

Strasbourg, 19 December 2018

At the plenary meeting of the Board of Management of Eurimages held in December 2018 in Tbilisi, Ernst & Young Advisory (France, Paris) presented their external evaluation report on the Fund's activities to the representatives of the member States. Ernst & Young had been selected to carry out an external evaluation following a call for tenders launched at the beginning of the year.

The purpose of the external evaluation was to review the goals, programme implementation, governance and decision-making processes of Eurimages in the light of beneficiaries' requirements and more generally those of the film and audio-visual sector in the Fund's member States. The evaluators' work lasted from June to December 2018.

Following the presentation, the Board of Management decided to set up a study group under the chairmanship of Ms Catherine Trautmann. The aim of the study group will be to develop concrete proposals based on the evaluators' recommendations. These proposals will be presented to the Board of Management at its strategic meeting in October 2019.

If the Board of Management decides to implement reforms, these would be put in place in January 2020 at the earliest.

Finally, the Board of Management decided to publish the executive summary of the external evaluation. The document is now available on the Eurimages website.

Council of Europe

External Evaluation of the activities of the Eurimages Fund

Executive Summary



Building a better
working world

Aims and Objectives of the Evaluation

EY was commissioned by the Council of Europe to undertake an External Evaluation of the Eurimages Fund.

The Evaluation, which features both strategic and operational stakes, had two objectives:

- ▶ The retrospective objective consisting in assessing the results, efficiency, added value, coherence and relevance of Eurimages' activity over the 2013- 2017 period;
- ▶ The prospective objective aiming to provide information and recommendations to Eurimages, based on the review of the Fund's objectives, allowing to reconsider, if necessary, the intervention logic and the decision-making processes of the Fund.

The Evaluation aimed to respond to the following three Evaluation Questions:

- ▶ **Evaluation Question 1:** To what extent are Eurimages' activities adapted to the needs of professionals in the audiovisual and film sector in the member States?
- ▶ **Evaluation Question 2:** To what extent are the Fund's decision-making processes and governance adequate to meet the Fund's objectives?
- ▶ **Evaluation Question 3:** To what extent are Eurimages' working methods adapted to the objectives of the Fund?

This Report presents the responses to the three overarching Evaluation Questions as well as recommendations for future improvements.

Both primary and secondary research was undertaken for the Evaluation, with extensive data collection undertaken including in-depth desk research, interviews with Board of Management members,¹ on-site visits and interviews with the Eurimages Secretariat,² telephone interviews with stakeholders from industry³ and direct observation of meetings of the Board of Management and Working Groups of Eurimages.⁴ Four online surveys were also launched in July 2018 focussing on (1) Board of Management members (2) Beneficiaries of Eurimages (3) Non-beneficiaries of Eurimages and (4) Distributors.

The Eurimages Funds' mandate

Eurimages' general purpose is to promote the European film industry by encouraging the co-production and distribution of films in member States by contributing to their funding, and to promote co-operation between professionals. The Fund pursues two general objectives:

- ▶ Its cultural objective is to "support artistic works which reflect the multiple facets of a European society".
- ▶ Its economic objective is to "invest in an industry which creates jobs and is subject to market forces".

The statutory objectives of the Fund are outlined in the Council of Europe's Resolution (88) 15 establishing the Eurimages Fund stemming from its general purpose⁵.

¹ All members of the Board of Management were requested for interview, with 31 interviews undertaken with members of the Board of Management, the majority of which were undertaken face-to-face in Montréal in June 2018, with the remainder undertaken by phone. One interview was held with Mrs. Catherine Trautmann, President of the Eurimages Fund, in June 2018.

² Two onsite visits were undertaken to the Secretariat in Strasbourg on 3 and 5 July 2018 and 13 and 14 September 2018. The aim of the onsite visits was to undertake interviews with the members of the Secretariat as well as undertake workshops with groups of Secretariat staff on different themes of the Evaluation. 21 interviews were undertaken with members of the Secretariat during the onsite visits on 3 and 5 July 2018.

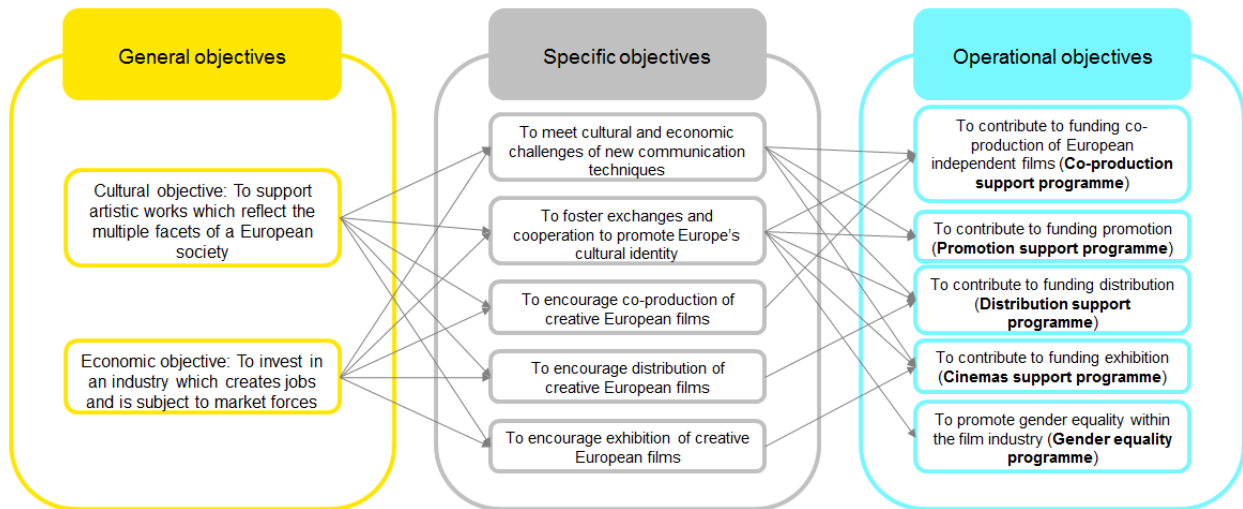
³ Workshops were undertaken with Eurimages' staff focusing on the following themes: (1) Co-Production programme (2) Relations with the Board of Management (3) Communication (4) Internal Controls (5) Distribution.

⁴ 24 interviews were undertaken with stakeholders from the following groups: Council of Europe; National film institutes' officials; Financiers; Producers' associations; Distributors' associations; Film producers; Film markets professionals; Collection agencies; Sales Agents; Europa Cinemas Network

⁵ Direct Observation of Working Groups and of the Plenary Session of the Eurimages' Board of Management was undertaken during the 151st meeting of Eurimages' Board of Management in Montréal from 18 to 22 June 2018.

⁶ "to foster the co-production and distribution of creative cinematographic and audiovisual works in order to take full advantage of the new communications techniques and to meet the cultural and economic challenges arising from their development" (Preamble);

Figure 1: Intervention logic of Eurimages



Source: EY

These objectives indicate a willingness to pursue primarily, by means of financial contributions, the Fund's cultural objective of promoting the diversity of Europe's cultural identity through support to quality cinematographic and audiovisual European works. By fostering the realisation of such projects, the Fund's intervention fulfils its economic objective. In turn, the pursuit of the economic objective ultimately contributes to the achievement of the cultural objective, by strengthening diversity and quality in European cinematographic and audiovisual creations and their position on the European market.

Eurimages' activities – Ensuring diversity and setting standards in the industry

The activities undertaken by Eurimages are diverse, with five key programmes in place.

"to intensify co-operation and exchanges for the purpose of stimulating film and audiovisual production as an important means of promoting Europe's cultural identity" (Preamble);

"to encourage in any way defined by the Board of Management the co-production, distribution and exploitation of creative cinematographic and audiovisual works, particularly by helping to finance the co-production, distribution, broadcasting and exploitation" (Article 1.1);

"when granting aid, the Board of Management shall take into account the quality of the work and shall ascertain whether it is apt to reflect and to promote the contribution of the diverse national components of Europe's cultural identity" (Art.5.2);

Table 1 Overview of Key Eurimages Programmes

Programme	Description
<p>Co-Production Support Programme</p>	<p>The Co-Production Support Programme is the main activity of the Fund, representing more than 91.4% of the financial support allocated by Eurimages in 2017.</p> <p>The Programme funds fiction, documentary and animation features that are co-produced between Eurimages member States, that are not less than 70 minutes in duration and that are destined for cinema release.</p>
<p>The Cinemas Support Programme</p>	<p>The Cinemas Support Programme aims to increase the programming of films from the member States in cinemas, fostering diversity in the screening of these films and developing a network of cinemas in co-operation with Europa Cinemas. In particular, this programme is focused on member States that do not have access to support under the Creative Europe MEDIA sub-programme, namely, as of 2018: Armenia, Canada, Georgia, Russian Federation, Switzerland and Turkey.</p>
<p>Distribution Support Programme</p>	<p>Eurimages contributes to marketing and advertising expenses for the distribution of non-national films from other member States in the countries concerned through the Distribution Support Programme, which are member States that do not have access to support under the Creative Europe MEDIA sub-programme, namely, as of 2018: Armenia, Canada, Georgia, Russian Federation, Switzerland and Turkey.</p>
<p>Promotion Programme</p>	<p>The Promotion Programme focuses on the promotion of Eurimages' activities which includes the creation of prizes rewarding achievements in specific fields that are awarded in various co-production markets and film festivals. These prizes include Co-Production Development Awards and Lab Projects.</p> <p>Co-Production Development Awards promote the idea of cinematographic co-production early in the scriptwriting process. Lab Project Awards reward innovative projects exploring new forms of expression at four European festivals.</p> <p>In addition to awards, the Programme includes sponsorship and patronage and presence of Eurimages at major festivals.</p>
<p>Gender Equality Programme</p>	<p>A formal Gender Equality Programme was established by Eurimages in 2016. Its activities involve actions within the Fund, but also externally, such as encouraging other film funds at national or regional level to take this dimension into account. This programme is based on three strategic objectives:</p> <ul style="list-style-type: none"> ▶ Propose an approach to gender equality at the heart of all policies or measures, take this dimension into account in all processes, including financial processes and in the allocation of support; ▶ Combat gender stereotypes and sexism in the representation of women on screen by raising the awareness of cinema professionals about this problem; ▶ Prevent and combat violence against women by drawing attention to the fact that showing degrading images of women can encourage violence, and develop respect for their dignity.

Results of the Evaluation

EQ1: To what extent are Eurimages' activities adapted to the needs of professionals in the audiovisual and film sector in the member States?

The Evaluation Question focused on the external performance of the Fund's activities and assessed the extent to which the activities achieved the objectives of the Fund.

Key Findings

The Evaluation found that the Eurimages Fund has been effective in supporting artistic work which reflects the multiple facets of a European society and in promoting the values of the Council of Europe, especially the freedom of speech (F1.1). The Eurimages Fund succeeds in reaching its overall cultural objective of promoting the diversity of Europe's cultural identity through support to quality cinematographic and audiovisual European works.

The activities of the Fund have contributed to the development of the industry and have intensified cooperation and exchanges between actors of the sector (F1.2). The action of the Eurimages Fund was widely recognised by stakeholders consulted as making an important contribution in the observed growth in cooperation and exchanges between professionals of the film industry from member States of Eurimages.

The Evaluation found that Eurimages funding provides added value overall, ensuring that co-production projects reach a high level of quality, with the funding provided by Eurimages granting them a widely praised label of quality (F1.3).

While the Evaluation found that the activities of Eurimages correspond to the needs of the sector and market players, a potential was identified to ensure continuous reflection on its relevance (F1.4). In face of the evolutions of the industry, such as the emergence of new platforms like VoD and SVoD, the Evaluation identified a need to define and adopt a Strategy.

With regard to the Co-Production support programme, the amount of projects applying for support from the programme has been steadily increasing over the past years, whereas the available budget for support has remained constant. The Evaluation found that the programme continued to answer the primary need of the film industry, with Eurimages trying to do more with less (F1.5).

The Evaluation examined the Promotion Support Programme which was considered to add value through the Lab Projects and Development Awards. However, the overall strategic vision of the Programme was questioned, with the Evaluation identifying further potential for improvement (F1.6).

Concerning the Distribution Support Programme, the Evaluation identified concerns relating to its overall relevance regarding the needs of professionals, mainly due to issues in the perimeter and definition of support criteria, and to an impact limited by the amount of available resources. The Evaluation concluded that while the Programme addresses the needs of some member States, its overall impact for Eurimages is limited in its current form (F1.7). Regarding the Cinemas Support Programme, this was found to be complementary to the MEDIA programme in fostering the programming of diverse European films though the Evaluation identified the potential for further refinement (F1.8).

Finally, the Evaluation considered that Eurimages activities were complementary to those undertaken at national, regional and European level. The activities of Eurimages are widely perceived as complementary with the action of other public institutions that support the film industry (F1.9).

Recommendations

In order to address shortcomings identified, the Evaluation made a number of recommendations presented in the table below.

Table 2 Recommendations relating to Evaluation Question 1

Finding	Recommendation	Main advantages	Links with other Recommendations
<p>F1.4: Eurimages' activities and outputs correspond to the needs of the sector and market players, though the potential to ensure continuous reflection on relevance has been identified</p>	<p>R1.1: The Board of Management should undertake continued monitoring of the evolutions within the film industry in order to ensure its activities continue to correspond to the needs of the sector.</p> <p>In this regard, the Board of Management should include an item within its Plenary Agenda on evolutions within the industry and reflect on an annual basis on the developments of VoD and SVoD.</p> <p>As part of its reflection, the Board of Management could consider the introduction of the following:</p> <ul style="list-style-type: none"> ▶ The extent to which it can support the release and promotion of its films supported through the Co-Production programme on VoD platforms ▶ The extent to which the Co-Production programme could include the financing of fiction through television, in accordance with the provisions of the 1988 Resolution. <p>In order to assist the Board of Management in this reflection, the Eurimages Secretariat should consider holding a Stakeholders' Forum during a major Festival in order to gain input on an annual basis from stakeholders on the overall relevance and priorities of Eurimages.</p>	<p>By ensuring an ongoing reflection on the overall relevance of the Fund with emerging needs, the Fund shall ensure that it continues to correspond to the overall needs of the sector and market players.</p> <p>In accordance with the findings of the Evaluation, a need has not been identified at this stage to revise considerably the overall scope of the activities of the Fund, with a need continuing to exist to focus on co-production in cinemas.</p> <p>The creation of a Stakeholders' Forum will ensure that a platform for discussion and reflection is in place with players from the sector on an annual basis.</p>	<ul style="list-style-type: none"> ▶ R1.5 ▶ R2.1 ▶ R2.2
<p>F1.4: Eurimages' activities and outputs correspond to the needs of the sectors and market players, though the potential to ensure continuous reflection on relevance has been identified</p>	<p>R1.2: Eurimages should undertake reflection, through discussions on its future Strategy, on the steps to be taken to promote and attract talent within its member States to ensure that the financing of Eurimages is sustainable and adds value in the long term.</p> <p>Eurimages should consider the extent to which such an aspect can be integrated into the current Lab Projects.</p>	<p>As identified through the Evaluation, benefits have been identified through focusing on attracting young talent, with the Talent to Watch programme seen as a success story in this regard.</p> <p>By reflecting on how young talent can be promoted and supported, Eurimages shall ensure its ongoing sustainability and impact in the long term since the financing of young talent ensures the development of skills for the future.</p>	<ul style="list-style-type: none"> ▶ R1.3 ▶ R1.4 ▶ R2.1 ▶ R2.2 ▶ R2.9
<p>F1.6: The Promotion Support Programme adds value through its strategic vision has</p>	<p>R1.3: The Board of Management should undertake a full review of the Festivals selected for Promotion activities including Lab Awards and Co-Production Development Awards to ensure they are in line with the objectives of these awards and with the Fund's future Strategy.</p> <p>To ensure that the Festivals selected are aligned with the objectives of the Lab Projects, a Call for</p>	<p>By undertaking a full review of the Festivals selected for the Promotion activities, Eurimages will be able to ensure that its activities are up to date with current trends and needs.</p>	<ul style="list-style-type: none"> ▶ R1.2 ▶ R1.4 ▶ R2.1 ▶ R2.2

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Finding	Recommendation	Main advantages	Links with other Recommendations
been questioned	<p>Applications could be launched by Eurimages in order to receive applications from Festivals to receive the awards. The Call for Applications could be undertaken on a four-year basis with a view to ensuring the continuing review of the Festivals selected.</p> <p>The members of the Jury for the Lab Projects should have the appropriate competence and skills to judge films considered to be 'innovative'.</p>	<p>The launching of a call for application shall ensure that the most appropriate Festivals are selected to host the awards. By introducing a renewal of these applications on a 4 year basis, this can assist in ensuring rotation, where necessary, and provide opportunities for other Festivals to host Eurimages awards.</p>	
F1.6: The Promotion Support Programme adds value though its strategic vision has been questioned	<p>R1.4: The scope of the Lab Project Awards should be extended to include young talent with a view to ensuring that the Lab Projects consider innovative projects from young talent throughout the Eurimages member States.</p> <p>In order to take into consideration the aspect of attracting Young Talent, the Board of Management of Eurimages could consider including in its selection criteria for the Festivals chosen to host Lab Projects the criteria of film events where a focus is placed on young talent.</p>	<p>By including Young Talent within the scope of the Lab Projects, the scope of the Lab Project awards shall be further pinpointed with a view to providing a platform for young talent to thrive.</p>	<ul style="list-style-type: none"> ▶ R1.2 ▶ R1.3 ▶ R2.1 ▶ R2.2
F1.7 While the Distribution Support Programme addresses the needs of some member States, its overall impact for Eurimages is limited	<p>R1.5: The Board of Management should reconsider the existence of the Distribution Programme in its current form and should include a distribution element within the Co-Production Programme in order to cover all member States and increase its impact.</p> <p>The Co-Production Working Group could consider, in the selection of its projects, the projects that would require support to ensure their international distribution, with distribution support allocated to these projects in addition to the financing for co-production support. In order to identify these projects, criteria relating to distribution potential should be considered by members of the jury in Co-Production Working Groups.</p>	<p>The Distribution financing through the Co-Production Programme would ensure that financing for distribution is provided for Eurimages-financed projects throughout the 38+ member States, with the prioritisation of financing on projects with low distribution potential ensuring the impact of the distribution financing.</p>	<ul style="list-style-type: none"> ▶ R2.2
F1.8: The Cinemas Support Programme complements the MEDIA programme in fostering the programming of diverse European films though further refinements have	<p>R1.6: The Cinemas Support Programme should be integrated fully within the mandate of Europa Cinemas, with the recommendations made by Europa Cinemas automatically leading to the granting of support and approved by the Plenary meeting of the Board of Management.</p> <p>The scope of support by the Cinemas Support Programme should focus on Eurimages films financed through the Co-Production Support Programme.</p>	<p>This Recommendation would increase efficiency since Europa Cinema would be fully responsible for making recommendations on the support for cinemas. By ensuring that the funding goes to films supported through the Co-Production Support Programme, the risk would be removed that funding through the Cinemas Support Programme does not go directly to Eurimages' funded films. The Cinemas Working Group would thus become redundant, leading to an increase in</p>	<ul style="list-style-type: none"> ▶ R2.2

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Finding	Recommendation	Main advantages	Links with other Recommendations
been identified		efficiency within the Board of Management.	

EQ2: To what extent are the Fund’s decision-making processes and governance adequate to meet the Fund’s objectives?

This Evaluation Question examined the decision-making processes and governance structure in place in relation to the Eurimages Fund with a view to evaluating whether the processes and structure in place are conducive to achieving the overall objectives of the Fund. In this regard, the Governance Structure relates to the different actors in place within Eurimages, namely the Secretariat, the Board of Management, the Bureau and the Working Groups. The Decision-Making Processes relate to the processes in place within Eurimages, between the different actors, in order to take decisions in relation to financing of Eurimages projects through the specific programmes (co-production, distribution etc.)

Key Findings

Governance Structure

With regard to the Governance Structure, the Evaluation found that the Governance Structure of the Fund respects the mission of the Council of Europe, with all member States playing a role (F2.1). The Fund has grown organically, with no major changes brought to its governance following its successive enlargements (F2.2). While the Evaluation found that Eurimages has adapted to the increase and diversification of activities and size, the sustainability of the governance structure in place in the long term has been questioned, with issues arising with regard to the overall capacity of Eurimages to address the strategic line of the Fund taking into account the growing demands in relation to projects and financing applications and the increased attractiveness of the Fund by countries wishing to join.

The Board of Management is composed of members with a mix of expertise, with some representing Ministries in their member States and others being professionals from the film industry. While ensuring diversity, the Board of Management members play a dual role, fulfilling both a strategic and technical function, which can impact the overall effectiveness of the Fund (F2.3).

While Eurimages’ activities have evolved and developed, with overwhelming success, over the reference period, as acknowledged by all groups of stakeholders consulted for the Evaluation and as identified through the evolution of the Fund’s activities, the Evaluation found that Eurimages would benefit from a better definition of an overall Strategy (F2.4).

The Evaluation examined the role of the Board of Management’s Bureau, composed of the Board’s President, two Vice-Presidents, and four members of the Board of Management. The Bureau was seen as a positive step in the overall governance structure of the Fund, removing administrative burden from the Board of Management (F2.5).

The Evaluation found that the Secretariat, composed of administrative and technical staff with considerable expertise and knowledge of the industry and of the needs of the Fund overall, provides solid support through the governance structure, both for beneficiaries of Eurimages and for the Board of Management, ensuring continuity in the activity of the Fund (F2.6). While the input of the Secretariat is positive, the increase in Eurimages’ activities can create issues for the Secretariat’s overall sustainability (F2.7). The Staff of Eurimages is composed of a Director and Deputy Director, with nine Project Managers in place. These Project Managers are responsible for ensuring the smooth running of the projects financed under the Eurimages Programmes, with a particular focus on co-production. Given the heavy project focus of the Secretariat, the Evaluation identified that the reporting processes in place could be reinforced by the creation of a position with responsibility for overall coordination of the work of the Project Managers (F2.8).

While the Secretariat undertakes significant work, with considerable time invested in assessing projects and analysing their financial viability, their role within the Working Groups remains that of ‘support staff’, with their knowledge and analysis not fully exploited. (F2.9).

Regarding the frequency of the meetings, Meetings of Working Groups and the Board of Management are currently held four times a year, in March, June, October and December. The Evaluation found that the frequency four times a year creates a heavy administrative burden for the Board of Management and the Secretariat (F2.10). Reducing the number of meetings would decrease the operational cost for both the Secretariat and the member States and improve the Fund’s efficiency without penalising the beneficiaries.

Decision-making

The decision-making process in the Co-Production Working Groups has adapted to the increase in project numbers and to the enlargement of the Fund though the Evaluation found that improvements could be made to the structure and

representativeness of votes (F2.11). Concerning the scoring method in the Co-Production Working Groups, while the Evaluation found that the change in voting structure was considered as a positive step, with a score now provided to each project from one to ten, the scoring method can lead to unbalanced scoring and provides members of the working group with the ability to reject a project through one single vote. The Evaluation therefore identified room for further improvement (F2.12).

Within the Co-Production Support programme, clear rules are set for the selection of projects receiving support for co-production. However, the absence of a clear Strategy for Co-Production leads to projects being selected in accordance with differing criteria (F2.13). The absence of a categorisation of projects at the Co-Production Working Groups can lead to unfair comparison and competition (F2.14).

Concerning membership of the Co-Production Working Groups, the Evaluation found that members of the Co-Production Working Groups possess different expertise which are not always adapted to the obligations placed on them (F2.15).

Regarding the Promotion Programme, this Programme was found to provide double added value, providing increased visibility for Eurimages and increased support for European Films at a reduced cost. However, as with other Programmes under Eurimages, no clear Strategy exists for selecting festivals and awards for the Promotion Programme, with the Evaluation identifying room for improvement in the decision-making process of this programme (F2.16).

Finally, the Gender Equality Working Group was identified by the Evaluation as a 'success story', with stakeholders welcoming the work of Eurimages in relation to gender equality and praising Eurimages' role as a trailblazer on this matter. The Working Group has provided strong added value, demonstrating Eurimages' ability to respond to emerging needs and to define priorities and a Strategy (F2.17).

Recommendations

In order to address shortcomings identified, the Evaluation made a number of recommendations presented in the table below.

Table 3 Recommendations relating to Evaluation Question 2

Finding	Recommendation	Main advantages	Links with other Recommendations
<p>F2.2: Eurimages has grown organically, with no major changes brought to its governance following its successive enlargements</p> <p>F2.3: Though ensuring diversity, the Board of Management members play a dual role, fulfilling both a strategic and technical function, which can impact the overall effectiveness of the Fund</p> <p>F2.15: Members of the Co-Production Working Groups possess different expertise which are not always adapted to the obligations placed on them</p>	<p>R2.1: The Board should focus on effectively:</p> <ul style="list-style-type: none"> ▶ Providing high-level guidance ▶ Establishing annual or multiannual plans based on identified orientations ▶ Following-up the performance of the Fund and taking the necessary action to resolve any problem that may arise <p>The current structure needs to evolve and clearly separate strategic and technical roles and functions.</p> <p>The overall structure of the Fund should be revised in order to:</p> <ul style="list-style-type: none"> ▶ Ensure that the Board of Management plays a guidance role ▶ Establish a clear distinction (within the Resolution establishing Eurimages) between the role of Board of Management members and Working Groups in charge of assessing projects ▶ Adapt Memberships to each structure, including the mandate of each member and the duration and potential for renewal of their mandates ▶ Provide the possibility for rotation of members, where possible in the national context <p>In particular :</p> <ul style="list-style-type: none"> ▶ For Co-Production Working Groups, in order to mitigate potential conflicts of interest, member States should appoint, if possible, up to three operational/technical representatives from industry (experts) to fill the role as expert to the Working Group. These experts should be called upon on a rotation basis. These experts would be individuals from the film industry. A mix of know-how could be considered by the member States with the competence of the experts representing a mix of professionals in production, script writing etc. <p>The revisions made to the structure should be included in an amended Resolution clearly defining the new structure. A proposed structure is presented in Annex to this Report.</p>	<p>By making a distinction between strategic and technical roles, it will be possible to ensure that sufficient discussions are undertaken on the Strategy of the Fund and that the selection of projects is undertaken by individuals from member States with the technical expertise in place.</p> <p>By specifying the overall duration of members' mandates and ensuring rotation of members from member States, where possible, dynamism will be guaranteed within the structures.</p> <p>Due to the reduction of the frequency of the meetings (see Recommendation below), it is foreseeable that the member States are in a position to pay for both a member of the Board of Management as well as a technical expert for participation at the Co-Production Working Group since the time allocated for these individuals will not increase. However, to ensure transparency, the technical experts' time could be remunerated by Eurimages if the role of the readers is abolished.</p>	<ul style="list-style-type: none"> ▶ R2.2 ▶ R2.3 ▶ R2.7 ▶ R2.10 ▶ R2.11
<p>F2.4: Eurimages would benefit from an overall Strategy, with the current structure not permitting sufficient</p>	<p>R.2.2: A multi-annual Strategy should be put in place by the Board of Management in order to outline the following:</p> <ul style="list-style-type: none"> ▶ Priorities in relation to the selection of projects through the co-production programme ▶ Priorities in relation to the selection of projects and festivals through the Promotion programme ▶ Priorities in relation to distribution and cinemas 	<p>The creation of a Strategy would ensure the overall streamlining of the activities of the Fund in order to ensure they are moving towards the same common goal. A Strategy with multi-annual work programmes would also ensure that the Fund continues to reflect on an ongoing</p>	<p>This Recommendation should be considered as a priority as it will ensure that all other Recommendations can have full effect.</p>

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Finding	Recommendation	Main advantages	Links with other Recommendations
<p>strategic guidance</p>	<ul style="list-style-type: none"> ▶ Priorities in relation to gender equality ▶ Evolution of the Fund in relation to the evolution of the needs of the market (VoD, SVoD etc.) <p>The multi-annual Strategy should be accompanied by Annual and multi-Annual Work Programmes in order to set out key actions on an annual basis.</p> <p>To review the Strategy and ensure its effectiveness, regular monitoring and evaluation should be undertaken, with an evaluation of Eurimages to be undertaken every 5 years as already required.</p> <p>Considerations should be made to revise the 1988 Resolution in order to further define the overall objectives of the Fund.</p>	<p>basis on its sustainability and future missions.</p>	
<p>F2.2: Eurimages has grown organically, with no changes brought to its governance structure following its successive enlargements</p> <p>F2.5: The Bureau is seen as a positive step towards removing administrative burden from the Board of Management</p>	<p>R2.3: In order to adapt the needs of the current governance Structure to its current composition of 38+ member States and ensure it is flexible, modifications should be made to the structure in relation to the following:</p> <ul style="list-style-type: none"> ▶ A clear list of 'A' and 'B' type issues should be defined with the Bureau being assigned the task of taking decisions on 'B' list issues including the validation of special cases ▶ The Plenary session of the Board of Management should focus on strategic discussions and the validation of 'A' level issues 	<p>The creation of an A and B list would ensure that the meetings of the Board of Management and Bureau are streamlined and increase efficiency.</p>	<ul style="list-style-type: none"> ▶ R2.1 ▶ R2.2
<p>F2.8: Given the heavy 'project-focus' of the Secretariat, an insufficient reporting process is in place</p>	<p>R2.4: The functioning of the Secretariat should be improved by:</p> <ul style="list-style-type: none"> ▶ Developing the organigram of the Secretariat, clarifying each role and function defined by tasks and responsibilities ▶ Appointing a Head of Programmes to oversee the overall work of the Project Managers and act as an intermediary between the Project Management Unit and the Director ▶ Increasing communication between members of the Secretariat through the introduction of regular meetings which will provide a regular platform for coordination and discussion ▶ Introducing a Work flow system for improved monitoring and transparency of activities ▶ Undertaking a full review of business processes to streamline processes and ensure that each member of the Secretariat plays a clear role in each procedure ▶ Ensuring a business continuity plan is in place in relation to staff resources in order to deal 	<p>The introduction of such measures would ensure that the project focus of the Secretariat is addressed through supporting measures to guarantee that Project Managers are supported in their work and that they have the necessary tools to ensure that they can work efficiently.</p>	<ul style="list-style-type: none"> ▶ R3.7

Finding	Recommendation	Main advantages	Links with other Recommendations
	with staff absence		
<p>F2.9: The expertise and knowledge of the Secretariat is not fully exploited within Co-Production Working Groups</p>	<p>R2.5: Rather than be an ‘observer’, the Secretariat should play an active role (within the Co-Production Working Group), providing input and guidance regarding the selection of projects.</p> <p>The Secretariat should:</p> <ul style="list-style-type: none"> ▶ Be considered as a member of the Co-Production Working Group rather than an ‘observer’ ▶ Be given the capacity to provide recommendations on the overall financial viability of the project including providing input on the financial risks associated with a project. This should culminate in the Secretariat providing a score relating to the financial feasibility of the project 	<p>By providing the Secretariat with an active role, its expertise and knowledge relating to the feasibility of projects will be taken into account and considered to ensure that their experience is exploited to the maximum in the selection of projects.</p>	<ul style="list-style-type: none"> ▶ R2.7 ▶ R2.8
<p>F2.10: The frequency of the meetings, four times a year, creates a heavy burden for the Board of Management members and the Secretariat</p>	<p>R2.6: The frequency of all meetings should be reduced from four to three meetings per year.</p> <p>At least one of the meetings should be held in a common location i.e. CoE Headquarters in Strasbourg to reduce administrative burden on the Secretariat.</p> <p>In order to ensure communication flows continue between the Secretariat and members of Eurimages, meetings via video or phone conference should be envisaged between meetings for Working Groups (e.g. Gender Equality, Co-Production) in order to discuss any arising issues and limit the time allocated for meetings in person.</p> <p>The Plenary Session of the Board of Management should be held three times a year, with the Plenary Sessions focusing on the following:</p> <p>Plenary Session 1:</p> <ul style="list-style-type: none"> ▶ Review of work undertaken in N-1 ▶ Review of goals set for the year and actualization of programme ▶ Validation of decisions undertaken by the Working Groups <p>Plenary Session 2:</p> <ul style="list-style-type: none"> ▶ Discussion of Work Programme for N+1 ▶ Review of progress in implementation of Work Programme for N ▶ Identification of specific issues and evolving needs ▶ Validation of decisions undertaken by the Working Groups <p>Plenary Session 3:</p> <ul style="list-style-type: none"> ▶ Validation of Work Programme for N+1 ▶ Review of progress in implementation of Work Programme for N 	<p>The reduction of the frequency of the meetings would enable additional time between meetings in order to ensure their efficiency and ensure greater preparation of meetings.</p> <p>As indicated under R2.1 above, due to the reduction in frequency of the meetings and in duration of these meetings, costs savings would be incurred by member States who would no longer finance travel and subsistence for up to 20 days a year.</p>	<ul style="list-style-type: none"> ▶ R2.1 ▶ R2.7

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Finding	Recommendation	Main advantages	Links with other Recommendations
	<ul style="list-style-type: none"> ▶ Validation of decisions undertaken by the Working Groups <p>It is recommended that the Plenary Sessions be of one day duration.</p> <p>Meetings of the Co-Production Working Groups should be held three times a year. These meetings should be held before the meetings of the Plenary session within a timeframe of two weeks before the Plenary Session meeting. All other groups should meet via video or phone conferences except where circumstances require a physical meeting.</p> <p>The Co-Production Working Groups should only be attended by members of the Working Groups.</p>		
<p>F2.11: The decision-making process in the Co-Production Working Groups has adapted to the increase in project numbers and to the enlargement of the Fund though improvements could be made to the structure and representativeness of votes</p>	<p>R2.7: The structure of the Co-Production Working Groups should be revised by:</p> <ul style="list-style-type: none"> ▶ Ensuring members of the Co-Production Working Group are appointed experts from member States and not members of the Board of Management. The experts should represent a mix of expertise in the industry from script writing to production and do not represent the appointing member State. ▶ Ensuring the Co-Production Working Groups are only attended by members of the Working Group, removing the requirement for Board of Management members not participating in the Working Groups to be present to represent the projects from their member State <p>The membership of the Co-Production Working Group should be composed of the following:</p> <ul style="list-style-type: none"> ▶ 8 Technical Experts from the member States appointed on a rotational basis ▶ Members of the Secretariat assessing the projects <p>Based on the technical expertise of the members of the Co-Production Working Group, it is recommended to remove the work of the readers within this Working Group in order to fully exploit the expertise of the film professionals.</p> <p>The Co-Production Working Group meetings should be a maximum of one day in length, with preparatory work undertaken by members of the Co-Production Working Group in order to 'shortlist' the films to be discussed. It is recommended that the shortlisting occurs before the meeting of the Working Group, where each member would rank the projects by order of priority.</p> <p>A proposed Structure is presented in Annex to this Report.</p>	<p>The restructuring of the Co-Production Working Groups would ensure that the decisions are taken by appointed individuals from the Eurimages member States with experience in the audiovisual and film industry. By providing a mix of industry expertise, it would ensure that considerations are pertinent in relation to the selection of the films.</p>	<ul style="list-style-type: none"> ▶ R2.1 ▶ R2.5 ▶ R2.6
<p>F2.12: The scoring method in the Co-</p>	<p>R2.8: In order to ensure transparency, members of the Co-Production Working Group should provide</p>	<p>By providing members of the Co-Production Working Group with the obligation to rank their</p>	<ul style="list-style-type: none"> ▶ R2.1 ▶ R2.6

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Finding	Recommendation	Main advantages	Links with other Recommendations
<p>Production Working Group, though considered a positive step forward, could be further improved</p>	<p>a score per criteria of selection, as defined in the rules of procedure.</p> <p>The Co-Production Working Group should discuss projects by packages (i.e. fiction, documentaries, animation) in order to ensure coherent discussion by type of production.</p> <p>Each member of the Co-Production Working Group should be provided with a total number of points which they should distribute to each project, permitting the member of the Working Group to rank their projects according to priority.</p>	<p>projects, this limits the possibility of strategic voting and ensures a more equitable distribution of votes.</p>	<p>▶ R2.7</p>
<p>F2.13: The absence of a clear Strategy for co-production leads to projects being selected in accordance with different criteria</p> <p>F2.14: The absence of a categorisation of projects in both Co-Production Working Groups can lead to unfair comparison and competition</p>	<p>R2.9: A distinction should be made between the co-Production Working Groups, with the distinction being aligned with Eurimages' overall strategy.</p> <p>The Working Groups could be divided as follows:</p> <ul style="list-style-type: none"> ▶ Working Group 1: 1st/2nd time films ▶ Working Group 2: More experienced films Big Budget ▶ Working Group 3: More experienced films Small Budget <p>Within these three Working Groups, films relating to animation, fiction and documentary will be discussed.</p> <p>In line with the Strategy, the Co-Production Programme could also focus its work on an annual basis on calls for projects focusing on specific types of films. The same experts would sit in all the Working Groups.</p> <p>Taking into consideration the different types of projects, reflection should be undertaken regarding distinctions which could be made in relation to:</p> <ul style="list-style-type: none"> ▶ The conditions for eligibility of projects (i.e. level of confirmed financing, maximum financing requested etc.) ▶ The selection criteria for projects ▶ Type of financing model i.e. loans and grants ▶ Level of control of projects 	<p>By making a distinction between the Working Groups and the types of projects financed, the discussions in the working groups shall be more focussed on the criteria for selection clearly in line on the content of the Working Group in place.</p> <p>The introduction of a Working Group on first and second time films will ensure that attracting Young Talent is a priority for the Fund.</p>	<p>▶ R2.2</p> <p>▶ R2.6</p> <p>▶ R2.7</p> <p>▶ R2.8</p> <p>▶ R3.1</p> <p>▶ R3.5</p> <p>▶ R3.6</p>
<p>F2.16: The Promotion programme provides double added value at reduced cost, although its decision-</p>	<p>See R1.3</p>		

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Finding	Recommendation	Main advantages	Links with other Recommendations
making processes could be improved			

EQ3: To what extent are Eurimages' working methods adapted to the objectives of the Fund?

The aim of this Evaluation Question was to examine the impacts of the internal performance of Eurimages for the achievement of the Fund's objectives. The Question examined the extent to which the working methods of Eurimages are adequate to ensure the efficiency of the Fund in achieving its objectives, looking at the regulations and procedures in place and the extent to which they facilitate the achievement of the objectives.

Key Findings

The number of eligible films applying for co-production support between 2013 to 2017 has increased by 71%, with 120 films applying in 2013 in comparison to 206 in 2017. While the number of films applying has increased considerably, the selection criteria for co-production have remained the same. The Evaluation found that the selection criteria determining the eligibility of films for the Co-Production support programme could be further refined to the current situation and needs of the Fund (F3.1). While the Evaluation identified the need to keep a certain level of flexibility within the application procedure, considering the particularities of the industry, room for improvement was identified in this regard, such as providing public funds and TV broadcasters with a platform to provide the necessary documentation directly to Eurimages, in order to reduce, to some extent, the administrative burden existing (F3.2). The flexibility of the Fund can also be seen through its use of special cases. A special case is considered to be a case where a co-producer requests the approval of Eurimages concerning any modification relating to their project. Though the use of special cases can demonstrate the complexity of the film industry and the financing structures in place to finance productions, the Evaluation identified the need for revision of the rules in place (F3.3) in order to reduce administrative constraints and processing times..

The Evaluation also examined the internal controls in place within Eurimages and the requirements placed on beneficiaries in relation to the public funding received. The Evaluation identified the potential for simplification of internal controls in order to reduce the administrative burden on the Secretariat in undertaking controls that are disproportionate to the objectives to be achieved (F3.4).

While Eurimages' financing was considered to be accessible overall, a margin for improvement in reducing the administrative burden for applicants was identified (F3.5) for instance by reducing and/or adapting to the type of projects the number and type of documents to be provided by the applicants

Concerning the requirements for repayments in place, among the 323 films supported between 2013 and 2016, 134 (41%) made a repayment of the support they obtained from Eurimages' co-production support programme. The Evaluation identified room for further simplification in relation to the repayment requirements, with the gains outweighed by the administrative burden on the Secretariat (F3.6).

Concerning the management of the Cinemas Support Programme, the Evaluation found that the management of the programme by Europa Cinemas allows to minimise the workload for the Fund, with some margin for an even more simplified management of the programme (F3.7).

With regard to the work of the Secretariat, the Evaluation identified the development of a number of activities relating to IT and knowledge management over the Evaluation period. While activities have been undertaken by the Secretariat, the Evaluation identified administrative constraints still existing at Secretariat level with regard to the IT tools available. Tools at the disposal of the Secretariat should be further developed to ensure business continuity and the efficient monitoring of projects (F3.8). Finally, the Evaluation found that the Secretariat would benefit from greater coordination and communication to ensure greater visibility of their work (F3.9).

Recommendations

In order to address shortcomings identified, the Evaluation made a number of recommendations presented in the table below.

Table 4 Recommendations relating to Evaluation Question 3

Finding	Recommendation	Main advantages	Links with other Recommendations
<p>F3.1: The Selection criteria determining the eligibility of films for the Co-Production programme could be further refined to the current situation and needs of the Fund</p>	<p>R3.1: The Selection Criteria for Co-Production should be refined by:</p> <ul style="list-style-type: none"> ▶ Aligning the criteria with the Fund's future Strategy and multi-Annual Work Programme ▶ Taking into account the trends in level of confirmed financing <p>When refining the Selection Criteria, reflection should be undertaken as to whether the level of confirmed financing should be increased from 50% to 60 or 70% for certain categories of projects e.g. large-scale experienced projects in order to be more adapted to the reality of Eurimages as a final financier.</p> <p>A differentiation should be made between grant-based financing for films that are being financed for purely artistic needs but with no realistic economic objectives and repayment-based financing for other projects. The distinction between types of financing should also include a distinction in the level of documentation requested and monitoring undertaken by the Secretariat in relation to the projects.</p>	<p>By modifying the selection criteria for films under the Co-Production programme, taking into account the particularities of different categories of films, it is considered that the criteria will be better adapted to the reality of projects requesting financing.</p> <p>Moreover the amendment of the selection criteria will impact the internal controls in place within the Secretariat which is expected to increase efficiency.</p>	<p>▶ R2.9</p>
<p>F3.2: While clear eligibility rules exist for applications for funding under the Co-Production programme, the flexibility of the Secretariat in accepting additional documentation relating to funding confirmations following the closing date has led to administrative burden</p>	<p>R3.2: Considering the large differences in national practices pertaining to confirmation of investments of public funds and broadcasters, a dedicated communication channel (such as Work flows) should be established between the Secretariat and these investors to facilitate the timely confirmation of financing sources and reduce the administrative burden in place.</p>	<p>The introduction of a dedicated communication channel with public Funds and TV broadcasters to facilitate confirmation of their investment should reduce the current time spent by the Eurimages Secretariat in liaising directly with public funds and TV broadcasters in the weeks following the submission of an application for financing.</p>	<p>▶ R3.7</p>
<p>F3.3: While the existence of 'special cases' is adapted to the specificities of the film industry, the</p>	<p>R3.3: In accordance with the definitions of 'special cases' in the Regulations of the Co-Production Programme, a clear distinction should be made between the 'special cases for decision' at the Board of Management and the 'special cases for information'.</p> <p>To clarify the rules, a clearer definition should be introduced of cases involving 'substantial modifications' with a view to clearly defining the cases where the Board of Management should decide and where the Executive</p>	<p>The clarification of provisions relating to special cases will reduce the time spent discussing such cases within the Plenary session of the Board of Management, providing additional time for more Strategic</p>	

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Finding	Recommendation	Main advantages	Links with other Recommendations
process for approval requires revision	<p>Director has the power to act independently.</p> <p>For special cases falling under the scope of decision by the Executive Director (currently Article 8(1)(1)), the decisions for these special cases should be circulated for information to the Board of Management but should not be discussed at Board of Management meetings, with the Executive Director's decision on these matters to be considered as the final decision taken.</p> <p>If necessary, the Regulation relating to the Co-Production Programme should be amended to take into account these revisions.</p>	<p>discussion.</p> <p>Clarifying the Executive Director's role in the decision-making process for special cases shall also ensure all parties are clear on which special cases require decision by the Board of Management.</p>	
F3.4: Internal controls within Eurimages, necessary to ensure the protection of public Funds, can be simplified	<p>R3.4: The Secretariat should ensure information sessions relating to the purpose of internal controls in place are given to members of the Board of Management of Eurimages. The frequency of these information sessions should be decided based on changes in membership of the Board of Management.</p>	<p>Information sessions on a frequency determined by the Secretariat would ensure that any new members joining the Fund are aware of the internal controls in place, their purpose and their rationale (for the protection of public funds)</p>	<ul style="list-style-type: none"> ▶ R2.1 ▶ R3.5 ▶ R3.6 ▶ R3.9
F3.4: Internal controls within Eurimages, necessary to ensure the protection of public Funds, can be simplified	<p>R3.5: A full review of the internal controls in place in relation to financing should be undertaken by the Secretariat with a view to:</p> <ul style="list-style-type: none"> ▶ Identifying documentary requirements currently in place that are no longer necessary or fit for purpose ▶ Identifying the extent to which controls can be adapted to different categories of projects, with categories of projects ranked from high to low risk ▶ Identifying the extent to which repayment requirements should be considered in relation to all projects. <p>The full review should be undertaken in line with the review of the eligibility criteria, categorization of projects and financing models (e.g. loans and potential grants) in place for projects falling under co-production support. When reviewing the internal processes, reflection should be undertaken regarding the necessity of including a second stage of payment of 20% of the total financing, with a potential to include two stages of financing:</p> <ul style="list-style-type: none"> ▶ 50% financing at the beginning of the project ▶ 50% financing at the finalization of the project 	<p>A full review of the internal controls in place would enable the Secretariat to adapt their modus operandi in line with the modifications made to the changes in eligibility criteria and categories for the financing of films.</p> <p>The full review and modification of the processes would ensure a more streamlined process is in place which would ensure efficiency gains both for the Secretariat and the beneficiaries.</p>	<ul style="list-style-type: none"> ▶ R2.9 ▶ R1.5 ▶ R1.6
F3.6. The gains from the requirement for repayments for co-production support for all films are outweighed by the administrative burden	<p>R3.6: When reviewing the structure of the Co-Production Support Programme and the conditions for financing to be applied to different groups of films, the Board of Management should review the conditions for repayment, with a distinction to be made between projects capable of repayment and those that should be provided with a pure grant.</p> <p>This reflection should result in not all projects financed through co-production support requiring repayment. Reflection should also be undertaken in relation to the evidence requested in relation to repayments for co-production support in order to ensure they are fully proportionate to the administrative capacities of the Fund.</p>	<p>By reviewing the conditions for repayment and making the requirements for repayment more 'tailor-made' to the projects most feasibly capable of repaying, efficiency gains are expected for both the Secretariat and beneficiaries.</p>	<ul style="list-style-type: none"> ▶ R2.9 ▶ R3.4 ▶ R3.5

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Finding	Recommendation	Main advantages	Links with other Recommendations
on the Secretariat			
F.3.7 The management of the Cinemas Support Programme allows to minimise the workload for the Fund, with some margin for an even more simplified management of the programme	See R1.6		
F3.8: While improvements have been made, tools at the disposal of the Secretariat are insufficient to ensure business continuity and the efficient monitoring of projects	<p>R3.7: IT tools, including a Work flow should be introduced in the Secretariat in order to facilitate the overall monitoring of projects, to ensure one single point of communication with beneficiaries and to enable the uniform updating of files.</p> <p>This Work flow should also facilitate the communication between members of the Eurimages Secretariat and ensure business continuity.</p> <p>Once the Work flow is introduced, a target should be set for the uniform use of the Work flow system by all members of the Secretariat</p> <p>An assessment should be undertaken as to whether external IT support is required to assist in the digital transformation</p>	The introduction of IT tools including a Work flow would permit for greater efficiency and communication gains within the Eurimages Secretariat as well as with beneficiaries. The use of a Work flow would ensure that the internal controls in place can be monitored effectively and that all correspondence and documentation is centralised.	<ul style="list-style-type: none"> ▶ R2.4 ▶ R3.2
F3.8: While improvements have been made, tools at the disposal of the Secretariat are insufficient to ensure business continuity and the efficient	<p>R3.8: Eurimages should investigate implementing a fully digital treatment of documents and working methods:</p> <ul style="list-style-type: none"> ▶ Aiming to have fully 'paperless' meetings by 2020 ▶ Introducing modern technology into voting processes at meetings such as the use of online voting tools <p>To assist in the introduction of a fully 'paperless' Eurimages, an information session should be undertaken for all Board of Management members to present the targets that have been set and explain the tools to be used</p>	Reducing paper at all meetings would remove costs currently incurred in relation to printing.	<ul style="list-style-type: none"> ▶ R2.6 ▶ R3.9

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Finding	Recommendation	Main advantages	Links with other Recommendations
<p>monitoring of projects</p>	<p>to ensure 'paperless' meetings.</p>		
<p>F3.8: While improvements have been made, tools at the disposal of the Secretariat are insufficient to ensure business continuity and the efficient monitoring of projects</p>	<p>R3.9: A full review should be undertaken to assess the extent to which an electronic signature could be introduced within the Eurimages' Secretariat for contracts, in accordance with legal and data protection requirements.</p>	<p>The introduction of an electronic signature would ensure that the Secretariat could become 'paperless' in relation to the signature of contracts, reducing courier costs and ensuring a more efficient system is in place.</p>	<ul style="list-style-type: none"> ▶ R2.4 ▶ R3.5
<p>F3.9: The Secretariat could benefit from greater coordination and communication to ensure greater visibility of their work</p>	<p>See R2.4 and R3.7</p>		

