Cinema and television: establishment of a European guarantee fund to promote production

1995/0281(CNS) - 07/10/1996

The Culture Committee has approved a draft report prepared by Mrs Armelle GUINEBERTIERE supporting a Commission proposal to establish a European Guarantee Fund designed to encourage the private sector to promote European audiovisual production and circulation. The Guarantee Fund would assist European production and distribution companies in financing such projects. The Committee adopted a number of amendments, among which it stressed the need to set up an ad hoc body to administer the Guarantee Fund, bringing together the European Investment Fund (EIF), the Commission, and representatives from banking and audiovisual circles. During the discussion, a representative of the European Commission confirmed that the EIF is prepared to offer joint guarantees of up to 50 per cent of what is needed for the operations of the Guarantee Fund. Investments can be requested from other financial institutions as well. An initial figure of some ECU 90 m spread over five years and to be matched by a similar amount from the private sector or other public bodies has been proposed. According to Mrs Guinebertière, the Fund should be established for an experimental period of five years in order to allow an assessment of its impact on the European audiovisual sector. Once the Fund's performance has been cleared, the European Union should proceed by preparing the legal basis for its future activities.