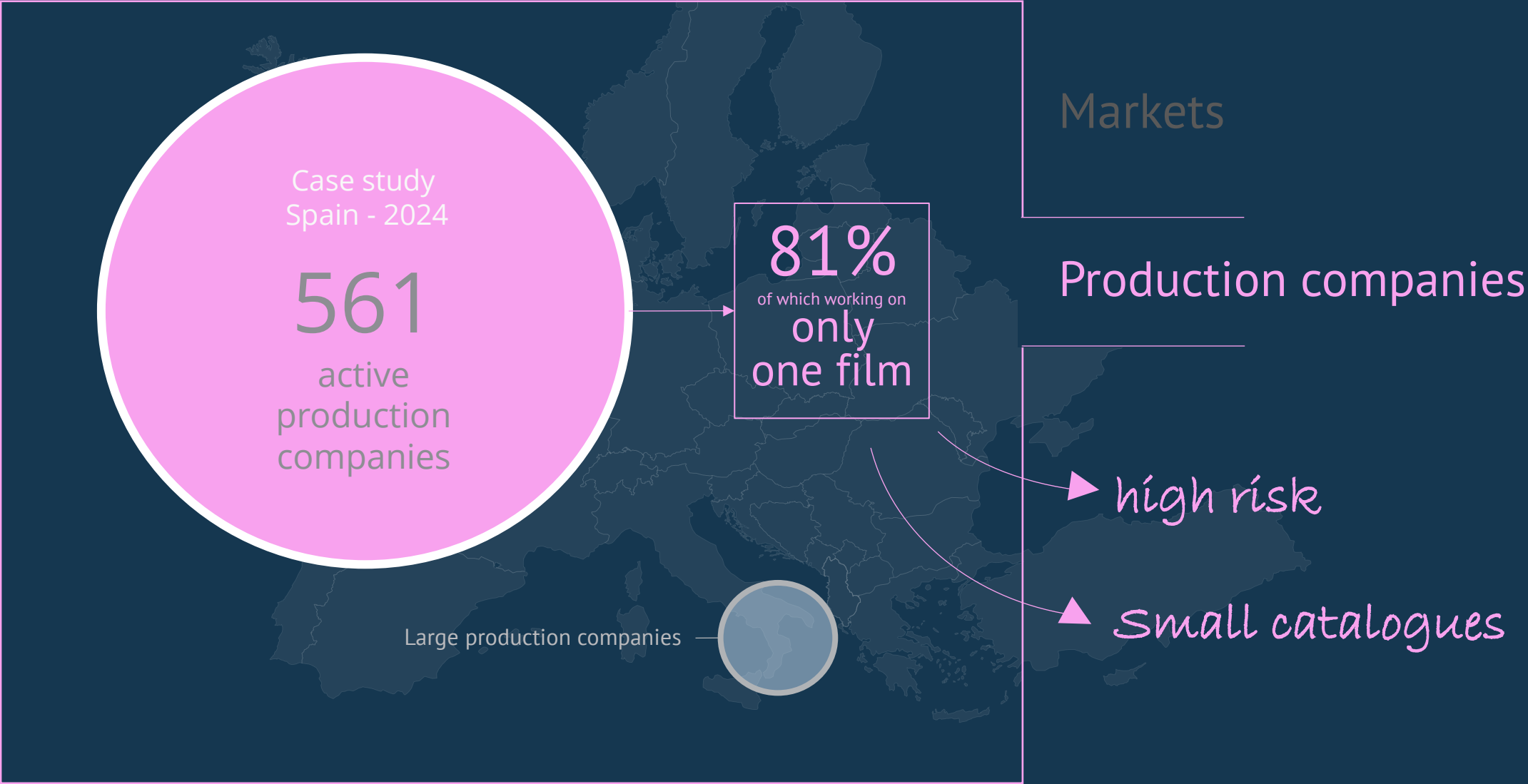
01 ● European film production sector is characterized by ...



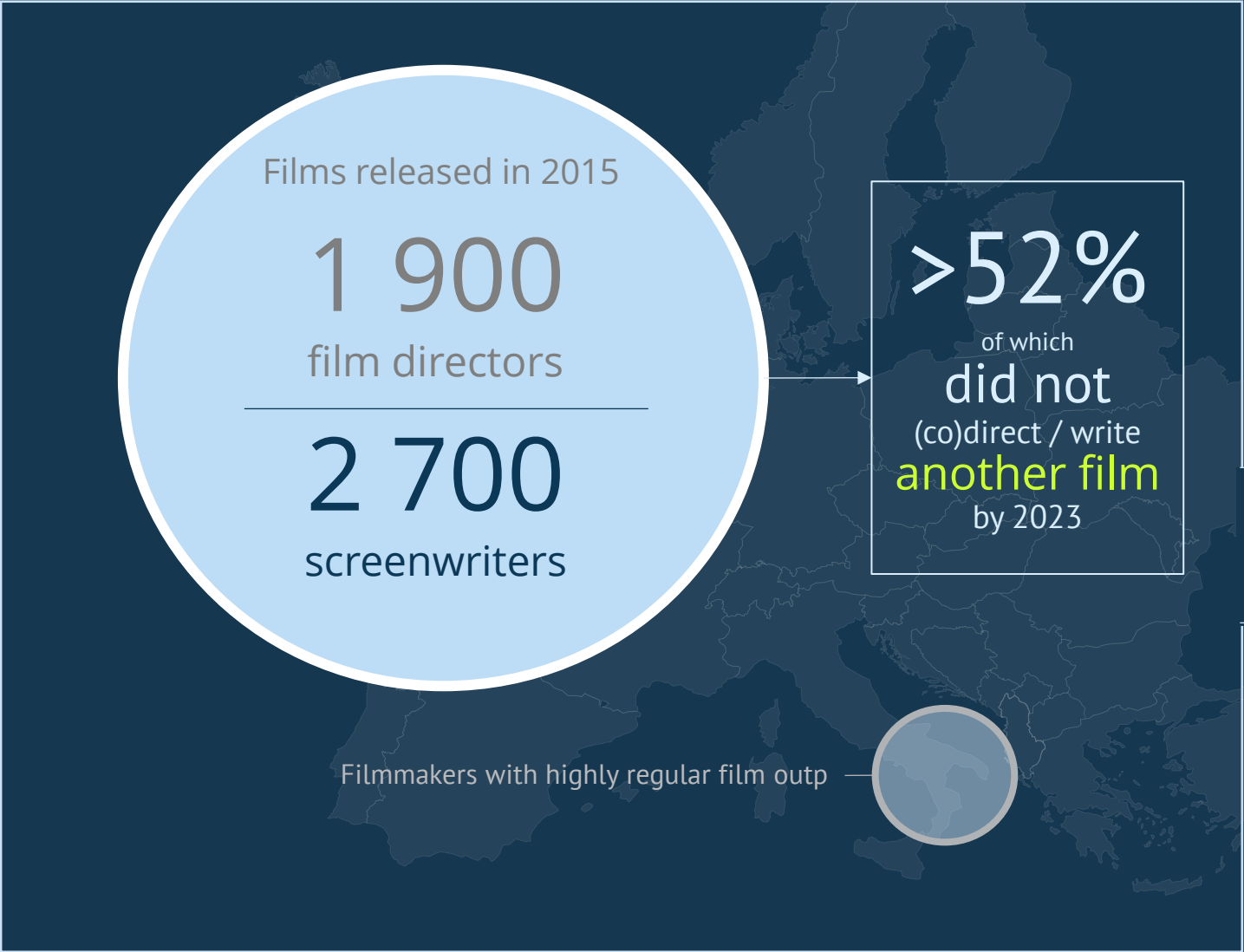
01 ... a large number of comparatively small markets



01 ... a large number of SME production companies producing few films



01 ... a large number of filmmakers creating few films



Markets

Production companies

Directors / Screenwriters

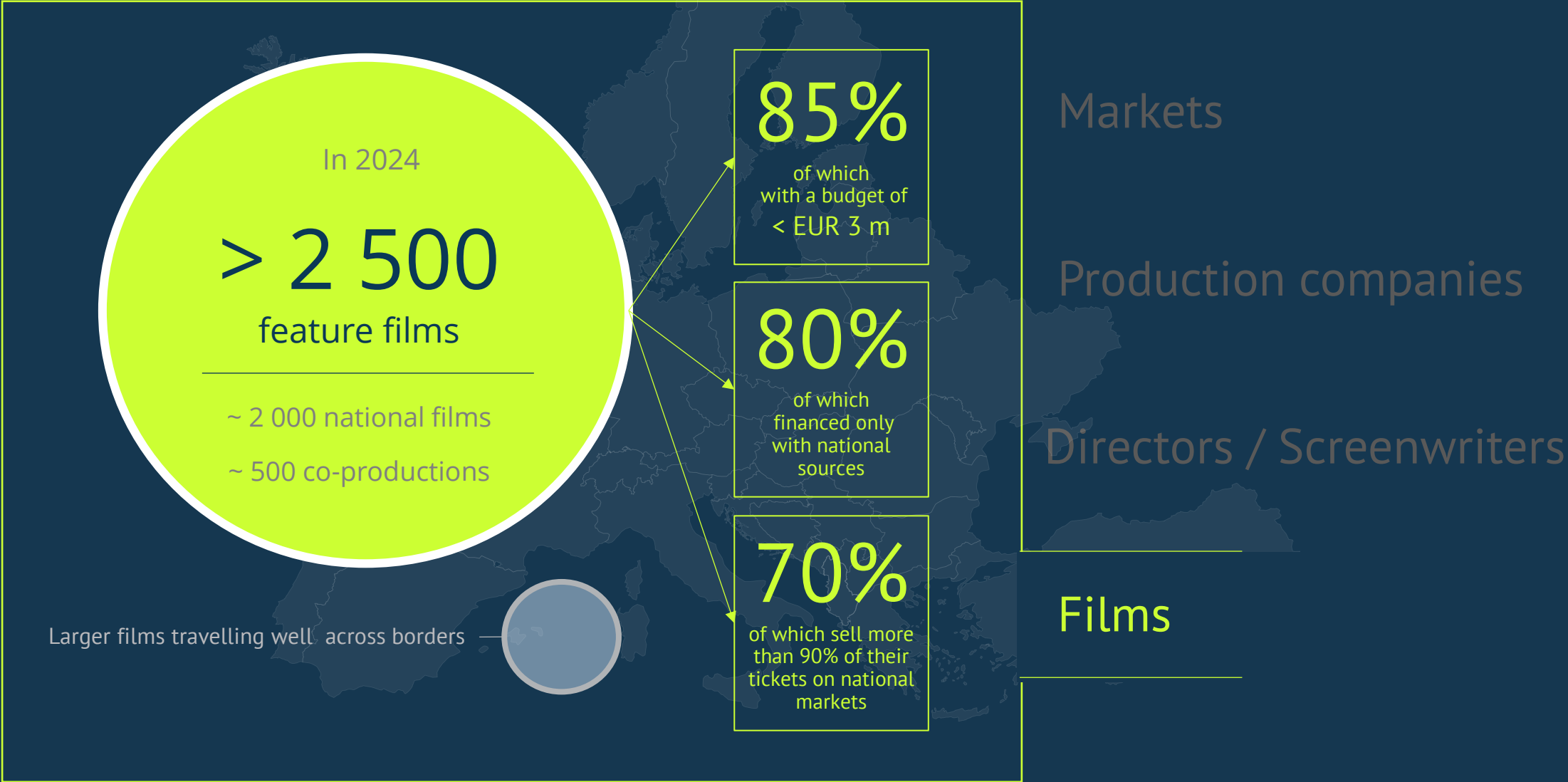
Methodology remarks:

- Sample analysis 2015-2023

Related sources:

Writers/Directors report

01 ... a large number of **films produced** with a comparatively low budget



Methodology remarks:

- Europe = 46 member states of the COE
- Theatrical fiction and feature documentary
- By production year

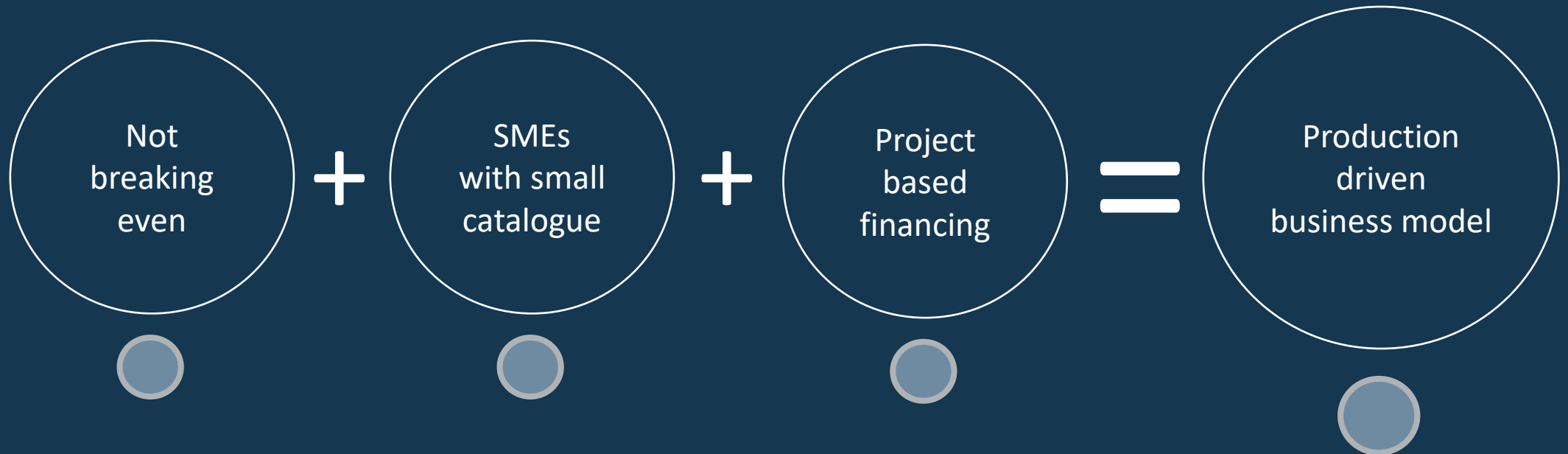
Related sources:

FOCUS
Yearbook

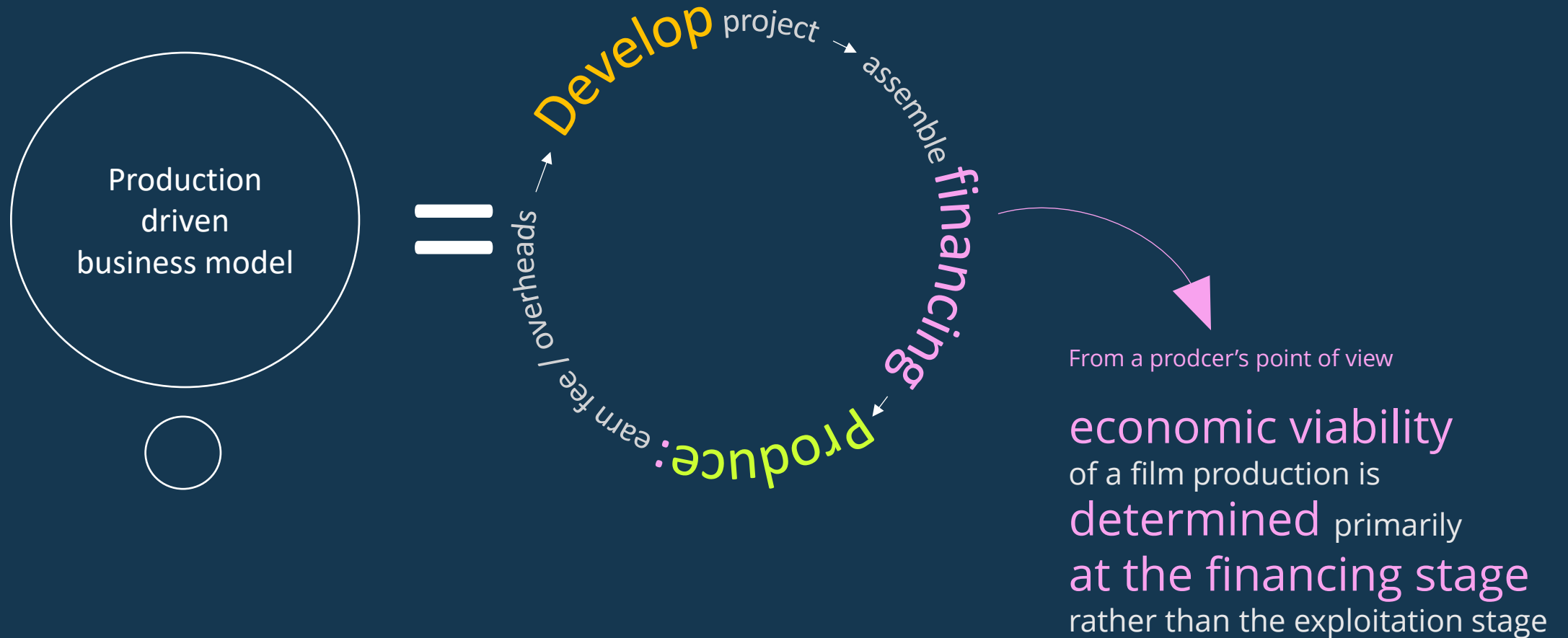
01 ● Most European films unlikely to break even (in cinemas) ...



01 ... resulting in the dominance of a production driven business model



01 ...where financing – rather than exploitation – is key



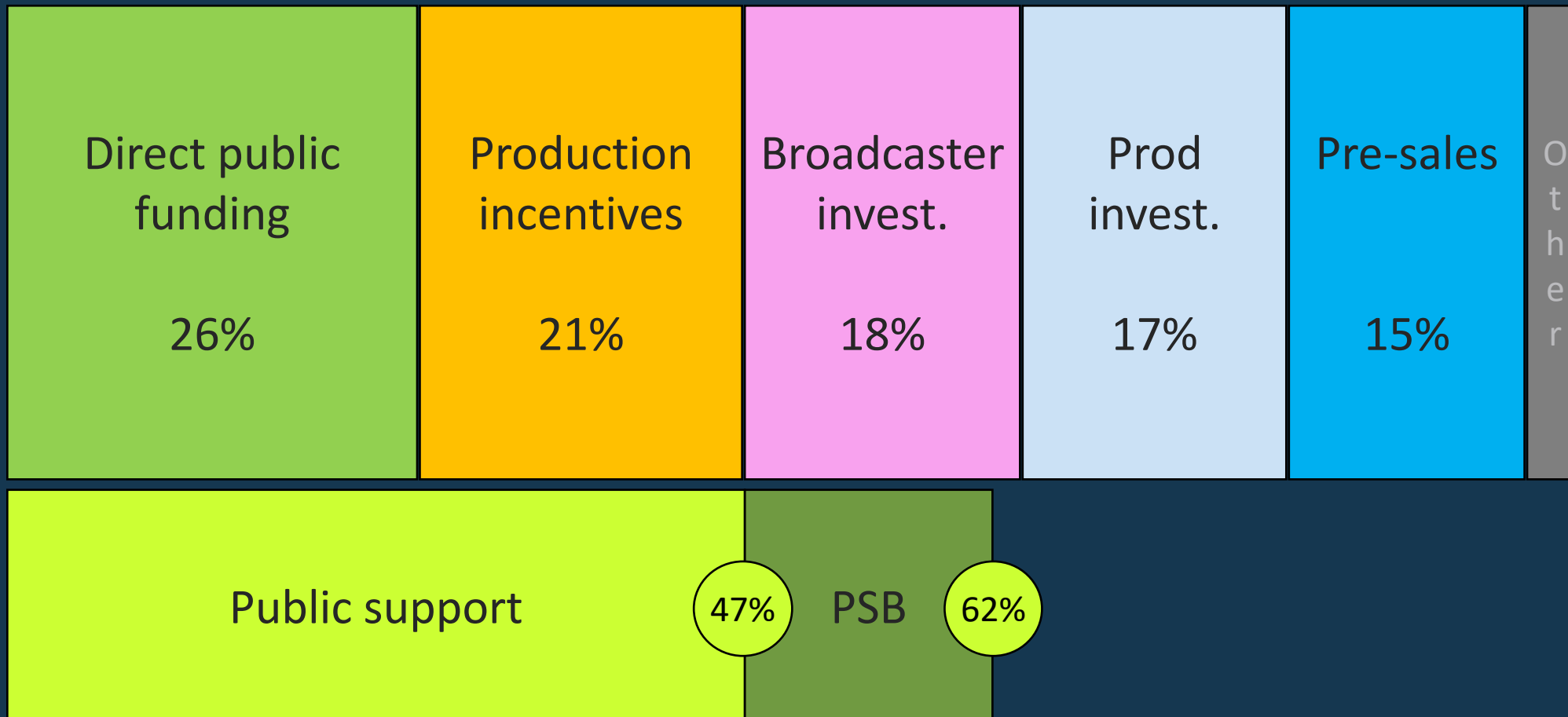
So, how are European films financed?

Five essential financing sources



02 ... with public support clearly standing out

Estimated breakdown of cumulative production cost of European fiction films 2023



Methodology remarks:

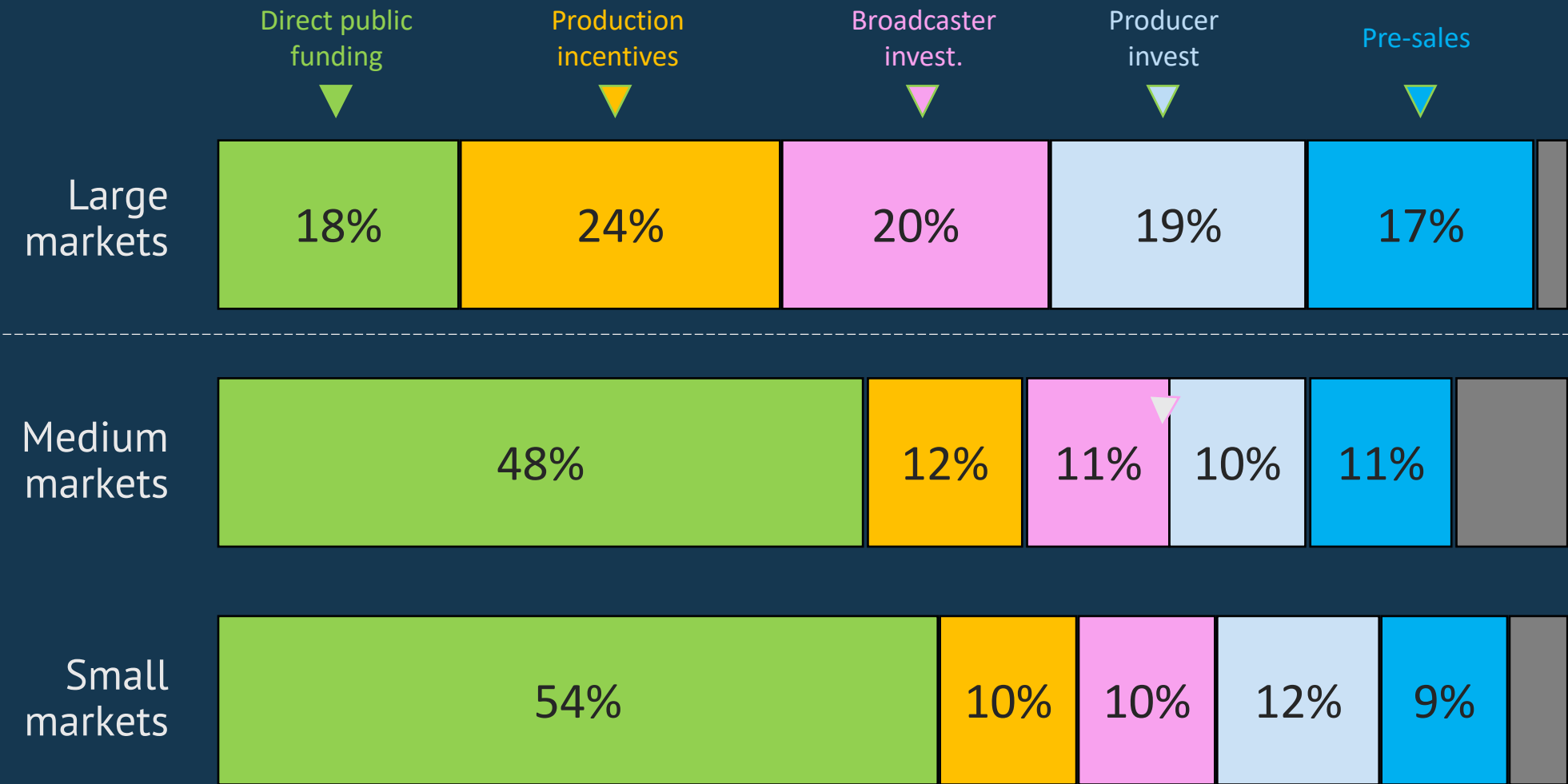
- Sample analysis of fiction film released in 2023

Related sources:

Financing Report

Source: European Audiovisual Observatory

02 ... particularly in small and medium sized markets



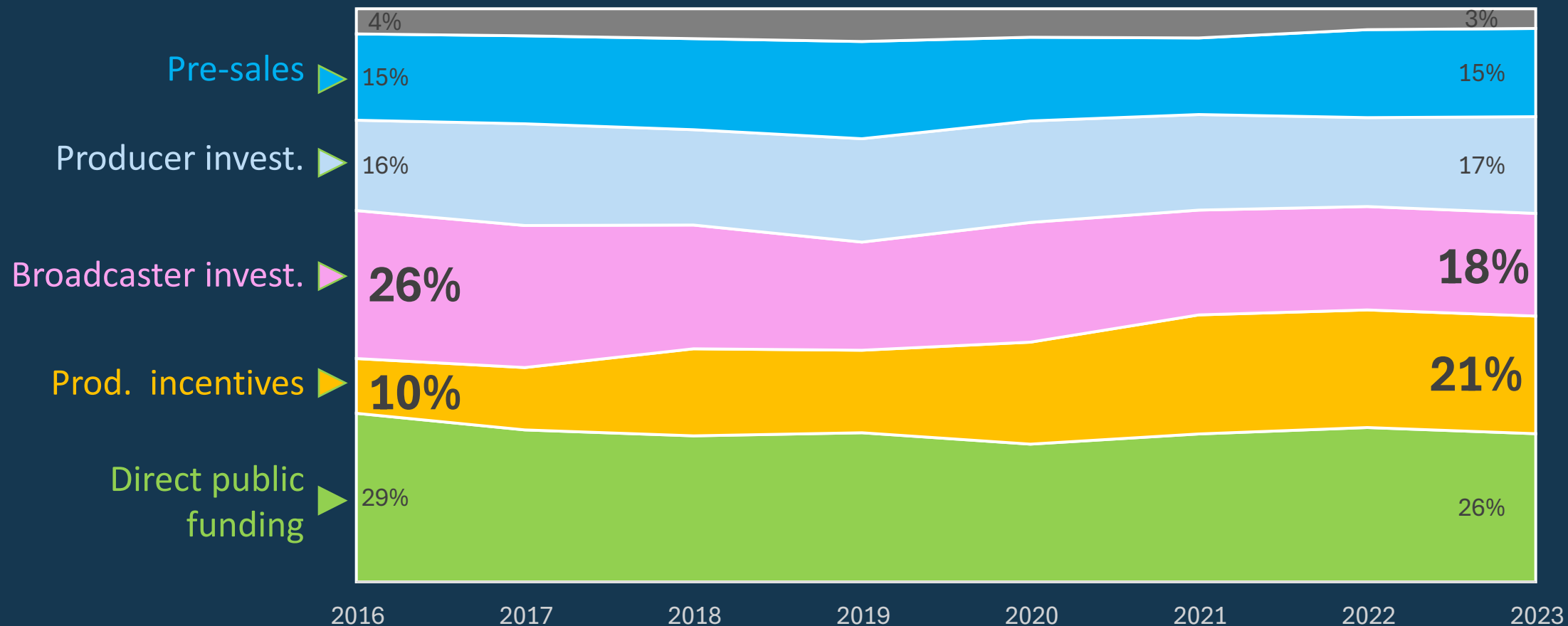
Methodology remarks:

- Sample analysis of fiction film released in 2022

Related sources:

Financing Report

02 Increasing importance of production incentives



Methodology remarks:

- Sample analysis of fiction film released in 2022

Related sources:

Financing Report

To wrap up

Small markets limit revenue potential for films catering to **national audiences**

Film production largely relies on a **production driven business model**

which **largely depends on public support / regulated financing**

resulting in a **diverse & economically sustainable European film landscape**



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