

**PART A OF THE CINEMA STUDY  
REPLIES TO THE LEGAL QUESTIONNAIRE FOR GREECE**

<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Follow Up Reply 3</b>
<b>Date:</b>	<b>04 December 2006</b>

(...)

Please note that Greece is not a party to the Balkan Incentive Fund for Culture; the countries which are members to this scheme are: Albania, Bosnia and Herzegovina, Croatia, Fyrom, Serbia and Montenegro and Kosovo.

For a project to be eligible under such funding scheme, it has to be organised by a cultural organization in Albania, or Bosnia and Herzegovina, or Croatia, or Fyrom, or Serbia and Montenegro or Kosovo.

In exceptional cases, organizations from other European countries can also be supported, when the project would greatly benefit cultural development in the above mentioned countries.

(...)

<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Follow Up Question 3</b>
<b>Date:</b>	<b>29 November 2006</b>

(...)

We have a final follow up question as follows:

Is Greece a party to the “Balkan” funding scheme? – If so, please address this funding scheme with respect to all questions of our legal questionnaire (Part B - questions B.1 to B.14).

(...)

<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Follow Up Reply 2</b>
<b>Date:</b>	<b>13 October 2006</b>

(...)

With reference to your below e-mail message, please note that this principle does indeed apply in our jurisdiction pursuant to the provisions of Article 28 paragraph 1 of the Greek Constitution.

(...)

<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Follow Up Reply 1</b>
<b>Date:</b>	<b>13 October 2006</b>

(...)

Following your e-mail messages dated October 11<sup>th</sup>, 2006 and with reference to our answers to the questions under B.6. and B.7. of the Legal Questionnaire on territorialisation requirements , please note following:

1. The Greek legislative provisions applicable to each Funding Scheme which are set forth under our respective answers to your question under no. B.4. of the questionnaire do not impose any explicit or implicit territorialisation requirement with respect to "minimum proportion" and "maximum proportion" required. To be more specific, pursuant to the applicable Greek legislation (and /or, as the case may be of the internal regulations of the Greek Film Centre), there is no requirement imposed upon the Producers for spending a minimum or maximum amount of the State aid granted to them within the territory of Greece.
2. For example, the Funding Scheme "HORIZONS", under Par. 16 of the Internal regulations of Greek Film Center ("G.F.C.") provides for a fixed amount of State aid i.e. 35.000 €, to be granted to Greek Producers in the case of international co-productions. G.F.C. does not oblige in any way the Greek Producer to spend the finance amount of 35.000 € within Greece. The Greek Producer may manage the aid granted in the most suitable to the production's interest way and in any country around the world. The requirement for granting the state aid to the Greek Producer is limited to the mere necessity for a "Greek element" to be present in the production i.e. shootings to be carried out in Greece or Greek artistic or Greek technical crew or Greek studios to be used in the production. Such a necessity does not operate under percentages (minimum or maximum proportions).
3. It should be further noted that "the territorialisation requirement" within the framework of film production funding schemes as per Greek law and practice is practically constructed around the idea of the necessary presence of a degree of a "Greek element" in the production, e.g. participation of Greek Producers, use of Greek Language, Greek technical personel, Greek actors etc.

In view of the above, please let us know, at your earliest convenience, whether you wish us to amend our answers under B.5 to B.7 of the legal questionnaire accordingly or not.

(...)

<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Follow Up Question 2</b>
<b>Date:</b>	<b>13 October 2006</b>

(...)

With respect to your reply to question B.8 we assume that, in case of a conflict or an inconsistency between the rules on territorialization contained in your national or internal legislation on State aid to cinema and the rules contained in conventions on co-production agreements to which your country is a party, the latter rules prevail over the former, i.e. international agreements prevail over national or internal law. Should this principle exceptionally not apply in your jurisdiction to the concrete case of territorialization requirements, please let us know via email, and please provide us with a short description of the legal mechanism addressing such conflicts or inconsistencies as applied in your jurisdiction.

(...)

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<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Follow Up Question 1</b>
<b>Date:</b>	<b>11 October 2006</b>

(...)

Thank you for the documents you sent us. Could you please provide a clearer explanation under B.7. We would like to know how territorialisation requirements quoted under B.6 are applied. The most reader friendly way is to briefly describe the mechanism of these conditions in a way that e.g. a producer could understand how to fulfil them.

(...)

<b>Re:</b>	<b>Follow Up Question 1bis; 11 October 2006</b>
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(...)

Further to my message below, I noticed that you seemed not to address the relevant provisions under B.6. B.6 concerns exclusively provisions that require from the recipient of a subsidy to spend the money locally. This is a core question and we need to be well informed about the way these territorialisation requirements are applied (B.7). For the definition of "territorialisation" conditions, please refer to the Commission's communication I sent you earlier, and to the definition in our questionnaire.

(...)

<b>Re:</b>	<b>Follow Up Question 1cis; 11 October 2006</b>
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(...)

As mentioned in my previous email of today, your replies to B.6 and B.7 seem not to be fully relevant since they do not specifically address the territorialisation requirements. Could you please review them accordingly.

(...)

<b>Re:</b>	<b>Follow Up Question 1delta; 11 October 2006</b>
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(...)

Thank you for your documents. As mentioned in earlier emails of today (...), it appears that you did not provide us with a relevant reply under B.6 and B.7 specifically addressing "territorialisation" requirements where the respective fundings schemes contain such clauses. Please also note that under B.7 we need a description of the way territorialisation requirements are applied that can be clearly understood by a reader who is not familiar with the local law. Could you please review these replies that are essential to our study.

(...)

<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Reply 7</b>
<b>Date:</b>	<b>10 October 2006f</b>

(...)

Please find attached herewith copies of the texts in Greek of the legislation applicable to the tax return scheme in favour of the enterprises of film distribution agencies in Greece.

(...)

<b>Attachments to e-mail of 10 October 2006f</b>
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- Article 5 & 7 of Law No 1597 1986.doc
- Ministerial Decision 569011999.pdf
- Ministerial Decision \_\_\_\_ 198 2003.pdf I..pdf

<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Reply 6</b>
<b>Date:</b>	<b>10 October 2006e</b>

(...)

Please find attached herewith copies of the texts in Greek of the legislation applicable to the tax return scheme in favour of the enterprises of cinema theatres in Greece.

(...)

<b>Attachments to e-mail of 10 October 2006e</b>
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- Article 5 & 7 of Law No 1597 1986.doc
- Ministerial Decision \_\_\_\_ 198 2003.pdf I..pdf
- Ministerial Decision \_\_\_\_ 42962 1988.pdf I.pdf



<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Reply 5</b>
<b>Date:</b>	<b>10 October 2006delta</b>

(...)

Please find attached herewith copies of the texts in Greek of the legislation applicable to the tax return scheme in favour of the producers of Greek films.

(...)

<b>Attachments to e-mail of 10 October 2006delta</b>
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- Article 10 of Law \_o 2328 1995.pdf II.pdf
- Articles 5, 6 & 7 of Law No 1597 1986.doc \_\_.doc \_V.doc
- Ministerial Decision \_\_\_\_ 198 2003.pdf II.pdf
- Ministerial Decision \_\_\_\_ 42962 1988.pdf I.pdf

<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Reply 4</b>
<b>Date:</b>	<b>10 October 2006cis</b>

(...)

Please find attached herewith copies of the texts of the legislation in Greek applicable to the funding scheme HORIZONS. We also **resend herewith** the answers to Part B of your questionnaire regarding the HORIZONS funding scheme with corrections of some minor typographical errors that were made to the version that you received yesterday evening.

(...)

<b>Attachments to e-mail of 10 October 2006cis</b>
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- \_\_\_ 113 -1998.pdf
- Article 10 of Law No \_ 2328 1995.pdf II.pdf
- Articles 16 -29 Law No 1597 1986.doc
- G.F.C.'s Internal Regulation for HORIZONS.doc
- LEGAL STUDY PART B. HORIZONS.final. doc

**QUESTIONNAIRE ON STATE AID TO CINEMA AND TERRITORIALISATION  
REQUIREMENTS  
( Version 9 October 2006)**

**PART B**

**FUND SPECIFIC QUESTIONS**

*Please only cover funding schemes, including tax incentive schemes, that were operated at the national, regional (excluding EU schemes, e.g. the Media programme)<sup>1</sup> or local level in your country during the reference period from 1 January 2001 to 31 December 2005, and that disposed of an annual budget of State aid dedicated to pre-production, production, post-production, marketing, distribution and promotion of independent cinematographic and audiovisual works of at least € 1 million per year.<sup>2</sup>*

*Please use for each funding scheme a separate form.*

**IDENTIFICATION OF THE FUNDING SCHEME**

**B.1 Country/region:**

**Greece/Athens**

**B.2 Name of the funding scheme:**

**PROGRAM “HORIZONS” (“ORIZONTES”):** It concerns pre-production, production, co- production, post-production, marketing, distribution and promotion

**B.3 Name and address of the funding scheme’s administration and supervisory authority:**

**Administration Authority:**

**GREEK FILM CENTER**

(hereinafter referred to as “G.F.C.”; in Greek it is referred to as “E.K.K.”)

10 Panepistimiou Avenue

P.O. Box 106 71

Athens, Greece

**Supervisory Authority:**

**Ministry of Culture,**

**Directorate of Cinema and Audiovisual Media**

<sup>1</sup> Regional schemes mean both, schemes operated within your country and schemes to which your country is a party among other countries, e.g. the Nordic Film- and TV Fund (see [http://korda.obs.coe.int/web/display\\_fonds.php?fonds\\_id=28](http://korda.obs.coe.int/web/display_fonds.php?fonds_id=28) ).

<sup>2</sup> “Independent” means that the cinematographic and audiovisual works are produced and distributed by entities that are legally independent from broadcasters.

5 Metsovou street,  
P.O. Box 10682,  
Athens, Greece

**B.4 List the titles of the laws and regulations that govern this funding scheme as of 31 December 2005 (in the original language and in an English working translation), and indicate**

**- the dates when these laws and regulations entered into force,**

**- whether these laws and regulations were amended during the period from 2001 to 2005 (if so and if the amendments were significant, indicate their dates of entry in force),**

**and provide a copy of these laws and regulations in the version as of 31 December 2005 (in the national language only).**

- 1. Greek Law number 1597 dated 13/21.05.1986, Articles 16 - 29** on the protection and development of Cinematography, the strengthening of the Greek Cinematography and other provisions.
  - Entered into force when published in the Official Government Gazette A' Issue No. 68/1986
  - As modified and currently in force
  - Significant changes: Articles 16 – 26 of Greek Law 1597 /1986 were amended by the provisions of Presidential Decree 113/ 1998 concerning the Statute of the Greek Film Centre.
- 2. Greek Presidential Decree 113/ 1998 concerning the Statute of the Greek Film Centre.**
  - Entered into force when published in the Official Government Gazette A' Issue No. 100/11.05.1998
- 3. Internal Regulations governing the Funding Schemes of G.F.C. (hereinafter called the “G.F.C.’s Internal Regulations)**
  - Entered into force as from 01/01/2004 as currently in force.
  - Amended the prior Regulation of G.F.C.’s Funding Programs dated September 1999, which remained in force until 31.12.2003
  - Significant changes as between the G.F.C.’s Internal Regulations in force since 01/01/2004 (the “Current Regulation”) and the G.F.C.’s Internal Regulations in force until 31/12/2003 (the “Former Regulation”) in relation to the funding scheme “Horizons”:
    - Par. 7 (3) of the Former Regulation provided expressly for the possibility of covering the production budget by application of the 1,5% funding scheme supported by the State and Private Hellenic Broadcaster Enterprises. The Current Regulation does not refer to such possibility (see par. F.3. of Current Regulation).
    - Par. 7 (4) of the Former Regulation expressly referred to the Eurimages program by stating that “if a movie film is to be produced as an international co-production or the production layout will be submitted to Eurimages, then

the film's producer must declare so to G.F.C. A movie film approved to be produced exclusively with Greek funds shall not be subject to an amendment of its initial budget in order to be submitted afterwards to Eurimages. When a movie film will be submitted to Eurimages program, the capitalisation of the participants' remuneration shall be calculated on the basis of the Greek participation's budget."

- Par. 7 (6) of the Former Regulation stated that on annual basis, G.F.C. had the capacity to "finance a maximum number of two (2) films of the same producer within the framework of the relevant funding scheme". This limitation was taken out from the Current Regulation.
- Par. 19 of the Former Regulation was providing for the "participation incentives to co – production". The structure of said incentives included, inter alia, :
  - the possibility of G.F.C. granting State aid to Greek producers participating in a Balkan co – production.. The Current Regulation does not contain such a possibility.
  - the possibility of G.F.C. granting State aid to Greek producers participating in a international co – production, provided that such international co – production had been financed by the program Eurimages. The Current Regulation does not impose such requirement with respect to the international co – productions receiving State aid from G.F.C.
  - The maximum number of films to be granted State aid under the provisions of above paragraph was limited to five (5). No such limitation exists in Current Regulation.
  - for G.F.C. to grant State aid within the provisions of above para. 19 of the Former Regulation, the producer should have submitted to G.F.C. a synopsis (of at least of 20 pages) of the script in Greek language. No such obligation exists in Current Regulation.

#### **4. Greek Law number 2328/03.08.1995, Article 10 on provisions concerning the profession of the independent producers of audiovisual works.**

- Entered into force when published in the Official Government Gazette A' Issue No. 159/1995
- Amended by Article 7 par. 6 of Greek Law number 3021/2002 (Official Government Gazette A' Issue No.143/2002) providing for the registration of the independent producer of audiovisual works with the relevant professional Chamber as a condition for the practice of such profession.
- Amended by Article 22 par. 4 of Greek Law number 3166/2003 (Official Government Gazette A' Issue No.178/02.07.2003) referring to the incompatibility of the profession of the independent producer of audiovisual works with the status of someone working for the wider public sector and the owner/shareholder/board member/employee of an advertising enterprise.
- Supplemented by Ministerial Decision 6389/2005 of the Ministry of Culture (Official Government Gazette B' Issue No.434/05.04.2005) concerning the establishment of a three member Committee competent for the issuance of the certificate necessary for the registration of the independent producers with the relevant professional Chamber.

## **TERRITORIAL CONDITIONS<sup>3</sup>**

### **Explicit territorial conditions**

- B.5** Does the scheme impose any explicit obligation on independent film and audiovisual project proposals that they must spend a minimum proportion of the production budget in the Member State/Region to qualify for State aid or to receive the maximum amount of State aid available (*consider the situation as of 31 December 2005 and, only in case of significant changes, the situation before this date during the period from 2001 to 2005*)?

Yes.

- B.6** Quote (in the national language and in an English working translation) the provisions requiring territorialisation that are contained in the rules (legislation and internal regulations) listed under Answer B.4 (*provide quotes of the current version of the rules as of 31 December 2005 and, only in case of significant changes, of former versions of territorialisation clauses that were in force before this date during the period from 2001 to 2005*):

**1. Par. 2 (1): “Annual Production Capacity”**

“The number of feature length films which will be annually approved under this funding scheme depends on the annual budget of G.F.C., but in no case the number of the films to be annually approved may be less than six (6).”

**2. Par. 4: “Budget Limitations”:**

- Par. 4 (1) of G.F.C.’s Funding Regulation: “If the film is produced exclusively with Greek Funds, the maximum acceptable budget amounts to 1.000.000€ This amount includes the producer’s, director’s and scriptwriter’s remuneration which may be capitalised.”
- Par. 4 (2): “There is no maximum budget for movie films’ plans concerning international co-production.”

**3. Par. 5: “Maximum Limits of Financing by G.F.C.”:**

- Par. 5 (1): “If the film will be financed with Greek funds (capital) exclusively, the maximum limit of financing by G.F.C. is fixed at €325.000 per feature length film.
- Par. 5 (2): “In case of international co-productions, the maximum limit of financing by G.F.C. may exceed the amount of €325.000.”

**4. Par. 6.: “Participation Requirements in the Funding Scheme”**

- Par. 6 (1): “For a film production’s proposal to be eligible for assessment under the provisions of the present funding scheme (“ORIZONTES”), where such film will be produced exclusively by Greek funds, the producer when applying to G.F.C. must have covered at least 30% of the film’s production budget.”

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<sup>3</sup> Any requirement/incentive that some of the development, production or post-production activities must take place in the country or region offering the State aid, either for the audiovisual work to be eligible for State aid or affecting the amount of State aid available to the audiovisual work.

- Par. 6 (2): “For a film production’s proposal to be eligible for assessment under the provisions of the present funding scheme (“ORIZONTES”), where such film will be the result of an international co – production, the producer when applying to G.F.C. must have covered at least 30% of the film’s production budget corresponding to the Greek participation cost.”

**5. Par. 16: “Participation incentives relating to Co – Productions”:**

“G.F.C. provides for state subsidy to Greek producers, participating in international film co-productions, but not as principal producers, in accordance with the following terms:

- The beneficiaries shall be Greek producers, participating in the international co-production, in which Greece is not the principal country of the film production, but part of the film shooting shall take place in Greece with the participation of Greek artistic or technical crew or the use of Greek studios. The state subsidy to be granted by G.F.C. amounts to 35.000 € in order for the producers to cover part of their participation cost in the film production.
- The mere participation (of the Greek producer) shall not trigger the automatic granting of above subsidy. For such subsidy to be granted and for a decision by the Board of Directors of G.F.C. to be made in this respect, it is necessary for G.F.C. to assess and evaluate the file submitted to G.F.C. by the Greek Producer.”

**B.7 Describe how these territorialisation requirements are implemented, including the minimum proportion required and the maximum (provide a description with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005).**

**A. Minimum & Maximum Limits in respect of films to be produced with Greek Funds exclusively:**

**(a) Production Budget :**

- Minimum : No limit
- Maximum: €1.000.000

**(b) Financing by G.F.C.:**

- Minimum : No limit
- Maximum: €325.000 per film

**(c) Percentage of Coverage:**

- Minimum : The Greek producer, when applying to G.F.C., must have covered at least 30% of the film’s production budget.
- Maximum: No limit.

**B. Minimum & Maximum Limits in respect of international co – production films.**

**(a) Production Budget:**

- Minimum : No limit
- Maximum: No limit.

**(b) Financing by G.F.C.:**

- Minimum: No limit
- Maximum: The initial limit of €325.000 may be exceeded, subject to the decision of the Board of Directors of G.F.C.

**NOTE:** In this context, it should be also noted that under the provisions of Par. 16: **“Participation incentives relating to Co – Productions”**, G..F.C. provides for state subsidy to Greek producers, **participating in international film co-productions, but not as principal producers**, in accordance with the following terms:

- The beneficiaries shall be Greek producers, participating in the international co-production, in which Greece is not the principal country of the film production, but part of the film shooting shall take place in Greece with the participation of Greek artistic or technical crew or the use of Greek studios. The state subsidy to be granted by G.F.C. amounts to 35.000 € in order for the producers to cover part of their participation cost in the film production.
- The mere participation (of the Greek producer) shall not trigger the automatic granting of above subsidy. For such subsidy to be granted and for a decision by the Board of Directors of G.F.C. to be made in this respect, it is necessary for G.F.C. to assess and evaluate the file submitted to G.F.C. by the Greek Producer.”

**(c) Percentage of Coverage:**

- Minimum: The producer, when applying to G.F.C., must have covered at least 30% of the film’s production budget corresponding to the Greek participation cost.
- Maximum: No limit.

**B.8 Describe how territorialisation requirements that apply to this scheme are interpreted and implemented in the context of the co-production agreements listed under answer A.3 (provide a description with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005):**

- **The Bilateral Agreement on film co – productions between Greece and Canada:**

Article I par. 4 of above agreement expressly states that the national benefits related to the cinema and video industry as in force in each country’s legislation and regulations are exclusively granted to the Producer of the country that provides them.

- **The Bilateral Agreement on film co – productions between Greece and France:**

Article 1 par. 1 section b) of above agreement expressly states that each country’s co-producer are granted ipso jure and mutually the benefits provided for pursuant to the relevant provisions of each country, and imposes certain criteria in order for



the bilateral co-production to be approved by the competent authorities of both countries. These criteria are set forth in Article 1 par. 2-6 of the above bilateral Agreement and are as follows:

- ✓ The bilateral co-production must be undertaken by Producers, who are deemed to possess adequate technical and financial organisation, and sufficient professional qualifications and previous experience recognised by the respective Greek and French national authorities.
- ✓ The minimum participation may not be less than 30% (or 20% in exceptional cases) and the maximum participation may not exceed 70%.
- ✓ In any case, the technical and artistic cooperation must include a provision for at least one technician, one actor for first role and one actor for second role of the nationality of the country with the minimum proportion of participation.
- ✓ The co-production films must be produced by directors, technical and artistic crew being either French or Greek nationals or permanent residents.
- ✓ The shootings in studios, the sound recordings and laboratory works must be carried out within the territory of France or Greece.
- ✓ The shootings in studios must be preferably carried out within the territory of the country the nationality of which has the Co-producer with the maximum participation.
- ✓ Initially, the film negatives must be produced in laboratories of the country with the maximum participation. The copies designated for exploitation in the country with the minimum participation shall be printed in a laboratory of that country.

- **The European Convention on Cinematographic Co-Production:**

Article 4 of the above Convention states that the European co - producers of a European co – production film will be entitled to receive the same benefits that are granted to the *national films of each member state participating in the co – production.*

- B.9 **Quote and summarize judicial and administrative practice (case law and guidelines) and legal commentaries addressing the implementation of territorialisation requirements that you quoted and described under answers B.6 to B.8 (provide a quote and summary with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005):**

No judicial or administrative practice or legal commentaries were found relating to the implementation of territorialisation requirements as quoted and described under answers B.6. to B.8.

**Implicit or *de facto* territorial conditions**

- B.10 **Does the scheme provide any scope for territorial conditions to be applied implicitly or *de facto*? - For example, do the selection criteria imply that proposals are more likely to be selected for funding if they would create employment in the region/Member State, use local professionals, or generally promote interest in the region/Member State (please cover the situation prevailing**

*as of 31 December 2005 and, only in case of significant changes, the situation that prevailed before this date during the period from 2001 to 2005)?*

Yes.

**B.11 Please describe the implicit or *de facto* territorialisation requirements that are practised by this funding scheme (as of 31 December 2005 and, only in case of significant changes, before this date during the period from 2001 to 2005):**

1. The Producer must be either:

(a) a Greek legal entity that has been formed and operates in accordance with Greek Laws, has its statutory seat in Greece and has obtained a Tax Identification Number in Greece, or

(b) a Foreign legal entity that has established a branch in Greece in accordance with Greek Laws and has also obtained a Tax Identification Number in Greece.

The above requirements are imposed on a *de facto* basis on any producer applying to G.F.C., under G.F.C.'s Internal Regulation currently in force.

2. Par. 1 (3) of G.F.C.'s Internal Regulation currently in force provides that: "The aim of ORIZONTES is the development of the Greek Cinematography through the production of movie films with significant artistic, technical and financial prescriptions". It follows that, the policy of G.F.C. in the context of subject funding scheme will be underlined by the need to support and develop the Greek Cinematography.

## **CULTURAL CLAUSES**

**B.12 Quote the legal provisions of your jurisdiction (in the national language and in an English working translation) expressing cultural policy goals (e.g. promotion of cultural identity and cultural diversity) that could legitimate the explicit or implicit territorialisation requirements mentioned under answers B.6, B.7 and B.11 and that are currently in force:**

1. **Greek Law number 1597 dated 13/21.05.1986 regarding the protection and development of Cinema and enforcement of Greek Cinematography**

- **Article 1 par. 2** "The State must take all the necessary measures for the moral and material enforcement of the production, distribution and promotion of the Greek movie films and for the improvement of the cinema culture of the people.

2. **Presidential Decree 113/ 1998 concerning the Statute of the Greek Film Centre**

- **Article 2 par. 1** The purposes of G.F.C. are:

- a) The protection and development of the cinematography in Greece, and
- b) The promotion and promulgation of the Greek film production within Greece and abroad.

## **SELECTIVE SCHEMES**

B.13 If this scheme distributes aid selectively,<sup>4</sup> please list the qualitative criteria that were applied as of 31 December 2005 and, only in case of significant changes, before this date during the period from 2001 to 2005:

The present Funding Scheme is a **Selective** one, which aims to the development of the Greek Cinematography via the production of movie films with significant artistic, technical and financial perspectives.

### 1. **Par. 5 (3) of G.F.C.'s Internal Regulation: Financing Limits**

- With respect to films to be produced with Greek Funds exclusively, the maximum financing limit by G.F.C. is €325.000 per film, provided that the exact amount to be granted within the said limit will be finally determined by the Board of Directors of G.F.C. after taking into account the potential of the film's plans, the possibility of completion of such plan, the support by the Greek (national) and international market, the production needs, the budget, etc.
- With respect to international co – production films, the maximum financing limit by G.F.C. may exceed €325.000 per film, provided that the exact amount to be granted will be finally determined by the Board of Directors of G.F.C. after taking into account the potential of the film's plans, the possibility of completion of such plan, the support by the Greek (national) and international market, the production needs, the budget, etc.

### 2. **Par. 9 of G.F.C.'s Internal Regulation: Eligibility Criteria**

- Par. 9 (1).: “The basic eligibility criteria for the assessment of each production layout proposal is the aesthetic and dramatic sufficiency of the film's *script*.”
- Par. 9 (2).: “Other criteria to be taken into account are the following:
  - The director's prior work;
  - The producer's prior work;
  - The director's and/or producer's and /or scriptwriter's participation in festivals and any awards for films awarded to them in the past;
  - The reputation of the director's and/or producer's and /or scriptwriter's prior works;

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<sup>4</sup> Selective funding schemes grant State aid based on an evaluation of each project and following qualitative criteria. In contrast, automatic schemes grant State aid if certain quantitative criteria such as box office results of previous works are met.

- The degree of connection between the proposed production layout and the national or international market (distribution, television, video etc.)”

## **CONTACT DETAILS**

B.14 Name, function and contact information (postal address, phone and email) of the liaison person at the funding scheme:

### **Mr. Yannis Iliopoulos**

Head of Production Department  
10 Panepistimiou Avenue  
P.C. 106 71,  
Athens, Greece  
Tel: +30 210 3678501  
Fax: +30 210 3622649  
E-Mail: [info@gfc.gr](mailto:info@gfc.gr) / [see@gfc.gr](mailto:see@gfc.gr)  
<http://www.gfc.gr>

Name of the lawyer and law firm in charge of the data collection:

### **LAW FIRM:**

ROUSSOS & HATZIDIMITRIOU LAW OFFICES  
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P.C. 185 36  
Piraeus, Greece  
Tel: +30 210 4294200  
Fax: +30 210 4294625

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### **LAWYERS IN CHARGE:**

Mr. Costas Roussos  
Mrs. Ioanna Dimopoulou  
Ms. Antonia Koukouritaki

Date of the data collection and processing:

Data Collection: September 21<sup>st</sup> 2006 until October 9<sup>th</sup> 2006

Data processing: October 9<sup>th</sup>, 2006

<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Reply 3</b>
<b>Date:</b>	<b>10 October 2006bis</b>

(...)

Please find attached herewith our replies to Part B of your questionnaire regarding the funding scheme INCENTIVE of the Greek Film center together with the texts of the applicable legislation in Greek.

(...)

<b>Attachments to e-mail of 10 October 2006bis</b>
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- \_\_\_ 113 -1998.pdf II.pdf
- Article 10 of Law \_o 2328 1995.pdf II.pdf
- Articles 16 -29 Law No 1597 1986.doc II.doc
- G.F.C.'s Internal regulation for INCENTIVE.doc
- LEGAL STUDY PART B INCENTIVE. final.doc

**QUESTIONNAIRE ON STATE AID TO CINEMA AND TERRITORIALISATION  
REQUIREMENTS  
( Version 9 October 2006)**

**PART B**

**FUND SPECIFIC QUESTIONS**

*Please only cover funding schemes, including tax incentive schemes, that were operated at the national, regional (excluding EU schemes, e.g. the Media programme)<sup>5</sup> or local level in your country during the reference period from 1 January 2001 to 31 December 2005, and that disposed of an annual budget of State aid dedicated to pre-production, production, post-production, marketing, distribution and promotion of independent cinematographic and audiovisual works of at least € 1 million per year.<sup>6</sup>*

*Please use for each funding scheme a separate form.*

**IDENTIFICATION OF THE FUNDING SCHEME**

B.1 Country/region: **Greece/Athens**

B. Name of the funding scheme:

**PROGRAM “INCENTIVE” (“KINITRO”):** It concerns pre-production, production, post-production, marketing, distribution and promotion

B.3 Name and address of the funding scheme’s administration and supervisory authority:

**Administration Authority:**

**GREEK FILM CENTER**

(hereinafter referred as “G.F.C.”; in Greek it is referred as “E.K.K.”)

10 Panepistimiou Avenue

P.O. Box 106 71

Athens, Greece

**Supervisory Authority:**

**Ministry of Culture,**

<sup>5</sup> Regional schemes mean both, schemes operated within your country and schemes to which your country is a party among other countries, e.g. the Nordic Film- and TV Fund (see [http://korda.obs.coe.int/web/display\\_fonds.php?fonds\\_id=28](http://korda.obs.coe.int/web/display_fonds.php?fonds_id=28) ).

<sup>6</sup> “Independent” means that the cinematographic and audiovisual works are produced and distributed by entities that are legally independent from broadcasters.

***Directorate of Cinema and Audiovisual Media***

5 Metsovou street

P.O. Box 106 82,

Athens, Greece

- B.4 **List the titles of the laws and regulations that govern this funding scheme as of 31 December 2005 (in the original language and in an English working translation), and indicate**

**- the dates when these laws and regulations entered into force,**

**- whether these laws and regulations were amended during the period from 2001 to 2005 (if so and if the amendments were significant, indicate their dates of entry in force),**

**and provide a copy of these laws and regulations in the version as of 31 December 2005 (in the national language only).**

- 5. Greek Law number 1597 dated 13/21.05.1986, Articles 16 - 29 on the protection and development of Cinematography, the strengthening of the Greek Cinematography and other provisions.**

- Entered into force when published in the Official Government Gazette A' Issue No. 68/1986
- As modified and currently in force
- Significant changes: Articles 16 – 26 of Greek Law 1597 /1986 were amended by the provisions of Presidential Decree 113/ 1998 concerning the Statute of the Greek Film Centre.

- 6. Greek Presidential Decree 113/ 1998 concerning the Statute of the Greek Film Centre.**

- Entered into force when published in the Official Government Gazette A' Issue No. 100/11.05.1998

- 7. Internal Regulations governing the Funding Schemes of G.F.C. (hereinafter called the “G.F.C.’s Internal Regulations)**

- Entered into force as from 01/01/2004 as currently in force.
- Amended the prior Regulation of G.F.C.’s Funding Programs dated September 1999, that stayed in force until 31.12.2003.
- Significant changes as between the G.F.C.’s Internal Regulations in force since 01/01/2004 (the “Current Regulation”) and the G.F.C.’s Internal Regulations in force until 31/12/2003 (the “Former Regulation”) in relation to the funding scheme “INCENTIVE”:

- Par. 3.1. of the Former Regulation governing the funding scheme “INCENTIVE”, provided for an annual maximum number of six to seven (6)-(7) feature length films with respect to film productions to be financed under “INCENTIVE”, whereas in accordance with par.2.of the Current Regulation the maximum number of film proposals which may be approved for the purpose of receiving the State aid pursuant to the provisions of the funding scheme “INCENTIVE” has been increased to eight (8).

- Under par. 2.1. of the Former Regulation governing the funding scheme “INCENTIVE”, the principal eligibility criteria were “the emerging aesthetic sufficiency of the film” and “the dramatic sufficiency of the script”. In contrast, pursuant to par. 10.1. of the Current Regulation governing the funding scheme “INCENTIVE”, the “accuracy and validity of the finance details” is the principal criterion that will be used by G.F.C. when assessing the proposals submitted. This change indicates that G.F.C. gives priority to the financial status/solidity of the production proposals submitted within the framework of the subject funding scheme “INCENTIVE”.
- Pursuant to par. 7.3. of the Former Regulation governing the funding scheme “INCENTIVE”, a film proposal (i.e. film layout) concerning an international co-production would be excluded from the funding scheme “INCENTIVE”, if it were to be submitted to Eurimages program. The Current Regulation governing the funding scheme “INCENTIVE” does not include such a restriction.
- Par. 7.5. of the Former Regulation governing the funding scheme “INCENTIVE”, stated that on an annual basis G.F.C. had the capacity to “finance a maximum number of two (2) films of the same producer within the framework of the funding scheme INCENTIVE”. This limitation was taken out from the Current Regulation governing the funding scheme “INCENTIVE”.
- Pursuant to par. 10.1. of the Former Regulation governing the funding scheme “INCENTIVE”, for a film proposal to be financed under “INCENTIVE”, the Opinion rendering Board of G.F.C. should have first evaluated and certified the dramatic sufficiency of the film’s script. Such a requirement is no longer included in the relevant par. 11. of the Current Regulation governing the funding scheme “INCENTIVE”.

**8. Law number 2328/03.08.1995, Article 10 on provisions concerning the profession of the independent producers of audiovisual works**

- Entered into force when published to the Official Government Gazette A’ issue No.159/1995.
- Amended by Article 7 par. 6 of Greek Law number 3021/2002 (Official Government Gazette A’ Issue No.143/2002) providing for the registration of the independent producer of audiovisual works with the relevant professional Chamber as a condition for the practice of such profession.
- Amended by Article 22 par. 4 of Greek Law number 3166/2003 (Official Government Gazette A’ Issue No.178/02.07.2003) referring to the incompatibility of the profession of the independent producer of audiovisual works with the status of someone working for the wider public sector and the owner/shareholder/board member/employee of an advertising enterprise.
- Supplemented by Ministerial Decision 6389/2005 of the Ministry of Culture (Official Government Gazette B’ Issue No.434/05.04.2005) concerning the establishment of a three member Committee competent for the issuance of the certificate necessary for the registration of the independent producers with the relevant professional Chamber.



## **TERRITORIAL CONDITIONS<sup>7</sup>**

### **Explicit territorial conditions**

- B.5 Does the scheme impose any explicit obligation on independent film and audiovisual project proposals that they must spend a minimum proportion of the production budget in the Member State/Region to qualify for State aid or to receive the maximum amount of State aid available (*consider the situation as of 31 December 2005 and, only in case of significant changes, the situation before this date during the period from 2001 to 2005*)?

No.

- B.6 Quote (in the national language and in an English working translation) the provisions requiring territorialisation that are contained in the rules (legislation and internal regulations) listed under Answer B.4 (*provide quotes of the current version of the rules as of 31 December 2005 and, only in case of significant changes, of former versions of territorialisation clauses that were in force before this date during the period from 2001 to 2005*): NONE

- B.7 Describe how these territorialisation requirements are implemented, including the minimum proportion required and the maximum (*provide a description with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005*).

- B.8 Describe how territorialisation requirements that apply to this scheme are interpreted and implemented in the context of the co-production agreements listed under answer A.3

- B.9 Quote and summarize judicial and administrative practice (case law and guidelines) and legal commentaries addressing the implementation of territorialisation requirements that you quoted and described under answers B.6 to B.8 (*provide a quote and summary with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005*):

### **Implicit or *de facto* territorial conditions**

- B.10 Does the scheme provide any scope for territorial conditions to be applied implicitly or *de facto*? - For example, do the selection criteria imply that proposals are more likely to be selected for funding if they would create employment in the region/Member State, use local professionals, or generally

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<sup>7</sup> Any requirement/incentive that some of the development, production or post-production activities must take place in the country or region offering the State aid, either for the audiovisual work to be eligible for State aid or affecting the amount of State aid available to the audiovisual work.

**promote interest in the region/Member State (*please cover the situation prevailing as of 31 December 2005 and, only in case of significant changes, the situation that prevailed before this date during the period from 2001 to 2005*)?**

Yes.

**B.11 Please describe the implicit or *de facto* territorialisation requirements that are practised by this funding scheme (*as of 31 December 2005 and, only in case of significant changes, before this date during the period from 2001 to 2005*):**

1. The Producer must be either:

(a) a Greek legal entity that has been formed and operates in accordance with Greek Laws, has its statutory seat in Greece and has obtained a Tax Identification Number in Greece, or

(b) a Foreign legal entity that has established a branch in Greece in accordance with Greek Laws and has also obtained a Tax Identification Number in Greece.

The above requirements are imposed on a *de facto* basis on any producer applying to G.F.C., under G.F.C.'s Internal Regulation currently in force.

2. Pursuant to Par. 1 (2) of G.F.C.'s Internal Regulation currently in force one of the aims of the funding scheme "INCENTIVE" is *inter alia*, the strengthening of the independent Greek film production and infrastructure of Greek cinematography. It follows that, the policy of G.F.C. in the context of subject funding scheme will be underlined by the need to support and develop the Greek Cinematography and especially the Green independent production of movie films.

## **CULTURAL CLAUSES**

**B.12 Quote the legal provisions of your jurisdiction (in the national language and in an English working translation) expressing cultural policy goals (e.g. promotion of cultural identity and cultural diversity) that could legitimate the explicit or implicit territorialisation requirements mentioned under answers B.6, B.7 and B.11 and that are currently in force:**

**1. Greek Law number 1597 dated 13/21.05.1986 on the protection and development of Cinematography, the strengthening of the Greek Cinematography and other provisions.**

- **Article 1 par. 2** "The State must take all the necessary measures for the moral and material enforcement of the production, distribution and promotion of the Greek movie films and for the improvement of the cinema culture of the people.

**2. Presidential Decree 113/ 1998 concerning the Statute of the Greek Film Centre.**

- **Article 2 par. 1** The purposes of G.F.C. are :
  - a) The protection and development of the cinematography in Greece and

- b) The promotion and promulgation of the Greek film production in Greece and abroad.

## **SELECTIVE SCHEMES**

- B.13 **If this scheme distributes aid selectively,<sup>8</sup> please list the qualitative criteria that were applied as of 31 December 2005 and, only in case of significant changes, before this date during the period from 2001 to 2005:**

The Funding Scheme “INCENTIVE” is **partly an Automatic** and **partly a Selective** Funding Scheme, the purpose of which is, inter alia, the strengthening and support of (i) the development of the **Greek Independent Production** and the **Infrastructure of Greek Cinematography**, and (ii) the creation of movie films with a financially solid production level and aesthetic sufficiency.

### **1. Par. 6 of G.F.C.’s Internal Regulation: “Participation requirements in the Funding Scheme”**

- Par. 6.1.: “For a film production proposal to be eligible for participation in the funding scheme “INCENTIVE”, the producer must have already covered 60% of the film’s budget.”

First of all, for an application in respect of a film proposal to be acceptable for submission and further consideration by G.F.C., the applicant - producer must be able to prove that he/she has already covered 60% of the production’s budget. In light of this requirement, the Department of Production of G.F.C. in its capacity as the Advisory Board and the Board of Directors of G.F.C. in its capacity as the Decision Making Board, will also consider the financial and technical sufficiency of each film’s production proposal on the basis of the data included in the film’s production file submitted to G.F.C. by the relevant applicant. The selection amongst films’ production proposals of equal financial and technical sufficiency will be made on the basis of the artistic and dramatic quality of each film’s script.

### **2. Par. 10. of G.F.C.’s Internal Regulation: “Eligibility Criteria”**

- Par. 10.1.: “The basic eligibility criteria during the assessment of each film layout proposal are the following:
  - The validity of the financing details
  - The producer’s professional experience
  - The director’s professional experience
  - The dramatic sufficiency of the script”
- Par. 10. 2.: “Other criteria to be taken into account on a supplementary basis are the following:
  - i) Any distinctions awarded to the previous works of the director, the producer and the scriptwriter

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<sup>8</sup> Selective funding schemes grant State aid based on an evaluation of each project and following qualitative criteria. In contrast, automatic schemes grant State aid if certain quantitative criteria such as box office results of previous works are met.

- ii) The public feeling towards such prior works of the producer, director and scriptwriter.

#### **CONTACT DETAILS**

B.14 Name, function and contact information (postal address, phone and email) of the liaison person at the funding scheme:

**Mr. Yannis Iliopoulos**

Head of Production Department  
10 Panepistimiou Avenue  
P.O. Box 106 71,  
Athens, Greece  
Tel: +30 210 3678501  
Fax: +30 210 3622649

E-Mail: [info@gfc.gr](mailto:info@gfc.gr) / [see@gfc.gr](mailto:see@gfc.gr)  
<http://www.gfc.gr>

**Name of the lawyer and law firm in charge of the data collection:**

**LAW FIRM:**  
ROUSSOS & HATZIDIMITRIOU LAW OFFICES  
5-7 Filellinon street  
P.O.Box 185 36  
Piraeus, Greece

Tel: +30 210 4294200  
Fax: +30 210 4294625

E-Mail: [office@roussoshatzidimitriou.com](mailto:office@roussoshatzidimitriou.com)

**LAWYERS IN CHARGE:**

Mr. Costas Roussos  
Mrs. Ioanna Dimopoulou  
Ms. Antonia Koukouritaki

**Date of the data collection and processing:**

- Data Collection: September 21<sup>st</sup> 2006 until October 9<sup>th</sup> 2006
- Data processing: October 9<sup>th</sup>, 2006

<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Reply 2</b>
<b>Date:</b>	<b>10 October 2006</b>

(...)

Please find attached herewith our replies to Part B of your questionnaire regarding the funding scheme of 1,5% together with the texts of the applicable legislation in Greek.

(...)

<b>Attachments to e-mail of 10 October 2006</b>
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- Article 5 of Law No 1597 1986.doc
- Article 7 of Law No 1866 1989.pdf
- Article 10 of Law \_o 2328 1995.pdf
- Articles 1, 2, 3 of Greek Law 1730 of 1987.pdf
- LEGAL STUDY PART B FUNDING.1,5%.final.DOC
- Ministerial Decision \_\_\_\_ 198 2003.pdf
- Presidential Decree 285 1993.pdf

**QUESTIONNAIRE ON STATE AID TO CINEMA AND TERRITORIALISATION  
REQUIREMENTS  
( Version 9 October 2006)**

**PART B**

**FUND SPECIFIC QUESTIONS**

*Please only cover funding schemes, including tax incentive schemes, that were operated at the national, regional (excluding EU schemes, e.g. the Media programme)<sup>9</sup> or local level in your country during the reference period from 1 January 2001 to 31 December 2005, and that disposed of an annual budget of State aid dedicated to pre-production, production, post-production, marketing, distribution and promotion of independent cinematographic and audiovisual works of at least € 1 million per year.<sup>10</sup>*

*Please use for each funding scheme a separate form.*

**IDENTIFICATION OF THE FUNDING SCHEME**

**B.1 Country/region:**

**Greece /Athens**

**B.2 Name of the funding scheme:**

**SUPPORT TO FILM PRODUCTION & CO – PRODUCTION**

**B.3 Name and address of the funding scheme's administration and supervisory authority:**

**Administration Authority:**  
**HELLENIC BROADCASTING CORPORATION**  
(hereinafter referred to as "E.R.T.")  
136 Messoghion Avenue  
P.O. Box 115 27,  
Athens, Greece

<sup>9</sup> Regional schemes mean both, schemes operated within your country and schemes to which your country is a party among other countries, e.g. the Nordic Film- and TV Fund (see [http://korda.obs.coe.int/web/display\\_fonds.php?fonds\\_id=28](http://korda.obs.coe.int/web/display_fonds.php?fonds_id=28) ).

<sup>10</sup> "Independent" means that the cinematographic and audiovisual works are produced and distributed by entities that are legally independent from broadcasters.

**Supervisory Authority:**  
**Ministry of Culture,**  
**Directorate of Cinema and Audiovisual Media**  
5 Metsovou street  
P.O. Box 10682,  
Athens, Greece

**B.4 List the titles of the laws and regulations that govern this funding scheme as of 31 December 2005 (in the original language and in an English working translation), and indicate**

**- the dates when these laws and regulations entered into force,**

**- whether these laws and regulations were amended during the period from 2001 to 2005 (if so and if the amendments were significant, indicate their dates of entry in force),**

**and provide a copy of these laws and regulations in the version as of 31 December 2005 (in the national language only).**

- 9. Law number 1730/11.08.1987 Articles 1 , 2 & 3** concerning the Statute of the Hellenic Broadcasting Corporation (E.R.T. S.A.)
  - Entered into force when published to the Official Government Gazette A' Issue No. 145/18.08.1987
  - As modified and currently in force
- 10. Greek Law number 1866/06.10.1989 Article 7**, regarding the incorporation of the National Broadcasting Counsel and the provision of licenses for the establishment and operation of broadcasting enterprises.
  - Entered into force when published to the Official Government Gazette A' Issue No. 222 /06.10.1989
  - As modified and currently in force.
- 11. Greek Law No. 1597 dated 13/21.05.1986 Article 5**, “on the protection and development of Cinematography, the strengthening of the Greek Cinematography and other provisions”.
  - Entered into force when published to the Official Government Gazette A' Issue No. 68/1986
  - As modified and currently in force
  - Significant changes : Paragraph 16 of Article 80 of Greek Law No. 3057/2002 (Official Government Gazette A' Issue No. 239 /10.10.2002) has amended and replaced Article 5 of Greek Law 1597/1986 providing for the general conditions and eligibility criteria of issuance of the Greek Nationality Certificate.
- 12. Ministerial Decision No. 198/2003** of the Greek Ministry of Culture specifying the procedure and documents necessary for the issuance of the Greek Nationality Certificate.

- Entered into force when published to the Official Government Gazette B' Issue No. 1812/05.12.2003

**13. Greek Law number 2328/03.08.1995, Article 10** on provisions concerning the profession of the independent producers of audiovisual works.

- Entered into force when published in the Official Government Gazette A' Issue No. 159/1995
- Amended by Article 7 par. 6 of Greek Law number 3021/2002 (Official Government Gazette A' Issue No.143/2002) providing for the registration of the independent producer of audiovisual works with the relevant professional Chamber as a condition for the practice of such profession.
- Amended by Article 22 par. 4 of Greek Law number 3166/2003 (Official Government Gazette A' Issue No.178/02.07.2003) referring to the incompatibility of the profession of the independent producer of audiovisual works with the status of someone working for the wider public sector and the owner/shareholder/board member/employee of an advertising enterprise.
- Supplemented by Ministerial Decision 6389/2005 of the Ministry of Culture (Official Government Gazette B' Issue No.434/05.04.2005) concerning the establishment of a three member Committee competent for the issuance of the certificate necessary for the registration of the independent producers with the relevant professional Chamber.

**14. Greek Presidential Decree 285/19.07.1993** on the procedure of production of cinema films by broadcasting enterprises.

- Entered into force when published to the Official Government Gazette A' Issue No. 124/1993.
- As modified and currently in force.

## **TERRITORIAL CONDITIONS<sup>11</sup>**

### **Explicit territorial conditions**

**B.5 Does the scheme impose any explicit obligation on independent film and audiovisual project proposals that they must spend a minimum proportion of the production budget in the Member State/Region to qualify for State aid or to receive the maximum amount of State aid available (*consider the situation as of 31 December 2005 and, only in case of significant changes, the situation before this date during the period from 2001 to 2005*)?**

Yes.

**B.6 Quote (in the national language and in an English working translation) the provisions requiring territorialisation that are contained in the rules (legislation and internal regulations) listed under Answer B.4 (*provide quotes of the current version of the rules as of 31 December 2005 and, only in case of significant***

<sup>11</sup> Any requirement/incentive that some of the development, production or post-production activities must take place in the country or region offering the State aid, either for the audiovisual work to be eligible for State aid or affecting the amount of State aid available to the audiovisual work.



*changes, of former versions of territorialisation clauses that were in force before this date during the period from 2001 to 2005):*

**1. Article 7 par. 1, of Greek Law 1866/1989**

“Broadcasting enterprises (E.R.T. S.A., municipal broadcasting enterprises or private law broadcasting enterprises) will grant 1,5 % of their annual gross income, after deduction of taxes and fiscal charges/ duties in favour of the State, Public Sector’s Legal Entities and Organisations of Municipal Administration for the production and co-production of cinematographic films (of 70 – 150 minutes duration, with scenario and actors) designated exclusively for show at cinema theatres”.

**2. Article 2 par. 1 of Presidential Decree 285/1993**

“As cinematographic films will be considered those films that satisfy the conditions of Article 7 of Greek Law 1866/1989 and correspond to the definition and characteristics set forth in Greek Law 1597/1986, as same was amended by the provisions of Article 29 of Greek Law 1876/1990. Such cinematographic films (final cut) must be embodied in a film of 35 mm and their budget must include a special sum to be used for the artistic and commercial promotion of the film.”

**3. Article 5, paragraphs 1 & 2 of Greek Law 1597/1986:**

“1. For a fiction film, short cut or feature length, to qualify as Greek and to be granted a Greek Nationality Certificate, the following conditions must be met *accumulatively*:

- (a) The film dialogues in original version must be in the Greek language at a percentage of at least 51%.
- (b) The film must achieve in total 51 points at least, in accordance with the criteria and the point system of the following paragraph 2 of this Article 5 of Greek Law 1597/1986, i.e.:

2. The criteria that will be taken into account pursuant to the provisions of the preceding paragraph 1(b) of this present Article and the corresponding point system are as follows:

(A) 16 points, if the film producer – physical entity – is Greek and in case the producer is a legal entity, if its statutory seat is in Greece and its legal representative is Greek with domicile in Greece.

(B) 16 points, if the film director is Greek.

(C) 14 points, if the script writer of the film’s original script is Greek.

(D) If the movie script consists of an adaptation of a literature work, 2 points, if the writer of the work is Greek and / or 12 points, if also the script writer based on a work of literature is Greek.

(E) 4 points, if the film’s soundtrack consists exclusively of original music, which is the work of a Greek composer.

(F) 2 points, if the film uses as soundtrack a work of a Greek composer and 3 points, if the film’s soundtrack consists of compositions some of which satisfy the requirements

of this section (F) and some of which satisfy the requirements of the preceding section (E).

(G) 8 points, if the actors performing the film's first roles are Greek.

(H) 4 points, if the actors performing second roles are Greek.

(I) 4 points, if the photography director is Greek.

(J) 2 points, if the art director is Greek.

(K) 2 points, if the costume director is Greek.

(L) 5 points, if all the persons of the technical group worked in the production of the film are Greek.

(M) 2 points, if the technical equipment used during the shootings belongs to a Greek person or to a legal entity, whose statutory seat is in Greece and its legal representative is Greek with a domicile in Greece.

(N) 4 points, if the cameraman is Greek.

(O) 3 points, if the sound recordist is Greek.

(P) 3 points, if the location (studios) of image elaboration is in Greece

(Q) 2 points, if the film's post production procedure is concluded in Greece.

(R) 9 points, if the location of the whole film shooting is in Greece. In case a percentage of the shooting took place in Greece, the points are determined on a pro rata basis."

**4. Article 5, paragraphs 3 & 4 of Greek Law 1597/1986:**

**"3.** For a documentary film, feature length or short cut, to qualify as Greek and to be granted a Greek Nationality Certification, the following conditions must be met *accumulatively*:

(a) the language of all film's commentary, texts, narratives in original versions, must be in the Greek language at a percentage of at least 51%.

(b) the film must achieve in total 51 points at least, in accordance with the criteria and the point system of the following paragraph 4 of this Article 5 of Greek Law 1597/1986. Exceptionally, in case the film does not contain comments and/or texts and/or narratives the provisions of the aforementioned paragraph 3 (b) shall apply exclusively.

**4.** The criteria and point system provided for under paragraph 2 of Article 5 of Greek Law 1597/1986 regarding fiction films are equally applicable to the documentary films with the exception of criteria (C), (I) and (R ) and the corresponding points, which for the purpose of determining the nationality of the documentary films are set as follows:

(C ) (C ) 8 points, if the film's script writer is Greek and /or 6 points, if there is a Greek advisor on scientific matters or other special advisor. In case, the film cast does not include special advisors, but it includes only a scriptwriter who is Greek, 14 points are granted.

(I) (I) 10 points, if the photography director is Greek.

(R) (R) 3 points, if the location of the whole film shooting is in Greece. In case a percentage of the shootings took place in Greece, the points are determined on a pro rata basis."

**5. Article 5, paragraphs 5& 6 of Greek Law 1597/1986:**

"5. For an animated film to qualify as Greek and to be granted a Greek Nationality Certificate, the following conditions must be met *accumulatively*:

(a) The film dialogues in original version must be in the Greek language at a percentage of at least 51%.

(b) The film must achieve in total 51 points at least, in accordance with the criteria and the point system of the following paragraph 6 of this Article 5 of Greek Law 1597/1986.

6. The criteria and point system provided for under paragraph 2 of Article 5 of Greek Law 1597/1986 regarding fiction films are equally applicable to animated films with the exception of criteria (G), (H), (I), (J), (K) and (R ) and the corresponding points, which for the purpose of determining the nationality of animated films are set as follows:

(G) (G) (G) 4 points, if the voices of the film's first roles are performed by Greek actors.

(H) (H) (H) 2 points, if the animator is Greek.

(I) (I) (I) 6 points, if the art director is Greek.

(J) (J) (J) 5 points, if the lay out supervisor is Greek.

(R ) (R ) (R ) 9 points, if the whole film is produced in Greece. In case a percentage of the film is produced in Greece, the points are determined on a pro rata basis."

**6. Article 5, paragraphs 7, 8, 9 & 10 of Greek Law 1597/1986:**

"7. If more than one persons participated in carrying out the tasks/work described in each one of the above mentioned criteria (paragraphs 2, 4 & 6 of article 5 of Greek Law 1597/1986), not all of which were Greek, then the points corresponding to each criterion shall be granted on a pro rata basis (ratio of number of Greeks to the total number of participants).

8. Regarding the application of the criteria of the aforementioned paragraphs, the citizens of the European Union shall be treated as if they were Greek citizens.

9. In case where a Greek producer participates in an international co-production, the qualification of the film as Greek or not shall be determined by applying the international agreements in force.

10. The procedure and requisite documentation as well as all other details for the implementation of this present Article will be determined by means of a Ministerial Decision to be issued by the Ministry of Culture.”

- B.7 **Describe how these territorialisation requirements are implemented, including the minimum proportion required and the maximum (*provide a description with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005*).**

The monetary support to be granted pursuant to the provisions of the subject funding scheme is variable, i.e. it amounts to 1,5% of the annual gross income of E.R.T. S.A.

- B.8 **Describe how territorialisation requirements that apply to this scheme are interpreted and implemented in the context of the co-production agreements listed under answer A.3 (*provide a description with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005*):**

- **The Bilateral Agreement on film co – productions between Greece and Canada:**

Article I par. 4 of above agreement expressly states that the national benefits related to the cinema and video industry as in force in each country’s legislation and regulations are exclusively granted to the Producer of the country that provides them.

- **The Bilateral Agreement on film co – productions between Greece and France:**

Article 1 par. 1 section b) of above agreement expressly states that each country’s co-producer is ipso jure and mutually granted the benefits provided for pursuant to the relevant provisions of each country.

- **The European Convention on Cinematographic Co-Production:**

Article 4 of the above Convention states that the European co - producers of a European co – production film will be entitled to receive the same benefits that are granted to the *national films of each member state participating in the co – production.*

Based on the above provisions we understand that the subject funding scheme should be a benefit available to the co - producers falling within the scope of the above agreements/ European Convention. However up to date and on the basis of the information provided to us orally by E.R.T. S.A. there is no reported case of a co - producer of a film falling within the scope of one of the above international agreements/ European Convention who applied in respect of such a film to E.R.T. S.A. for the purpose of E.R.T. S.A. granting the 1,5% funding pursuant to the provisions of one of the above international agreements/ European Convention in conjunction with the provisions of par. 1 of Article 7 of Greek Law 1866/1989, par. 2 of Presidential Decree 285/1993 and Article 5 of Greek Law 1587/1986.

- B.9 Quote and summarize judicial and administrative practice (case law and guidelines) and legal commentaries addressing the implementation of territorialisation requirements that you quoted and described under answers B.6 to B.8 (provide a quote and summary with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005):**

No judicial or administrative practice or legal commentaries were found relating to the implementation of territorialisation requirements as quoted and described under answers B.6. to B.8.

#### **Implicit or *de facto* territorial conditions**

- B.10 Does the scheme provide any scope for territorial conditions to be applied implicitly or *de facto*? - For example, do the selection criteria imply that proposals are more likely to be selected for funding if they would create employment in the region/Member State, use local professionals, or generally promote interest in the region/Member State (please cover the situation prevailing as of 31 December 2005 and, only in case of significant changes, the situation that prevailed before this date during the period from 2001 to 2005)?**

For the above funding scheme to apply the film must satisfy, inter alia, the requirements set forth in Article 5, par. 1 et seq. of Greek Law 1597/1986, which practically means that the criteria set forth therein must have been satisfied, imposing thus an implied obligation to the producer to use local (Greek citizens) professionals in the production of the film. Nevertheless, it should be noted that issuance of the Greek Nationality Certificate is not a requirement in order that E.R.T. S.A. may grant the relative state aid under the subject funding scheme. As already explained in Part A of the Legal Questionnaire, the Greek Nationality Certificate is granted at a post – production stage, whereas E.R.T. S.A. grants state aid at a pre – production stage, following the submission of the relevant application and the proposal for the production layout.

- B.11 Please describe the implicit or *de facto* territorialisation requirements that are practised by this funding scheme (as of 31 December 2005 and, only in case of significant changes, before this date during the period from 2001 to 2005):**

The relevant procedure that should be followed by an applicant in relation to the subject funding scheme of 1,5 % and the applicable selection process / criteria is not

embodied neither in a legislative nor in a regulatory instrument. On the basis of the information provided to us orally by E.R.T. S.A., the selection of the eligible film production proposals that will be granted the funding of 1,5 % (annually seven to ten film production proposals) is at the discretion of the three member Opinion rendering Board of E.R.T. S.A.. The President of said Opinion rendering Board is Mr. Manos Zacharias, Advisor to E.R.T. S.A. on Cinematography issues. The Meetings of the Opinion rendering Board are held twice a year (usually in April and in November of each year).

Initially each film production proposal (production layout) is submitted by each producer (physical person or legal entity) to the Department of Dramatic Art Programs of E.R.T. S.A.. The Opinion rendering Board will evaluate, consider and select among the various applications, those film production proposals that will be granted the funding of 1,5 %. The decision of the Opinion rendering Board will be counter – signed by the President of E.R.T. S.A..

Finally, it should be also noted that in accordance with the provisions of Article 1 of the Greek Presidential Decree 285/19.07.1993 the operation of the aforementioned Opinion rendering Board was subject to the supervision of a Control Committee of the Ministry of Culture. However, pursuant to information provided to us orally by the Ministry of Culture the said Control Committee has not convened since October 2004.

## **CULTURAL CLAUSES**

- B.12 Quote the legal provisions of your jurisdiction (in the national language and in an English working translation) expressing cultural policy goals (e.g. promotion of cultural identity and cultural diversity) that could legitimate the explicit or implicit territorialisation requirements mentioned under answers B.6, B.7 and B.11 and that are currently in force:**

**1. Article 1 par. 3 of Law number 1730/1987**

.... “E.R.T. S.A. is a public sector legal entity supervised by the State....”

**2. Article 2 par. 1 of Law number 1730/1987**

“E.R.T.’s aim is the organisation, promotion and development of the “State” radio and television, as well as the contribution via the State radio and television to a) the information, b) education and c) animation of the Greek citizens. E.R.T. S.A. does not seek for profit.”

**3. Article 3 par. 2 of Law number 1730/1987**

E.R.T.’s broadcasting programs are ruled by principles such as ..... “the protection, promotion and promulgation of the Greek civilisation and the Greek tradition.”

## **SELECTIVE SCHEMES**

- B.13 If this scheme distributes aid selectively,<sup>12</sup> please list the qualitative criteria that were applied as of 31 December 2005 and, only in case of significant changes, before this date during the period from 2001 to 2005:**

Besides the eligibility criteria under article 5 of Law No. 1597/1986 containing the territorialisation requirements as mentioned above, the three member Opinion rendering Board of E.R.T. S.A. will take into account and evaluate the film's script, the professional background and reputation of the film's Director, the film's financial potentials and solidity with a view to ascertaining the successful completion of the film's production as well as the amount of profit that could be possibly realized in favour of E.R.T. S.A. out of the film's show, promotion and distribution.

#### **CONTACT DETAILS**

- B.14 Name, function and contact information (postal address, phone and email) of the liaison person at the funding scheme:**

**Mr. Manos Zacharias**

E.R.T.'s Advisor on Cinematography Issues  
136 Messoghion Avenue  
P.O. Box 115 27,  
Athens, Greece  
Tel: +30 210 7761356, 7761007  
Fax: +30 210 7761085

E-Mail: [mzacharias@ert.gr](mailto:mzacharias@ert.gr)

Website: [www.ert.gr](http://www.ert.gr)

**Name of the lawyer and law firm in charge of the data collection:**

**LAW FIRM:**

ROUSSOS & HATZIDIMITRIOU LAW OFFICES  
5-7 Filellinon street  
P.O. Box 185 36  
Piraeus, Greece  
Tel: +30 210 4294200  
Fax: +30 210 4294625  
E-Mail: [office@roussoshatzidimitriou.com](mailto:office@roussoshatzidimitriou.com)

**LAWYERS IN CHARGE:**

Mr. Costas Roussos  
Mrs. Ioanna Dimopoulou  
Ms. Antonia Koukouritaki

**Date of the data collection and processing:**

- Data Collection: September 21<sup>st</sup> 2006 until October 9<sup>th</sup> 2006
- Data processing: October 9<sup>th</sup>, 2006

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<sup>12</sup> Selective funding schemes grant State aid based on an evaluation of each project and following qualitative criteria. In contrast, automatic schemes grant State aid if certain quantitative criteria such as box office results of previous works are met.

<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Reply</b>
<b>Date:</b>	<b>09 October 2006</b>

(...)

I am sending you herewith our replies to your questionnaire with the exception of two additional funding schemes which we expect to present to you together with the texts of the applicable legislation in Greek by the close of business tomorrow.

(...)

<b>Attachments to e-mail of 09 October 2006</b>
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- LEGAL QUESTIONNAIRE-STUDY PART A .final.doc
- LEGAL STUDY PART B draft 03.10.2006. FUNDING.article7. para. 4a.b.c final.DOC
- LEGAL STUDY PART B FUNDING.article7. para. 3.final.DOC
- LEGAL STUDY PART B FUNDING.article7. para. 4 d.final.DOC
- LEGAL STUDY PART B. HORIZONS.final. doc.doc



**QUESTIONNAIRE ON STATE AID TO CINEMA AND  
TERRITORIALISATION REQUIREMENTS  
( Version 9 October 2006)**

**PART A**

**GENERAL QUESTIONS**

*Please use only one form per Member State.*

**OVERVIEW**

A.1 **Country / region:**

**GREECE/ Athens.**

A.2 **Names of funding schemes with an annual budget of State aid dedicated to pre-production, production, post-production, marketing, distribution and promotion of independent cinematographic and audiovisual works<sup>13</sup> of at least €1 million in 2005 (this includes any kind of support, e.g. direct subsidies, fiscal advantages, etc., to pre-production, production, post-production, marketing, distribution and promotion):**

- 1. PROGRAM “HORIZONS” (“ORIZONTES”)**  
{by GREEK FILM CENTER (hereinafter referred to as “G.F.C.”)} in respect to pre-production, production, co- production, post-production, marketing, distribution and promotion.
- 2. PROGRAM “INCENTIVE” (“KINITRO”)**  
{by GREEK FILM CENTER (G.F.C.)} in respect to pre-production, production, post-production, marketing, distribution and promotion
- 3. SUPPORT TO FILM PRODUCTION & CO-PRODUCTION**  
{(by Hellenic Broadcasting Corporation (hereinafter referred to as “E.R.T.”))}
- 4. SUPPORT TO GREEK FILM CINEMATOGRAPHY RELATED TO GREEK FILM PRODUCERS - (Tax Return Scheme)**  
(by the Ministry of Culture)

<sup>13</sup> “Independent” means that the cinematographic and audiovisual works are produced and distributed by entities that are legally independent from broadcasters.

- 5. SUPPORT TO GREEK FILM CINEMATOGRAPHY RELATED TO CINEMA THEATRE ENTERPRISES IN GREECE - (Tax Return Scheme)**  
(by the Ministry of Culture)
- 6. SUPPORT TO GREEK FILM CINEMATOGRAPHY RELATED TO GREEK FILM DISTRIBUTION AGENCIES IN GREECE - (Tax Return Scheme)**  
(by the Ministry of Culture)

## **CO-PRODUCTION AGREEMENTS**

A.3 **List the conventions on co-production agreements to which your country is currently a party, indicate the date of the entry into force of each convention, and indicate the name and address of the authority in charge of their administration and supervision:**

### **1. EUROPEAN CONVENTION ON CINEMATOGRAPHIC CO – PRODUCTION**

- **Date of entry into force:**  
Greek Law number 3004/05.04.2002 (Official Government Gazette 76 A'/08.04.2002).
- **Name and address of authority in charge of administration and supervision:**  
*Ministry of Culture,*  
*Directorate of Cinema and Audiovisual Media*  
5 Metsovou street, P.C. 10682  
Athens, Greece

### **2. BILATERAL AGREEMENT FRANCE –GREECE**

- **Date of entry into force:**  
Greek Legislative Decree number 141 dated 31.10/15.11.1974 (Official Government Gazette 337 A'/1974).
- **Name and address of authority in charge of administration and supervision:**  
*Ministry of Culture,*  
*Directorate of Cinema and Audiovisual Media*  
5 Metsovou street, P.C. 10682  
Athens, Greece.

### **3. BILATERAL AGREEMENT CANADA - GREECE**

- **Date of entry into force:**  
Greek Law number 2748/25.10.1999 (Official Government Gazette 227 A'/27.10.1999).
- **Name and address of authority in charge of administration and supervision:**  
*Ministry of Culture,*  
*Directorate of Cinema and Audiovisual Media*

## **NATIONALITY CERTIFICATION PROCEDURES**

- A.4 **Describe the formal procedure, if any, to assess and certify the nationality of an independent film or television production in your country by indicating the authority in charge of this procedure, the criteria of eligibility, and the scope of this certification procedure in relation to public funding schemes in your jurisdiction:**<sup>14</sup>

### **Certification of Greek Nationality for Greek Films**

- **Legal Act providing for the Certification, general conditions and criteria of eligibility**  
Article 5 of Law number 1597 dated 13/21.05.1986 (Official Government Gazette 68 A'/1986), as modified and currently in force
- **Legal Act indicating the procedure and necessary documentation**  
Ministerial Decision number 198/64287 (Official Government Gazette 1812 B'/05.12.2003)
- **Formal Procedure in relation to:**
  - A) Completed Greek Fiction Films, feature length or short cuts.
  - B) Completed Greek Documentaries, feature length or short cuts.
  - C) Completed Greek Animated Films, feature length or short cuts.

Application by the producer or the director of the film, and in case of co – production of at least one of the producers addressed to the Ministry of Culture, Directorate of Cinema and Audiovisual Media ,Sub-Directorate of Movie Films Promotion, Supervision and Support of Movie Theaters, requesting issuance of the Certificate of Greek Nationality.

- a) Solemn Declaration in accordance with the provisions of Greek Law 1599/1986 “ on consequences of incorrect or untrue declaration”, which will set forth:
- (i) The percentage rate of use of the Greek language in the original version of the film, as well as the duration of the dialogues, comments, texts and narrative computed in minutes in Greek, and in case of use of additional language(s), the rate of percentage / duration of such other (additional) language(s) as well.
  - (ii) Full Name and Nationality of the producer.  
If the producer is a legal entity, then such entity should declare the following data:
    - Formal Name of the Entity;
    - Place of Registered Seat;
    - Mail Address;

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<sup>14</sup> E.g. the French “Procédure d’agrément”.

- Full Name, Nationality and place of residence of such entity's Legal Representative;
- Nationality of the director, scriptwriter, music composer, actors performing the first and second roles in the film, director of photography, stage designer, costume designer, technical personnel, sound engineer, montage engineer;
- Full Name and Nationality of the natural person who is the owner of the technical equipment that was used for shooting the film; if such person is a legal entity then such entity should declare its Formal Name, Place of Registered Seat and Mail Address as well as the Full Name, Nationality and Place of Residence of its Legal Representative;
- The name of the country/countries at the territory of which the film was shot, the sound and image were processed and the post – production process was carried out;

(iii) Whether the script of the film was an adaptation of a work of literature and in the affirmative the nationality of the scriptwriter.

(iv) Whether (a) the musical accompaniment of the film constitutes an original composition by a Greek composer, or (b) the musical accompaniment used for the film consists of a mixture of old works of Greek composer and a (new) original work of a Greek composer.

(v) In addition to the above, with respect to the Documentaries and Animated Films (feature length or short cuts) there should also be declared:

- For the documentaries : Whether there is an advisor on scientific matters or other special advisor and his / her nationality;
- For the animated films: The nationality of (a) the actors performing the voices of the first roles, (b) the animator, (c) the art director, (d) the layout supervisor, (e) the country at the territory of which the film was produced, and in the case where the film was produced in more than one countries the corresponding percentages of production.

If the declared data are contested or there is a doubt in connection therewith, the competent Directorate of Cinema and Audiovisual Media of the Ministry of Culture is obliged to dispatch the relevant file to Opinion rendering Board of Cinematography which will watch the film in VHS and shall give an opinion as to whether or not a certificate of Greek Nationality should be granted to the film in question or not.

- **Authority in charge of this procedure**  
Directorate of Cinema and Audiovisual Media of the Ministry of Culture -  
Sub-Directorate of Movie Films Promotion, Supervision and Support of Movie Theaters
- **General Conditions and Criteria of Eligibility (pursuant to Article 5 of Law No. 1597/1986) regarding:**  
A) Greek Fiction Films, feature length or short cuts.

- B) Greek Documentaries, feature length or short cuts.
- C) Greek Animated Films, feature length or short cuts.

**A) Greek Fiction Films, feature length or short cuts**

- **General Conditions**

For a fiction film, short cut or feature length, to qualify as Greek and to be granted a Greek Nationality Certificate, the following conditions must be met *accumulatively*:

- (c) The film dialogues in original version must be in the Greek language at a percentage of at least 51%.
- (d) The film must achieve in total 51 points at least, in accordance with the criteria and the point system of paragraph 2 of Article 5 of Greek Law 1597/1986, i.e.:

- **Criteria**

(A) 16 points, if the film producer – physical entity – is Greek and in case the producer is a legal entity, if its statutory seat is in Greece and its legal representative is Greek with domicile in Greece.

(B) 16 points, if the film director is Greek.

(C) 14 points, if the script writer of the film's original script is Greek.

(D) If the movie script consists of an adaptation of a literature work, 2 points, if the writer of the work is Greek and / or 12 points, if also the script writer based on a work of literature is Greek.

(E) 4 points, if the film's soundtrack consists exclusively of original music, which is the work of a Greek composer.

(F) 2 points, if the film uses as soundtrack a work of a Greek composer and 3 points, if the film's soundtrack consists of compositions some of which satisfy the requirements of this section (F) and some of which satisfy the requirements of the preceding section (E).

(G) 8 points, if the actors performing the film's first roles are Greek.

(H) 4 points, if the actors performing second roles are Greek.

(I) 4 points, if the photography director is Greek.

(J) 2 points, if the art director is Greek.

(K) 2 points, if the costume director is Greek.

(L) 5 points, if all the persons of the technical group worked in the production of the film are Greek.

(M) 2 points, if the technical equipment used during the shootings belongs to a Greek person or to a legal entity, whose statutory seat is in Greece and its legal representative is Greek with a domicile in Greece.

(N) 4 points, if the cameraman is Greek.

(O) 3 points, if the sound recordist is Greek.

(P) 3 points, if the location (studios) of image elaboration is in Greece

(Q) 2 points, if the film's post production procedure is concluded in Greece.

(R) 9 points, if the location of the whole film shooting is in Greece. In case a percentage of the shooting took place in Greece, the points are determined on a pro rata basis.

**B) Greek Documentaries, feature length or short cuts**

• **General Conditions**

For a documentary film, feature length or short cut, to qualify as Greek and to be granted a Greek Nationality Certification, the following conditions must be met *accumulatively*:

(a) the language of all film's commentary, texts, narratives in original versions, must be in the Greek language at a percentage of at least 51%.

(b) the film must achieve in total 51 points at least, in accordance with the criteria and the point system of paragraph 4 of Article 5 of Greek Law 1597/1986. Exceptionally, in case the film does not contain comments and/or texts and/or narratives the provisions of aforementioned B (b) shall apply exclusively.

• **Criteria**

The criteria and point system provided for under paragraph 2 of Article 5 of Greek Law 1597/1986 regarding fiction films are equally applicable to the documentary films with the exception of criteria (C), (I) and (R ) and the corresponding points, which for the purpose of determining the nationality of the documentary films are set as follows:

(C ) (C ) 8 points, if the film's script writer is Greek and /or 6 points, if there is a Greek advisor on scientific matters or other special advisor. In case, the film cast does not include special advisors, but it includes only a scriptwriter who is Greek, 14 points are granted.

(I) (I) 10 points, if the photography director is Greek.

(R ) (R ) 3 points, if the location of the whole film shooting is in Greece. In case a percentage of the shootings took place in Greece, the points are determined on a pro rata basis.

**C) Greek Animated Films, feature length or short cuts.**

• **General Conditions**

For an animated film to qualify as Greek and to be granted a Greek Nationality Certificate, the following conditions must be met *accumulatively*:

(a) The film dialogues in original version must be in the Greek language at a percentage of at least 51%.

(b) The film must achieve in total 51 points at least, in accordance with the criteria and the point system of paragraph 2 of Article 5 of Greek Law 1597/1986, i.e.:

- **Criteria**

The criteria and point system provided for under paragraph 2 of Article 5 of Greek Law 1597/1986 regarding fiction films are equally applicable to animated films with the exception of criteria (G), (H), (I), (J), (K) and (R ) and the corresponding points, which for the purpose of determining the nationality of animated films are set as follows:

(G) (G) (G) 4 points, if the voices of the film's first roles are performed by Greek actors.

(H) (H) (H) 2 points, if the animator is Greek.

(I) (I) (I) 6 points, if the art director is Greek.

(J) (J) (J) 5 points, if the lay out supervisor is Greek.

(R ) (R ) (R ) 9 points, if the whole film is produced in Greece. In case a percentage of the film is produced in Greece, the points are determined on a pro rata basis.

- **General Remarks regarding the application of the General Conditions and Eligibility Criteria.**

1. If more than one persons participated in carrying out the tasks/work described in each one of the above mentioned criteria (paragraphs 2, 4 & 6 of article 5 of Greek Law 1597/1986), not all of which were Greek, then the points corresponding to each criterion shall be granted on a pro rata basis (ratio of number of Greeks to the total number of participants).
2. Regarding the application of the criteria of the aforementioned paragraphs, the citizens of the European Union shall be treated as if they were Greek citizens.
3. In case where a Greek producer participates in an international co-production, the qualification of the film as Greek or not shall be determined by applying the international agreements in force.

- **Scope of the Greek Nationality Certificate procedure in relation to public funding schemes**

- Issuance of the Greek Nationality Certificate is not a requirement in order that G.F.C. or E.R.T. may grant the relative state aids. It should be noted that this Certificate is granted at a post – production stage, whereas both G.F.C. and E.R.T. grant state aid at a pre –production stage, following the submission of the relevant application and the proposal for the production layout.

- The Greek Nationality Certificate does not appear to be an explicit requirement under the **Tax Incentive Schemes** of Article 7 of Greek Law 1599/1986. However, it is an implicit requirement because Article 7, paragraphs 1, 3 and 4 specifically refer to “Greek films” and “Greek Cinematography”. Moreover, in this context we understand that the officials of the Ministry of Culture invariably look for such Greek Nationality Certificate when checking the file which the Greek producer or the Greek Enterprise of Cinema theatres or the Greek Distribution Agencies submit to the Ministry of Culture seeking return of the taxes paid when the film was shown.

## **EXPECTED DEVELOPMENTS**

- A.5 Indicate whether new co-production agreements are to be expected in your jurisdiction as of 1 January 2007, indicate the contemplated date of the entry into force of each convention, and indicate the name and address of the authority in charge of their administration and supervision.**

As advised by the competent Authority of the Directorate of Cinema and Audiovisual Media of the Ministry of Culture, no new co- production agreements are expected to be signed or entered into force in Greece as of January 1<sup>st</sup>, 2007. The reason is that all the relevant film production Authorities apply the *European Convention on Cinematographic co-production* in respect of any matter concerning production of European films such as funding and financing the production, post –production etc.

- A.6 Indicate whether new funding schemes containing territorialisation requirements entered into force or are to be expected to enter into force in your jurisdiction as of 1 January 2006,<sup>15</sup> and indicate the name and address of the administration of these funding schemes:<sup>16</sup>**

No new funding schemes are expected to enter into force in Greece as from January 1<sup>st</sup>, 2006.

## **REFERENCES TO LOCAL STUDIES**

- A.7 Provide the references of studies, reports or other relevant materials on territorialisation requirements, on co-production agreements and on legal aspects of the promotion of film related cultural identities and cultural diversity in your**

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<sup>15</sup> Any requirement/incentive that some of the development, production or post-production activities must take place in the country or region offering the State aid, either for the audiovisual work to be eligible for State aid or affecting the amount of State aid available to the audiovisual work.

<sup>16</sup> E.g. in Germany, there will be a new funding scheme on the federal level containing a territorialisation clause as from 2007.



**jurisdiction (author, title, place, date of publication, and, if available, internet link):**

1. *Legal Opinion by the State Legal Counsel number 105/2005* regarding issues arising from application of Article 7 par. 1 et seq. of Greek Law number 1597/1986 “on special tax return”.
2. Jurisprudence
  - *Judgment 5446/1998 of the Administrative Court of First Instance of Athens* regarding the special tax return of article 7 par. 1 of Law number 1597/1986 and the legal deduction of 3% and 5% respectively for the collection and certification of the tax before its return to the beneficiaries.
  - *Judgments 550/2005 -558/2005 of the State Council* regarding the way the amount of the tax return is attributed to its beneficiaries.
3. Annual Reports of the Greek Film Centre for the years 2002, 2003 and 2005.

**Attachment to e-mail of 09 October 2006:  
LEGAL STUDY PART B draft 03.10.2006. FUNDING.article7. para. 4a.b.c  
final.DOC**

**QUESTIONNAIRE ON STATE AID TO CINEMA AND TERRITORIALISATION  
REQUIREMENTS  
( Version 9 October 2006)**

**PART B**

**FUND SPECIFIC QUESTIONS**

*Please only cover funding schemes, including tax incentive schemes, that were operated at the national, regional (excluding EU schemes, e.g. the Media programme)<sup>17</sup> or local level in your country during the reference period from 1 January 2001 to 31 December 2005, and that disposed of an annual budget of State aid dedicated to pre-production, production, post-production, marketing, distribution and promotion of independent cinematographic and audiovisual works of at least € 1 million per year.<sup>18</sup>*

*Please use for each funding scheme a separate form.*

**IDENTIFICATION OF THE FUNDING SCHEME**

**B.1 Country/region:** Greece/Athens.

**B.2 Name of the funding scheme:** Tax Return Scheme

Support to the enterprises of cinema theatres.

**B.3 Name and address of the funding scheme's administration and supervisory authority:**

Ministry of Culture,  
Directorate of Cinema and Audiovisual Media  
5 Metsovou street,  
P.O. Box 10682,  
Athens, Greece

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<sup>17</sup> Regional schemes mean both, schemes operated within your country and schemes to which your country is a party among other countries, e.g. the Nordic Film- and TV Fund (see [http://korda.obs.coe.int/web/display\\_fonds.php?fonds\\_id=28](http://korda.obs.coe.int/web/display_fonds.php?fonds_id=28) ).

<sup>18</sup> "Independent" means that the cinematographic and audiovisual works are produced and distributed by entities that are legally independent from broadcasters.

**B.4 List the titles of the laws and regulations that govern this funding scheme as of 31 December 2005 (in the original language and in an English working translation), and indicate:**

- the dates when these laws and regulations entered into force,

- whether these laws and regulations were amended during the period from 2001 to 2005 (if so and if the amendments were significant, indicate their dates of entry in force),

and provide a copy of these laws and regulations in the version as of 31 December 2005 (in the national language only).

**15. Greek Law number 1597 dated 13/21.05.1986, Article 5, Article 7, paragraphs 1 & 2, paragraph 4, sub – paragraphs (a), (b) & (c) on the protection and development of Cinematography, the strengthening of the Greek Cinematography and other provisions.**

- Entered into force when published in the Official Government Gazette A' Issue No. 68/1986
- As modified and currently in force
- Significant changes :

(i) Paragraph 16 of Article 80 of Greek Law No. 3057/2002 (Official Government Gazette A' Issue No. 239/10.10.2002) has amended and replaced Article 5 of Greek Law 1597/1986 providing for the general conditions and eligibility criteria of issuance of the Greek Nationality Certificate.

(ii) Paragraph 15 of Article 80 of Greek Law No. 3057/2002 (Official Government Gazette A' Issue No. 239/10.10.2002) has amended and replaced sub – paragraphs (a) & (b) of paragraph 4 of Article 7 of Greek Law 1597/1986.

(iii) Paragraph 15 (b) of Article 80 of Greek Law No. 3057/2002 (Official Government Gazette A' Issue No. 239/10.10.2002) has amended and replaced sub – paragraph (c) of paragraph 4 of Article 7 of Greek Law 1597/1986.

**16. Ministerial Decision No. 198/2003** of the Greek Ministry of Culture specifying the procedure and documents necessary for the issuance of the Greek Nationality Certificate.

- Entered into force when published to the Official Government Gazette B' Issue No. 1812/05.12.2003.

**17. Ministerial Decision No. 42962/10.10.1988** of the Greek Ministry of Culture specifying the procedure and documents necessary for the special tax return regime of paragraph 3 of Article 7 of Greek Law 1597/1986, as attributed to the producers and the cinema businesses.

- Entered into force when published to the Official Government Gazette B' Issue No. 770/26.10.1988

- Amended by the recent **Ministerial Decision No. 93912/2005** of the Ministry of Culture (Official Government Gazette B' Issue No.1658/29.11.2005).

## **TERRITORIAL CONDITIONS<sup>19</sup>**

### **Explicit territorial conditions**

**B.5** Does the scheme impose any explicit obligation on independent film and audiovisual project proposals that they must spend a minimum proportion of the production budget in the Member State/Region to qualify for State aid or to receive the maximum amount of State aid available (*consider the situation as of 31 December 2005 and, only in case of significant changes, the situation before this date during the period from 2001 to 2005*)?

No.

**B.6** Quote (in the national language and in an English working translation) the provisions requiring territorialisation that are contained in the rules (legislation and internal regulations) listed under Answer B.4 (*provide quotes of the current version of the rules as of 31 December 2005 and, only in case of significant changes, of former versions of territorialisation clauses that were in force before this date during the period from 2001 to 2005*):

**6. Article 7, paragraph 1 of Greek Law 1597/1986:**

“An amount equal to 50% of the special tax attributable to public audiovisual works that is annually paid and received from the show of films will be attributed to the development of cinematography art, the support to Greek cinematography and the study and implementation of culture policy in the context of cinema. Within three years from the date of publication of this present, by means of the joint decisions of the Ministers of Finance and Culture the aforementioned percentage may be increased gradually, up to 100% of the amount of above tax, following deduction of the collection costs.”

**7. Article 7, paragraph 2 of Greek Law 1597/1986:**

“The amount of the aforesaid tax is registered under a special article of the State Income Budget. Credit for an equal amount is registered under a special article of the Expenses Budget of the Ministry of Culture.”

**8. Article 7, paragraph 4, sub – paragraph (a) of Greek Law 1597/1986:**

“Each year the enterprises of cinema theatres that show Greek films will be entitled to receive a return of a percentage of the special tax that was collected out of the tickets that such enterprise sold during the term of said year. The amount of

<sup>19</sup> Any requirement/incentive that some of the development, production or post-production activities must take place in the country or region offering the State aid, either for the audiovisual work to be eligible for State aid or affecting the amount of State aid available to the audiovisual work.

the tax to be returned will be calculated per screen and pro rata to the number and the weeks of show of the films, in accordance with the following sub - paragraphs.

The term “enterprise of cinema theatre” means every natural or legal entity which operates and manages one or more halls (winter cinema theatres) or open – air halls {summer cinema theatres}, with one or more screens, which are situated in the same place and operate under the same trade name and /or trademark of the same enterprise (the “**Enterprise**”).

The term “weekly show” means in respect of the winter cinema theatres the aggregate of seven consecutive days during September, October, November, December, January, February, March and April of each year and in respect of the open – air halls {summer cinema theatres} the aggregate of seven consecutive or non consecutive days during June, July and August of each year.

The term “weekly show” will also include, with respect to the winter cinema theatres, the period from 15 December to 15 January of each year as well the period starting from the Monday preceding to the Greek – Orthodox Easter Sunday and ending on the Monday following the Greek – Orthodox Easter Sunday, if during the aforesaid periods Greek films are shown in the zone of two main night shows following the show (until 20.00 hrs) of a Greek or foreign children’s film.

**9. Article 7, paragraph 4, sub-paragraph (b) of Greek Law 1597/1986:**

“The following percentages are fixed as the basis for calculating the tax return proportion that each Enterprise is entitled to receive pursuant to sub – paragraph (a) above:

a.a. For each winter cinema theater screen:

- 30% for one week show of the film
- 40% for two weeks show of the film
- 48% for three weeks show of the film
- 55% for four weeks show of at least two films
- 60% for five weeks show of at least two films
- 65% for six weeks show of at least two films
- 70% for seven weeks show of at least three films
- 80% for eight weeks show of at least three films

b.b. For each open – air (summer) cinema theatre screen:

- 30% for one week show of the film
- 45% for two weeks show of the film
- 55% for three weeks show of the film
- 70 % for four weeks show of at least two films
- 80% for five weeks show of at least two films

c.c. The sums of tax return which each Enterprise is entitled to, as aforementioned under sub - paragraph (a) above, will be finally determined on the basis of the percentages pursuant to sections a.a. and b.b. prorated to the number of the film theatre screens managed by each Enterprise as follows:

- an Enterprise with one to two screens is entitled to a sum corresponding to 100% of the percentage under sections a.a. and b.b. per cinema theater screen
- an Enterprise with three screens is entitled to a sum corresponding to 80% of the percentage under sections a.a. and b.b. per cinema theater screen
- an Enterprise with four screens is entitled to a sum corresponding to 75% of the percentage under sections a.a. and b.b. per cinema theater screen
- an Enterprise with five screens is entitled to a sum corresponding to 70% of the percentage under sections a.a. and b.b. per cinema theater screen
- an Enterprise with six screens is entitled to a sum corresponding to 65% of the percentage under sections a.a. and b.b. per cinema theater screen
- an Enterprise with seven screens is entitled to a sum corresponding to 60% of the percentage under sections a.a. and b.b. per cinema theater screen
- an Enterprise with eight screens is entitled to a sum corresponding to 55% of the percentage under sections a.a. and b.b. per cinema theater screen
- an Enterprise with nine screens is entitled to a sum corresponding to 50% of the percentage under sections a.a. and b.b. per cinema theater screen
- an Enterprise with ten screens is entitled to a sum corresponding to 46% of the percentage under sections a.a. and b.b. per cinema theater screen
- an Enterprise with eleven screens is entitled to a sum corresponding to 43% of the percentage under sections a.a. and b.b. per cinema theater screen
- an Enterprise with up to twelve screens is entitled to a sum corresponding to 40% of the percentage under sections a.a. and b.b. per cinema theater screen

d.d. For the Enterprises operating winter cinema theatres to qualify for the return of the sums indicated under section c.c, each screen must have completed on an annual basis a full two hours program entailing the show of a Greek short cut film which must have accompanied the show of a Greek feature length film and such Greek short cut film must be different per each Greek feature length film.

#### **10. Article 7, paragraph 4, sub – paragraph (c) of Greek Law 1597/1986:**

“The percentages of the tax amount to be returned pursuant to sub – paragraphs (a) & (b) above will be paid if each screen has accomplished up to 60.000 tickets. With respect to the number of tickets exceeding the said number of 60.000, no amount of tax will be returned.”

#### **11. Article 5, paragraphs 1 & 2 of Greek Law 1597/1986:**

“1. For a fiction film, short cut or feature length, to qualify as Greek and to be granted a Greek Nationality Certificate, the following conditions must be met *accumulatively*:

- (e) The film dialogues in original version must be in the Greek language at a percentage of at least 51%.
- (f) The film must achieve in total 51 points at least, in accordance with the criteria and the point system of the following paragraph 2 of this Article 5 of Greek Law 1597/1986, i.e.:

2. The criteria that will be taken into account pursuant to the provisions of the preceding paragraph 1(b) of this present Article and the corresponding point system are as follows:

- (A) 16 points, if the film producer – physical entity – is Greek and in case the producer is a legal entity, if its statutory seat is in Greece and its legal representative is Greek with domicile in Greece.
- (B) 16 points, if the film director is Greek.
- (C) 14 points, if the script writer of the film's original script is Greek.
- (D) If the movie script consists of an adaptation of a literature work, 2 points, if the writer of the work is Greek and / or 12 points, if also the script writer based on a work of literature is Greek.
- (E) 4 points, if the film's soundtrack consists exclusively of original music, which is the work of a Greek composer.
- (F) 2 points, if the film uses as soundtrack a work of a Greek composer and 3 points, if the film's soundtrack consists of compositions some of which satisfy the requirements of this section (F) and some of which satisfy the requirements of the preceding section (E).
- (G) 8 points, if the actors performing the film's first roles are Greek.
- (H) 4 points, if the actors performing second roles are Greek.
- (I) 4 points, if the photography director is Greek.
- (J) 2 points, if the art director is Greek.
- (K) 2 points, if the costume director is Greek.
- (L) 5 points, if all the persons of the technical group worked in the production of the film are Greek.
- (M) 2 points, if the technical equipment used during the shootings belongs to a Greek person or to a legal entity, whose statutory seat is in Greece and its legal representative is Greek with a domicile in Greece.
- (N) 4 points, if the cameraman is Greek.
- (O) 3 points, if the sound recordist is Greek.
- (P) 3 points, if the location (studios) of image elaboration is in Greece
- (Q) 2 points, if the film's post production procedure is concluded in Greece.

(R) 9 points, if the location of the whole film shooting is in Greece. In case a percentage of the shooting took place in Greece, the points are determined on a pro rata basis.”

## **12. Article 5, paragraphs 3 & 4 of Greek Law 1597/1986:**

“3. For a documentary film, feature length or short cut, to qualify as Greek and to be granted a Greek Nationality Certification, the following conditions must be met *accumulatively*:

(a) the language of all film’s commentary, texts, narratives in original versions, must be in the Greek language at a percentage of at least 51%.

(b) the film must achieve in total 51 points at least, in accordance with the criteria and the point system of the following paragraph 4 of this Article 5 of Greek Law 1597/1986. Exceptionally, in case the film does not contain comments and/or texts and/or narratives the provisions of the aforementioned paragraph 3 (b) shall apply exclusively.

4. The criteria and point system provided for under paragraph 2 of Article 5 of Greek Law 1597/1986 regarding fiction films are equally applicable to the documentary films with the exception of criteria (C), (I) and (R ) and the corresponding points, which for the purpose of determining the nationality of the documentary films are set as follows:

(C ) (C ) 8 points, if the film’s script writer is Greek and /or 6 points, if there is a Greek advisor on scientific matters or other special advisor. In case, the film cast does not include special advisors, but it includes only a scriptwriter who is Greek, 14 points are granted.

(I) (I) 10 points, if the photography director is Greek.

(R ) (R ) 3 points, if the location of the whole film shooting is in Greece. In case a percentage of the shootings took place in Greece, the points are determined on a pro rata basis.”

## **13. Article 5, paragraphs 5& 6 of Greek Law 1597/1986:**

“5. For an animated film to qualify as Greek and to be granted a Greek Nationality Certificate, the following conditions must be met *accumulatively*:

(a) The film dialogues in original version must be in the Greek language at a percentage of at least 51%.

(b) The film must achieve in total 51 points at least, in accordance with the criteria and the point system of the following paragraph 6 of this Article 5 of Greek Law 1597/1986.

6. The criteria and point system provided for under paragraph 2 of Article 5 of Greek Law 1597/1986 regarding fiction films are equally applicable to animated films with the exception of criteria (G), (H), (I), (J), (K) and (R ) and the corresponding points,



which for the purpose of determining the nationality of animated films are set as follows:

(G) (G) (G) 4 points, if the voices of the film's first roles are performed by Greek actors.

(H) (H) (H) 2 points, if the animator is Greek.

(I) (I) (I) 6 points, if the art director is Greek.

(J) (J) (J) 5 points, if the lay out supervisor is Greek.

(R ) (R ) (R ) 9 points, if the whole film is produced in Greece. In case a percentage of the film is produced in Greece, the points are determined on a pro rata basis."

#### **14. Article 5, paragraphs 7, 8, 9 & 10 of Greek Law 1597/1986:**

"7. If more than one persons participated in carrying out the tasks/work described in each one of the above mentioned criteria (paragraphs 2, 4 & 6 of article 5 of Greek Law 1597/1986), not all of which were Greek, then the points corresponding to each criterion shall be granted on a pro rata basis (ratio of number of Greeks to the total number of participants).

8. Regarding the application of the criteria of the aforementioned paragraphs, the citizens of the European Union shall be treated as if they were Greek citizens.

9. In case where a Greek producer participates in an international co-production, the qualification of the film as Greek or not shall be determined by applying the international agreements in force.

10. The procedure and requisite documentation as well as all other details for the implementation of this present Article will be determined by means of a Ministerial Decision to be issued by the Ministry of Culture."

**B.7 Describe how these territorialisation requirements are implemented, including the minimum proportion required and the maximum (*provide a description with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005*).**

Within the first six months of each calendar year, the Enterprises (*see supra under B6, no. 1*) that **show Greek films** (within the meaning of Article 5 of Greek Law 1597/1986) may apply to the Ministry of Culture requesting the return of the tax amount that was received by the State during the preceding year out of the tickets sold due to the show of such Greek films.

**I. In light of the provisions of article 5 of Greek law 1597/1986 a film will be qualified as Greek, if:**

**A. In respect of a fiction short - cut or feature length film, the following conditions are met *accumulatively*:**

- (a) The film dialogues in original version are in Greek language by a percentage of at least 51%, and
- (b) The film is awarded with a total score of at least 51 points, in accordance with the criteria and the point system set forth in paragraph 2 of Article 5 of Greek Law 1597/1986.

**B. In respect of a documentary short - cut or feature length film, the following conditions are met *accumulatively*:**

- (a) the language of all film's commentary, texts and narratives in original versions, must be in the Greek language in a percentage of at least 51%, and
- (b) the film is awarded with a total score of at least 51 points, in accordance with the criteria and the point system set forth in paragraphs 2 & 4 of Article 5 of Greek Law 1597/1986.

If the film does not include comments and/or texts and/or narratives, then for the film's qualification as Greek only the criteria and point system set forth in paragraphs 2 & 4 of Greek Law 1597/1986 will be taken into consideration.

**C. In respect of an animated short - cut or feature length film, the following conditions are met *accumulatively*:**

- (a) the language of all film's commentary, texts and narratives in original versions, must be in the Greek language in a percentage of at least 51%, and
- (b) the film is awarded with a total score of at least 51 points, in accordance with the criteria and the point system set forth in paragraphs 2 & 6 of Article 5 of Greek Law 1597/1986.

**II. In light of the provisions of Article 7, paragraph 4 in conjunction with the provisions of the Ministerial Decision No. 42962/1988 of the Minister of Culture as same has been amended by the provisions of the Ministerial Decision No. 93912/2005 of the Minister of Culture, the following are the minimum and maximum percentages of the amount of tax to be returned to the Enterprises running a cinema theatre (winter or summer):**

- **Minimum amount of tax to be returned in respect of Winter Cinema theatres:**  
100% of the 30% of the amount of the tax that the State received out of a weekly show by an Enterprise running a winter cinema theatre with up to 2

screens and up to the maximum amount of 60.000 tickets per screen, provided that (a) each screen has completed on an annual basis a full two hours program entailing the show of a Greek short cut film which accompanied the show of a Greek feature length film and (b) such Greek short cut film was different per each Greek feature length film.

- **Maximum amount of tax to be returned in respect of Winter Cinema theatres:**

40% of the 80% of the amount of the tax that the State received out of an 8 weeks show of at least three films by an Enterprise running a winter cinema theatre with at least 12 screens and up to the maximum amount of 60.000 tickets per screen, provided that (a) each screen has completed on an annual basis a full two hours program entailing the show of a Greek short cut film which accompanied the show of a Greek feature length film and (b) such Greek short cut film was different per each Greek feature length film.

- **Minimum amount of tax to be returned in respect of Open - Air (Summer) Cinema theatres:**

100% of the 30% of the amount of the tax that the State received out of a weekly show by an Enterprise running an open – air (summer) cinema theatre with up to 2 screens and up to the maximum amount of 60.000 tickets per screen.

- **Maximum amount of tax to be returned in respect of Open - Air (Summer) Cinema theatres:**

40% of the 80% of the amount of the tax that the State received out of a 5 weeks show of at least two films by an Enterprise running an open – air (summer) cinema with at least 12 screens and up to the maximum amount of 60.000 tickets per screen.

**B.8** Describe how territorialisation requirements that apply to this scheme are interpreted and implemented in the context of the co-production agreements listed under answer A.3 (*provide a description with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005*);

- **The Bilateral Agreement on film co – productions between Greece and Canada:**

Article I par. 4 of above agreement expressly states that the national benefits related to the cinema and video industry as in force in each country's legislation and regulations are exclusively granted to the Producer of the country that provides them.

- **The Bilateral Agreement on film co – productions between Greece and France:**

Article 1 par. 1 section b) of above agreement expressly states that each country's co-producer is ipso jure and mutually granted the benefits provided for pursuant to the relevant provisions of each country.

- **The European Convention on Cinematographic Co-Production:**

Article 4 of the above Convention states that the European co - producers of a European co – production film will be entitled to receive the same benefits that are granted to the *national films of each member state participating in the co – production.*

Based on the above provisions we understand that the subject tax return scheme is a benefit available to the Enterprises of Cinema Theatres in Greece solely in relation to the amount of tax received in relation to Greek films, i.e films that will be characterized as Greek within the meaning of Article 5 of Greek Law 1597/1986. It should be also noted that up to date there is no reported incident of a an Enterprise of Cinema Theatre applying within the provisions of Article 7, paragraph 4 (a), (b) 7 (c) of Greek Law 1597/1986 in respect of a film not being certified as Greek in accordance with the provisions of Article 5 of Greek law 1597/1986.

**B.9 Quote and summarize judicial and administrative practice (case law and guidelines) and legal commentaries addressing the implementation of territorialisation requirements that you quoted and described under answers B.6 to B.8 (*provide a quote and summary with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005*):**

In accordance with the provisions of Article 7, paragraph 4 in conjunction with the provisions of the Ministerial Decision No. 42962/1988 of the Minister of Culture as same has been amended by the provisions of the Ministerial Decision No. 93912/2005 of the Minister of Culture the following procedure applies:

Within the first six months of each calendar year, the Enterprises (*see supra under B6, no. 1*) that **show Greek films** (within the meaning of Article 5 of Greek Law 1597/1986) may apply to the Ministry of Culture requesting the return of the tax amount that was received by the State during the preceding year out of the tickets sold due to the show of such Greek films. The Enterprise's Application should be necessarily accompanied by a Tax Certificate issued by the competent Greek Tax Office confirming, inter alia, the number of the tickets sold by the Enterprise in respect of the Greek film(s) and the amount of the tax received in respect of such tickets.

**Implicit or *de facto* territorial conditions**

**B.10 Does the scheme provide any scope for territorial conditions to be applied implicitly or *de facto*? - For example, do the selection criteria imply that proposals are more likely to be selected for funding if they would create employment in the region/Member State, use local professionals, or generally promote interest in the region/Member State (*please cover the situation prevailing***

*as of 31 December 2005 and, only in case of significant changes, the situation that prevailed before this date during the period from 2001 to 2005)?*

For the above tax return scheme to apply the film must be a Greek film within the meaning of Article 5 of Greek law 1597/1986, which practically means that the criteria set forth therein must have been satisfied, imposing thus an implied obligation for the use of local (Greek citizens) professionals in the production of the film.

**B.11 Please describe the implicit or *de facto* territorialisation requirements that are practised by this funding scheme (as of 31 December 2005 and, only in case of significant changes, before this date during the period from 2001 to 2005):**

Although pursuant to the provisions of the Ministerial Decision No. 42962/1988 of the Minister of Culture as same has been amended by the provisions of the Ministerial Decision No. 93912/2005 of the Minister of Culture does not explicitly require that the Greek Nationality Certificate accompanies the Enterprises' application for receiving back the amount of tax under the provisions of the tax return scheme of paragraph 4 (a), (b) & (c) of Article 7 of Greek Law 1597/1986, the administrative authority of the Ministry of Culture in charge will always make an internal inquiry with the competent department of the Ministry of Culture for the purpose of ascertaining whether such certificate has been granted or not. Up to date there is no reported incident of an Enterprise applying within the provisions of Article 7, paragraph 4 (a), (b) & (c) of Greek Law 1597/1986 in respect of a film not being certified as Greek in accordance with the provisions of Article 5 of Greek law 1597/1986.

## **CULTURAL CLAUSES**

**B.12 Quote the legal provisions of your jurisdiction (in the national language and in an English working translation) expressing cultural policy goals (e.g. promotion of cultural identity and cultural diversity) that could legitimate the explicit or implicit territorialisation requirements mentioned under answers B.6, B.7 and B.11 and that are currently in force:**

Pursuant to the provisions of Article 7, paragraph 1 of Greek Law 1597/1986, as amended and currently in force, the tax return schemes set forth in said Article are devoted to the development of the cinematography art, the support of Greek cinematography and the study and implementation of culture policy in the context of cinema.

## **SELECTIVE SCHEMES**

**B.13 If this scheme distributes aid selectively,<sup>20</sup> please list the qualitative criteria that were applied as of 31 December 2005 and, only in case of significant changes, before this date during the period from 2001 to 2005:**

<sup>20</sup> Selective funding schemes grant State aid based on an evaluation of each project and following qualitative criteria. In contrast, automatic schemes grant State aid if certain quantitative criteria such as box office results of previous works are met.

The subject tax return scheme is expected to operate on an automatic basis, provided that the conditions of Article 5 (Greek Film), and Article 7 paragraph 4 are met, as same are implemented in accordance with the provisions of the Ministerial Decision No. 42962/1988 of the Minister of Culture as same has been amended by the provisions of the Ministerial Decision No. 93912/2005 of the Minister of Culture.

#### **CONTACT DETAILS**

B.14 Name, function and contact information (postal address, phone and email) of the liaison person at the funding scheme:

**MINISTRY OF CULTURE**  
**DIRECTORATE OF CINEMA**  
**AND AUDIOVISUAL MEDIA**

Director: Mrs. Dimitra Argirou

**SUB-DIRECTORATE OF PROMOTION OF MOVIE FILMS, SUPERVISION AND**  
**SUPPORT OF THE MOVIE THEATRES**

Liaison persons: Mrs. Militopoulou Vassiliki & Mrs. Pishintzi Constantina

5 Metsovou street

P.O Box 106 82

Athens, Greece

Tel: +30 210 8253611, +30 210 8251021,

+30 210 8250767, +30 210 8250729

E-Mail: [protocol@dkc.culture.gr](mailto:protocol@dkc.culture.gr)

<http://www.culture.gr>

Name of the lawyer and law firm in charge of the data collection:

**LAW FIRM:**

ROUSSOS & HATZIDIMITRIOU LAW OFFICES

5-7 Filellinon street

P.C. 185 36

Piraeus, Greece

Tel: +30 210 4294200

Fax: +30 210 4294625

E-Mail: [office@roussoshatzidimitriou.com](mailto:office@roussoshatzidimitriou.com)

**LAWYERS IN CHARGE:**

Mr. Costas Roussos

Mrs. Ioanna Dimopoulou

Ms. Antonia Koukouritaki

**Date of the data collection and processing:**

- Data Collection: September 21<sup>st</sup> 2006 until October 9<sup>th</sup> 2006
- Data processing: October 9<sup>th</sup>, 2006

**QUESTIONNAIRE ON STATE AID TO CINEMA AND TERRITORIALISATION  
REQUIREMENTS  
( Version 9 October 2006)**

**PART B**

**FUND SPECIFIC QUESTIONS**

*Please only cover funding schemes, including tax incentive schemes, that were operated at the national, regional (excluding EU schemes, e.g. the Media programme)<sup>21</sup> or local level in your country during the reference period from 1 January 2001 to 31 December 2005, and that disposed of an annual budget of State aid dedicated to pre-production, production, post-production, marketing, distribution and promotion of independent cinematographic and audiovisual works of at least € 1 million per year.<sup>22</sup>*

*Please use for each funding scheme a separate form.*

**IDENTIFICATION OF THE FUNDING SCHEME**

**B.1 Country/region:** Athens, Greece.

**B.2 Name of the funding scheme:** Tax Return Scheme

Support to the Producers of Greek films (feature length or short cuts)

**B.3 Name and address of the funding scheme's administration and supervisory authority:**

Ministry of Culture,  
Directorate of Cinema and Audiovisual Media  
5 Metsovou street,  
P.C. 10682,  
Athens, Greece

<sup>21</sup> Regional schemes mean both, schemes operated within your country and schemes to which your country is a party among other countries, e.g. the Nordic Film- and TV Fund (see [http://korda.obs.coe.int/web/display\\_fonds.php?fonds\\_id=28](http://korda.obs.coe.int/web/display_fonds.php?fonds_id=28) ).

<sup>22</sup> "Independent" means that the cinematographic and audiovisual works are produced and distributed by entities that are legally independent from broadcasters.

**B.4 List the titles of the laws and regulations that govern this funding scheme as of 31 December 2005 (in the original language and in an English working translation), and indicate:**

- the dates when these laws and regulations entered into force,

- whether these laws and regulations were amended during the period from 2001 to 2005 (if so and if the amendments were significant, indicate their dates of entry in force),

and provide a copy of these laws and regulations in the version as of 31 December 2005 (in the national language only).

**18. Greek Law No. 1597 dated 13/21.05.1986 Article 5, Article 6 paragraphs 1, 2, 4 and Article 7 paragraphs 1, 2 & 3 on the protection and development of Cinematography, the strengthening of the Greek Cinematography and other provisions.**

- Entered into force when published to the Official Government Gazette A' Issue No. 68/1986
- As modified and currently in force
- Significant changes : Paragraph 16 of Article 80 of Greek Law No. 3057/2002 (Official Government Gazette A' Issue No. 239 /10.10.2002) has amended and replaced Article 5 of Greek Law 1597/1986 providing for the general conditions and eligibility criteria of issuance of the Greek Nationality Certificate.

**19. Ministerial Decision No. 198/2003 of the Greek Ministry of Culture specifying the procedure and documents necessary for the issuance of the Greek Nationality Certificate.**

- Entered into force when published to the Official Government Gazette B' Issue No. 1812/05.12.2003

**20. Ministerial Decision No. 42962/10.10.1988 of the Greek Ministry of Culture specifying the procedure and documents necessary for the special tax return regime of paragraph 3 of Article 7 of Greek Law 1597/1986, as attributed to the producers and the cinema businesses.**

- Entered into force when published to the Official Government Gazette B' Issue No. 770/26.10.1988
- Amended by the recent **Ministerial Decision No. 93912/2005** of the Ministry of Culture (Official Government Gazette B' Issue No.1658/29.11.2005).

**21. Greek Law number 2328/03.08.1995, Article 10 on provisions concerning the profession of the independent producers of audiovisual works.**

- Entered into force when published in the Official Government Gazette A' Issue No. 159/1995
- Amended by Article 7 par. 6 of Greek Law number 3021/2002 (Official Government Gazette A' Issue No.143/2002) providing for the registration of the independent producer of audiovisual works with the relevant professional Chamber as a condition for the practice of such profession.
- Amended by Article 22 par. 4 of Greek Law number 3166/2003 (Official Government Gazette A' Issue No.178/02.07.2003) referring to the



incompatibility of the profession of the independent producer of audiovisual works with the status of someone working for the wider public sector and the owner/shareholder/board member/employee of an advertising enterprise.

- Supplemented by Ministerial Decision 6389/2005 of the Ministry of Culture (Official Government Gazette B' Issue No.434/05.04.2005) concerning the establishment of a three member Committee competent for the issuance of the certificate necessary for the registration of the independent producers with the relevant professional Chamber.

## **TERRITORIAL CONDITIONS<sup>23</sup>**

### **Explicit territorial conditions**

**B.5 Does the scheme impose any explicit obligation on independent film and audiovisual project proposals that they must spend a minimum proportion of the production budget in the Member State/Region to qualify for State aid or to receive the maximum amount of State aid available (*consider the situation as of 31 December 2005 and, only in case of significant changes, the situation before this date during the period from 2001 to 2005*)?**

No.

**B.6 Quote (in the national language and in an English working translation) the provisions requiring territorialisation that are contained in the rules (legislation and internal regulations) listed under Answer B.4 (*provide quotes of the current version of the rules as of 31 December 2005 and, only in case of significant changes, of former versions of territorialisation clauses that were in force before this date during the period from 2001 to 2005*):**

#### **15. Article 7, paragraph 1 of Greek Law 1597/1986:**

“An amount equal to 50% of the special tax attributable to public audiovisual works that is annually paid and received from the show of films will be attributed to the development of cinematography art, the support to Greek cinematography and the study and implementation of culture policy in the context of cinema. Within three years from the date of publication of this present, by means of the joint decisions of the Ministers of Finance and Culture the aforementioned percentage may be increased gradually, up to 100% of the amount of above tax, following deduction of the collection costs.”

#### **16. Article 7, paragraph 2 of Greek Law 1597/1986:**

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<sup>23</sup> Any requirement/incentive that some of the development, production or post-production activities must take place in the country or region offering the State aid, either for the audiovisual work to be eligible for State aid or affecting the amount of State aid available to the audiovisual work.

“The amount of the aforesaid tax is registered under a special article of the State Income Budget. Credit for an equal amount is registered under a special article of the Expenses Budget of the Ministry of Culture.”

**17. Article 7, paragraph 3 of Greek Law 1597/1986:**

“Each year, an amount equal to the amount of the tax that has been received from the play of a feature length Greek film is returned to the producer of such Greek film out of the aforementioned credit. This amount is calculated along with the income realized from the exploitation of the film and, when the aggregate covers, either within the first year or within the years following the date of the film’s play, the film’s certified production expenses, the return of said amount is discontinued. Under the same conditions, the producer of a Greek short cut film will be entitled to a return of an amount equal to 10% of the amount of tax that was received from the play of such film as part of a play program.”

**18. Article 6, paragraph 1 of Greek Law 1597/1986:**

“The minimum number of the technical personnel to be used in the production of a fiction feature length film is thirteen persons for a film shot at 35mm and eleven persons for a film shot at 16mm. The skill of each member of the technical personnel will be determined by the producer or the managing director of production, the director of the film and the director of photography taking into account the needs of the film.”

**19. Article 6, paragraph 2 of Greek Law 1597/1986:**

“The technicians must have the qualifications that are prescribed by law in relation to their skill. This condition should be fulfilled in respect of all technicians that are participating in the production of the film, irrespective of whether the number of such technicians exceeds the minimum number set forth in the preceding paragraph.”

**20. Article 6, paragraph 4 of Greek Law 1597/1986:**

“The tax return provisions of the following Article (Article 7) will not apply towards the producer of a film that was produced in breach of the conditions laid down by paragraphs 1 & 2 of this Article 6. The relevant certification will be granted by the Opinions Counsel of Cinematography.”

**21. Article 5, paragraphs 1 & 2 of Greek Law 1597/1986:**

“1. For a fiction film, short cut or feature length, to qualify as Greek and to be granted a Greek Nationality Certificate, the following conditions must be met *accumulatively*:

- (g) The film dialogues in original version must be in the Greek language at a percentage of at least 51%.
- (h) The film must achieve in total 51 points at least, in accordance with the criteria and the point system of the following paragraph 2 of this Article 5 of Greek Law 1597/1986, i.e.:

2. The criteria that will be taken into account pursuant to the provisions of the preceding paragraph 1(b) of this present Article and the corresponding point system are as follows:

(A) 16 points, if the film producer – physical entity – is Greek and in case the producer is a legal entity, if its statutory seat is in Greece and its legal representative is Greek with domicile in Greece.

(B) 16 points, if the film director is Greek.

(C) 14 points, if the script writer of the film's original script is Greek.

(D) If the movie script consists of an adaptation of a literature work, 2 points, if the writer of the work is Greek and / or 12 points, if also the script writer based on a work of literature is Greek.

(E) 4 points, if the film's soundtrack consists exclusively of original music, which is the work of a Greek composer.

(F) 2 points, if the film uses as soundtrack a work of a Greek composer and 3 points, if the film's soundtrack consists of compositions some of which satisfy the requirements of this section (F) and some of which satisfy the requirements of the preceding section (E).

(G) 8 points, if the actors performing the film's first roles are Greek.

(H) 4 points, if the actors performing second roles are Greek.

(I) 4 points, if the photography director is Greek.

(J) 2 points, if the art director is Greek.

(K) 2 points, if the costume director is Greek.

(L) 5 points, if all the persons of the technical group worked in the production of the film are Greek.

(M) 2 points, if the technical equipment used during the shootings belongs to a Greek person or to a legal entity, whose statutory seat is in Greece and its legal representative is Greek with a domicile in Greece.

(N) 4 points, if the cameraman is Greek.

(O) 3 points, if the sound recordist is Greek.

(P) 3 points, if the location (studios) of image elaboration is in Greece

(Q) 2 points, if the film's post production procedure is concluded in Greece.

(R) 9 points, if the location of the whole film shooting is in Greece. In case a percentage of the shooting took place in Greece, the points are determined on a pro rata basis.”

**22. Article 5, paragraphs 3 & 4 of Greek Law 1597/1986:**

“3. For a documentary film, feature length or short cut, to qualify as Greek and to be granted a Greek Nationality Certification, the following conditions must be met *accumulatively*:

(a) the language of all film’s commentary, texts, narratives in original versions, must be in the Greek language at a percentage of at least 51%.

(b) the film must achieve in total 51 points at least, in accordance with the criteria and the point system of the following paragraph 4 of this Article 5 of Greek Law 1597/1986. Exceptionally, in case the film does not contain comments and/or texts and/or narratives the provisions of the aforementioned paragraph 3 (b) shall apply exclusively.

4. The criteria and point system provided for under paragraph 2 of Article 5 of Greek Law 1597/1986 regarding fiction films are equally applicable to the documentary films with the exception of criteria (C), (I) and (R ) and the corresponding points, which for the purpose of determining the nationality of the documentary films are set as follows:

(C ) (C ) 8 points, if the film’s script writer is Greek and /or 6 points, if there is a Greek advisor on scientific matters or other special advisor. In case, the film cast does not include special advisors, but it includes only a scriptwriter who is Greek, 14 points are granted.

(I) (I) 10 points, if the photography director is Greek.

(R) (R) 3 points, if the location of the whole film shooting is in Greece. In case a percentage of the shootings took place in Greece, the points are determined on a pro rata basis.”

**23. Article 5, paragraphs 5& 6 of Greek Law 1597/1986:**

“5. For an animated film to qualify as Greek and to be granted a Greek Nationality Certificate, the following conditions must be met *accumulatively*:

(a) The film dialogues in original version must be in the Greek language at a percentage of at least 51%.

(b) The film must achieve in total 51 points at least, in accordance with the criteria and the point system of the following paragraph 6 of this Article 5 of Greek Law 1597/1986.

6. The criteria and point system provided for under paragraph 2 of Article 5 of Greek Law 1597/1986 regarding fiction films are equally applicable to animated films with

the exception of criteria (G), (H), (I), (J), (K) and (R ) and the corresponding points, which for the purpose of determining the nationality of animated films are set as follows:

(G) (G) (G) 4 points, if the voices of the film's first roles are performed by Greek actors.

(H) (H) (H) 2 points, if the animator is Greek.

(I) (I) (I) 6 points, if the art director is Greek.

(J) (J) (J) 5 points, if the lay out supervisor is Greek.

(R ) (R ) (R ) 9 points, if the whole film is produced in Greece. In case a percentage of the film is produced in Greece, the points are determined on a pro rata basis."

**24. Article 5, paragraphs 7, 8, 9 & 10 of Greek Law 1597/1986:**

"7. If more than one persons participated in carrying out the tasks/work described in each one of the above mentioned criteria (paragraphs 2, 4 & 6 of article 5 of Greek Law 1597/1986), not all of which were Greek, then the points corresponding to each criterion shall be granted on a pro rata basis (ratio of number of Greeks to the total number of participants).

8. Regarding the application of the criteria of the aforementioned paragraphs, the citizens of the European Union shall be treated as if they were Greek citizens.

9. In case where a Greek producer participates in an international co-production, the qualification of the film as Greek or not shall be determined by applying the international agreements in force.

10. The procedure and requisite documentation as well as all other details for the implementation of this present Article will be determined by means of a Ministerial Decision to be issued by the Ministry of Culture."

**B.7 Describe how these territorialisation requirements are implemented, including the minimum proportion required and the maximum (*provide a description with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005*).**

Within the first six months of each calendar year, with the exception of the first year within which **the Greek film** was first shown, the producer may apply to the Ministry of Culture requesting the return of the tax amount that was received during the preceding year. **In light of the provisions of article 5 of Greek law 1597/1986 a film will be qualified as Greek, if:**

**A. In respect of a fiction short - cut or feature length film, the following conditions are met accumulatively:**

- (c) The film dialogues in original version are in Greek language by a percentage of at least 51%, and
- (d) The film is awarded with a total score of at least 51 points, in accordance with the criteria and the point system set forth in paragraph 2 of Article 5 of Greek Law 1597/1986. which are escalated as follows:

**B. In respect of a documentary short - cut or feature length film, the following conditions are met *accumulatively*:**

- (a) the language of all film's commentary, texts and narratives in original versions, must be in the Greek language in a percentage of at least 51%.
- (c) the film is awarded with a total score of at least 51 points, in accordance with the criteria and the point system set forth in paragraphs 2 & 4 of Article 5 of Greek Law 1597/1986.

If the film does not include comments and/or texts and/or narratives, then for the film's qualification as Greek only the criteria and point system set forth in paragraphs 2& 4 will be taken into consideration.

**C. In respect of an animated short - cut or feature length film, the following conditions are met *accumulatively*:**

- (c) the language of all film's commentary, texts and narratives in original versions, must be in the Greek language in a percentage of at least 51%.
- (d) the film is awarded with a total score of at least 51 points, in accordance with the criteria and the point system set forth in paragraphs 2 & 6 of Article 5 of Greek Law 1597/1986:

**B.8 Describe how territorialisation requirements that apply to this scheme are interpreted and implemented in the context of the co-production agreements listed under answer A.3 (*provide a description with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005*):**

- **The Bilateral Agreement on film co – productions between Greece and Canada:**

Article I par. 4 of above agreement expressly states that the national benefits related to the cinema and video industry as in force in each country's legislation and regulations are exclusively granted to the Producer of the country that provides them.

- **The Bilateral Agreement on film co – productions between Greece and France:**

Article 1 par. 1 section b) of above agreement expressly states that each country's co-producer is ipso jure and mutually granted the benefits provided for pursuant to the relevant provisions of each country.

- **The European Convention on Cinematographic Co-Production:**

Article 4 of the above Convention states that the European co - producers of a European co – production film will be entitled to receive the same benefits that are granted to the ***national films of each member state participating in the co – production.***

Based on the above provisions we understand that the subject tax return scheme should be a benefit available to the co - producers falling within the scope of the above agreements/ European Convention. However up to date and on the basis of the information provided to us orally by the ministry of Culture there is no reported case of a co - producer of a film falling within the scope of one of the above international agreements who applied in respect of such a film to the Ministry of Culture for the return of the tax received by the State out of the show of such film in Greece pursuant to the provisions of one of the above international agreements in conjunction with the provisions of paragraph 3 of Article 7 of Greek Law 1597/1986.

**B.9 Quote and summarize judicial and administrative practice (case law and guidelines) and legal commentaries addressing the implementation of territorialisation requirements that you quoted and described under answers B.6 to B.8 (provide a quote and summary with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005):**

In accordance with the provisions of the Ministerial Decision No. 42962/1988 of the Minister of Culture as same has been amended by the provisions of the Ministerial Decision No. 93912/2005 of the Minister of Culture the following procedure applies:

Following the completion of the film’s production (irrespective of whether same is a feature length or short cut film) the producer will submit to the Ministry of Culture an application for obtaining a confirmation as to the production cost (the “Certified Production Cost”).

Within the first six months of each calendar year, with the exception of the first year within which **the Greek film** was first shown, the producer may apply to the Ministry of Culture requesting the return of the tax amount that was received during the preceding year.

The application should state the title and the type of the film as well as the total amount of the tax that was collected **when the Greek film** was on at the cinema theatres during the preceding year. This application must be necessarily accompanied by, inter alia:

- (i) A detailed list of the income made out from the exploitation of **the Greek film**. In particular and solely for the purpose of calculating the amount of tax to be returned, **as income from the show of the Greek film** will be considered the net income that the producer received from the film’s show at cinema theatres in Greece, the distribution **of the Greek film** in video form and the distribution **of the Greek film** for television show, after deduction of the exploitation

expenses that correspond to the producer's participation share in the production **of the Greek film**.

- (ii) A detailed list of the tax actually received by the Greek State on the basis of the number and price of the cinema tickets sold **when the Greek film** was shown at cinema theatres in Greece.

The amount of the tax received by the State out of the show of a Greek film will continue to be returned to the producer until this amount of tax plus the amount of the net income that the producer received {as such net income is ascertained hereinabove under (i)} will cover the amount of the producer's participation in the Certified Production Cost.

### **Implicit or de facto territorial conditions**

- B.10 Does the scheme provide any scope for territorial conditions to be applied implicitly or de facto? - For example, do the selection criteria imply that proposals are more likely to be selected for funding if they would create employment in the region/Member State, use local professionals, or generally promote interest in the region/Member State (please cover the situation prevailing as of 31 December 2005 and, only in case of significant changes, the situation that prevailed before this date during the period from 2001 to 2005)?**

For the above tax return scheme to apply the film must be a Greek film within the meaning of Article 5 of Greek law 1597/1986, which practically means that the criteria set forth therein must have been satisfied, imposing thus an implied obligation to use local (Greek citizens) professionals in the production of the film.

- B.11 Please describe the implicit or de facto territorialisation requirements that are practised by this funding scheme (as of 31 December 2005 and, only in case of significant changes, before this date during the period from 2001 to 2005):**

Although pursuant to the provisions of the Ministerial Decision No. 42962/1988 of the Minister of Culture as same has been amended by the provisions of the Ministerial Decision No. 93912/2005 of the Minister of Culture does not explicitly require that the Greek Nationality Certificate accompanies the producer's application for receiving back the amount of tax under the provisions of the tax return scheme of paragraph 3, of Article 7 of Greek Law 1597/1986, the administrative authority of the Ministry of Culture in charge will always make an internal inquiry with the competent department of the Ministry of Culture for the purpose of ascertaining whether such certificate has been granted or not. Up to date and on the basis of the information provided to us orally by the Ministry of Culture there is no reported case of a producer applying to the Ministry of Culture and requesting return of the tax received by the State out of the show of a Greek film in Greece, pursuant to the provisions of Article 7, paragraph 3 of Greek Law 1597/1986.

### **CULTURAL CLAUSES**



- B.12 Quote the legal provisions of your jurisdiction (in the national language and in an English working translation) expressing cultural policy goals (e.g. promotion of cultural identity and cultural diversity) that could legitimate the explicit or implicit territorialisation requirements mentioned under answers B.6, B.7 and B.11 and that are currently in force:**

Pursuant to the provisions of Article 7, paragraph 1 of Greek Law 1597/1986, as amended and currently in force, the tax return schemes set forth in said Article are devoted to the development of the cinematography art, the support of Greek cinematography and the study and implementation of culture policy in the context of cinema.

#### **SELECTIVE SCHEMES**

- B.13 If this scheme distributes aid selectively,<sup>24</sup> please list the qualitative criteria that were applied as of 31 December 2005 and, only in case of significant changes, before this date during the period from 2001 to 2005:**

The subject tax return scheme is expected to operate on an automatic basis, provided that the conditions of Article 5 (Greek Film), Article 6 (duly qualified technical personnel) and Article 7 paragraphs 1, 2 & 3 are met, as same are implemented in accordance with the provisions of the Ministerial Decision No. 42962/1988 of the Minister of Culture as same has been amended by the provisions of the Ministerial Decision No. 93912/2005 of the Minister of Culture.

*It is interesting though to note that further to our inquiry with the competent Department of the Ministry of Culture subject tax return scheme has not been implemented up to date.*

#### **CONTACT DETAILS**

- B.14 Name, function and contact information (postal address, phone and email) of the liaison person at the funding scheme:**

**MINISTRY OF CULTURE**  
**DIRECTORATE OF CINEMA**  
**AND AUDIOVISUAL MEDIA**

Director: Mrs. Dimitra Argirou

**SUB-DIRECTORATE OF PROMOTION OF MOVIE FILMS, SUPERVISION AND SUPPORT OF THE MOVIE THEATRES**

Liaison persons: Mrs. Militsopoulou Vassiliki & Mrs.Pishintzi Constantina  
5 Metsovou street  
P.O. Box 106 82  
Athens, Greece

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<sup>24</sup> Selective funding schemes grant State aid based on an evaluation of each project and following qualitative criteria. In contrast, automatic schemes grant State aid if certain quantitative criteria such as box office results of previous works are met.

Tel: +30 210 8253611, +30 210 8251021,  
+30 210 8250767, +30 210 8250729  
E-Mail: [protocol@dkc.culture.gr](mailto:protocol@dkc.culture.gr)  
<http://www.culture.gr>

Name of the lawyer and law firm in charge of the data collection:

**LAW FIRM:**

ROUSSOS & HATZIDIMITRIOU LAW OFFICES  
5-7 Filellinon street  
P.C. 185 36  
Piraeus, Greece  
Tel: +30 210 4294200  
Fax: +30 210 4294625  
E-Mail: [office@roussoshatzidimitriou.com](mailto:office@roussoshatzidimitriou.com)

**LAWYERS IN CHARGE:**

Mr. Costas Roussos  
Mrs. Ioanna Dimopoulou  
Ms. Antonia Koukouritaki

**Date of the data collection and processing:**

- Data Collection: September 21<sup>st</sup> 2006 until October 9<sup>th</sup> 2006
- Data processing: October 9<sup>th</sup>, 2006

**QUESTIONNAIRE ON STATE AID TO CINEMA AND TERRITORIALISATION  
REQUIREMENTS  
( Version 9 October 2006)**

**PART B**

**FUND SPECIFIC QUESTIONS**

*Please only cover funding schemes, including tax incentive schemes, that were operated at the national, regional (excluding EU schemes, e.g. the Media programme)<sup>25</sup> or local level in your country during the reference period from 1 January 2001 to 31 December 2005, and that disposed of an annual budget of State aid dedicated to pre-production, production, post-production, marketing, distribution and promotion of independent cinematographic and audiovisual works of at least € 1 million per year.<sup>26</sup>*

*Please use for each funding scheme a separate form.*

**IDENTIFICATION OF THE FUNDING SCHEME**

**B.1 Country/region:** Greece/Athens.

**B.2 Name of the funding scheme:** Tax Return Scheme

Support to the enterprises of film distribution agencies.

**B.3 Name and address of the funding scheme's administration and supervisory authority:**

Ministry of Culture,  
Directorate of Cinema and Audiovisual Media  
5 Metsovou street,  
P.O. Box. 10682,  
Athens, Greece

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<sup>25</sup> Regional schemes mean both, schemes operated within your country and schemes to which your country is a party among other countries, e.g. the Nordic Film- and TV Fund (see [http://korda.obs.coe.int/web/display\\_fonds.php?fonds\\_id=28](http://korda.obs.coe.int/web/display_fonds.php?fonds_id=28) ).

<sup>26</sup> "Independent" means that the cinematographic and audiovisual works are produced and distributed by entities that are legally independent from broadcasters.

**B.4 List the titles of the laws and regulations that govern this funding scheme as of 31 December 2005 (in the original language and in an English working translation), and indicate:**

- the dates when these laws and regulations entered into force,

- whether these laws and regulations were amended during the period from 2001 to 2005 (if so and if the amendments were significant, indicate their dates of entry in force),

and provide a copy of these laws and regulations in the version as of 31 December 2005 (in the national language only).

**22. Greek Law number 1597 dated 13/21.05.1986, Article 5, Article 7, paragraphs 1, 2, 4 sub – paragraph (d) on the protection and development of Cinematography, the strengthening of the Greek Cinematography and other provisions.**

- Entered into force when published in the Official Government Gazette A' Issue No. 68/1986
- As modified and currently in force
- Significant changes :

(i) Paragraph 16 of Article 80 of Greek Law No. 3057/2002 (Official Government Gazette A' Issue No. 239/10.10.2002) has amended and replaced Article 5 of Greek Law 1597/1986 providing for the general conditions and eligibility criteria of issuance of the Greek Nationality Certificate.

(ii) Paragraph 9 of Article 4 of Greek Law No. 2557/1997 (Official Government Gazette A' Issue No. 271/1997) has amended paragraph 4 of Article 7 of Greek Law 1597/1986 by adding new sub – paragraph (d).

**23. Ministerial Decision No. 198/2003 of the Greek Ministry of Culture specifying the procedure and documents necessary for the issuance of the Greek Nationality Certificate.**

- Entered into force when published to the Official Government Gazette B' 1812/05.12.2003.

**24. Ministerial Decision No. 56901/1999 of the Greek Ministry of Culture specifying the procedure and documents necessary which must be submitted to the Ministry of Culture by the Enterprises of Greek Distribution Agencies for the return of the special tax pursuant to the provisions of Greek Law 1597/1986, Article 7, paragraph 4, sub – paragraph (d).**

- Entered into force when published to the Official Government Gazette B' Issue No. 2140/10.12.99.

## **TERRITORIAL CONDITIONS<sup>27</sup>**

### **Explicit territorial conditions**

- B.5** Does the scheme impose any explicit obligation on independent film and audiovisual project proposals that they must spend a minimum proportion of the production budget in the Member State/Region to qualify for State aid or to receive the maximum amount of State aid available (*consider the situation as of 31 December 2005 and, only in case of significant changes, the situation before this date during the period from 2001 to 2005*)?

No.

- B.6** Quote (in the national language and in an English working translation) the provisions requiring territorialisation that are contained in the rules (legislation and internal regulations) listed under Answer B.4 (*provide quotes of the current version of the rules as of 31 December 2005 and, only in case of significant changes, of former versions of territorialisation clauses that were in force before this date during the period from 2001 to 2005*):

**25. Article 7, paragraph 1 of Greek Law 1597/1986:**

“An amount equal to 50% of the special tax attributable to public audiovisual works that is annually paid and received from the show of films will be attributed to the development of cinematography art, the support to Greek cinematography and the study and implementation of culture policy in the context of cinema. Within three years from the date of publication of this present, by means of the joint decisions of the Ministers of Finance and Culture the aforementioned percentage may be increased gradually, up to 100% of the amount of above tax, following deduction of the collection costs.”

**26. Article 7, paragraph 2 of Greek Law 1597/1986:**

“The amount of the aforesaid tax is registered under a special article of the State Income Budget. Credit for an equal amount is registered under a special article of the Expenses Budget of the Ministry of Culture.”

**27. Article 7, paragraph 4, sub – paragraph (d) of Greek Law 1597/1986:**

“Special support will be granted to the film distribution agencies which during the period from 1<sup>st</sup> October until 30<sup>th</sup> April distribute at least three films of Greek production, each of which is shown at cinema theatres of the city of Athens and the city of Thessaloniki for at least five weeks.

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<sup>27</sup> Any requirement/incentive that some of the development, production or post-production activities must take place in the country or region offering the State aid, either for the audiovisual work to be eligible for State aid or affecting the amount of State aid available to the audiovisual work.

The aforementioned film distribution agencies will receive back the amount of 50% of the special tax collected by the State out of the tickets sold from the show of such film in Greece and up to the percentage which corresponds to 100.000 tickets per film.”

**28. Article 5, paragraphs 1 & 2 of Greek Law 1597/1986:**

“1. For a fiction film, short cut or feature length, to qualify as Greek and to be granted a Greek Nationality Certificate, the following conditions must be met *accumulatively*:

- (i) The film dialogues in original version must be in the Greek language at a percentage of at least 51%.
- (j) The film must achieve in total 51 points at least, in accordance with the criteria and the point system of the following paragraph 2 of this Article 5 of Greek Law 1597/1986, i.e.:

2. The criteria that will be taken into account pursuant to the provisions of the preceding paragraph 1(b) of this present Article and the corresponding point system are as follows:

(A) 16 points, if the film producer – physical entity – is Greek and in case the producer is a legal entity, if its statutory seat is in Greece and its legal representative is Greek with domicile in Greece.

(B) 16 points, if the film director is Greek.

(C) 14 points, if the script writer of the film’s original script is Greek.

(D) If the movie script consists of an adaptation of a literature work, 2 points, if the writer of the work is Greek and / or 12 points, if also the script writer based on a work of literature is Greek.

(E) 4 points, if the film’s soundtrack consists exclusively of original music, which is the work of a Greek composer.

(F) 2 points, if the film uses as soundtrack a work of a Greek composer and 3 points, if the film’s soundtrack consists of compositions some of which satisfy the requirements of this section (F) and some of which satisfy the requirements of the preceding section (E).

(G) 8 points, if the actors performing the film’s first roles are Greek.

(H) 4 points, if the actors performing second roles are Greek.

(I) 4 points, if the photography director is Greek.

(J) 2 points, if the art director is Greek.

(K) 2 points, if the costume director is Greek.

(L) 5 points, if all the persons of the technical group worked in the production of the film are Greek.

(M) 2 points, if the technical equipment used during the shootings belongs to a Greek person or to a legal entity, whose statutory seat is in Greece and its legal representative is Greek with a domicile in Greece.

(N) 4 points, if the cameraman is Greek.

(O) 3 points, if the sound recordist is Greek.

(P) 3 points, if the location (studios) of image elaboration is in Greece

(Q) 2 points, if the film's post production procedure is concluded in Greece.

(R) 9 points, if the location of the whole film shooting is in Greece. In case a percentage of the shooting took place in Greece, the points are determined on a pro rata basis."

**29. Article 5, paragraphs 3 & 4 of Greek Law 1597/1986:**

**"3.** For a documentary film, feature length or short cut, to qualify as Greek and to be granted a Greek Nationality Certification, the following conditions must be met *accumulatively*:

(a) the language of all film's commentary, texts, narratives in original versions, must be in the Greek language at a percentage of at least 51%.

(b) the film must achieve in total 51 points at least, in accordance with the criteria and the point system of the following paragraph 4 of this Article 5 of Greek Law 1597/1986. Exceptionally, in case the film does not contain comments and/or texts and/or narratives the provisions of the aforementioned paragraph 3 (b) shall apply exclusively.

**4.** The criteria and point system provided for under paragraph 2 of Article 5 of Greek Law 1597/1986 regarding fiction films are equally applicable to the documentary films with the exception of criteria (C), (I) and (R ) and the corresponding points, which for the purpose of determining the nationality of the documentary films are set as follows:

(C ) (C ) 8 points, if the film's script writer is Greek and /or 6 points, if there is a Greek advisor on scientific matters or other special advisor. In case, the film cast does not include special advisors, but it includes only a scriptwriter who is Greek, 14 points are granted.

(I) (I) 10 points, if the photography director is Greek.

(R ) (R ) 3 points, if the location of the whole film shooting is in Greece. In case a percentage of the shootings took place in Greece, the points are determined on a pro rata basis."

**30. Article 5, paragraphs 5& 6 of Greek Law 1597/1986:**

“5. For an animated film to qualify as Greek and to be granted a Greek Nationality Certificate, the following conditions must be met *accumulatively*:

(a) The film dialogues in original version must be in the Greek language at a percentage of at least 51%.

(b) The film must achieve in total 51 points at least, in accordance with the criteria and the point system of the following paragraph 6 of this Article 5 of Greek Law 1597/1986.

6. The criteria and point system provided for under paragraph 2 of Article 5 of Greek Law 1597/1986 regarding fiction films are equally applicable to animated films with the exception of criteria (G), (H), (I), (J), (K) and (R ) and the corresponding points, which for the purpose of determining the nationality of animated films are set as follows:

(G) (G) (G) 4 points, if the voices of the film’s first roles are performed by Greek actors.

(H) (H) (H) 2 points, if the animator is Greek.

(I) (I) (I) 6 points, if the art director is Greek.

(J) (J) (J) 5 points, if the lay out supervisor is Greek.

(R ) (R ) (R ) 9 points, if the whole film is produced in Greece. In case a percentage of the film is produced in Greece, the points are determined on a pro rata basis.”

**31. Article 5, paragraphs 7, 8, 9 & 10 of Greek Law 1597/1986:**

“7. If more than one persons participated in carrying out the tasks/work described in each one of the above mentioned criteria (paragraphs 2, 4 & 6 of article 5 of Greek Law 1597/1986), not all of which were Greek, then the points corresponding to each criterion shall be granted on a pro rata basis (ratio of number of Greeks to the total number of participants).

8. Regarding the application of the criteria of the aforementioned paragraphs, the citizens of the European Union shall be treated as if they were Greek citizens.

9. In case where a Greek producer participates in an international co-production, the qualification of the film as Greek or not shall be determined by applying the international agreements in force.

10. The procedure and requisite documentation as well as all other details for the implementation of this present Article will be determined by means of a Ministerial Decision to be issued by the Ministry of Culture.”



**B.7** Describe how these territorialisation requirements are implemented, including the minimum proportion required and the maximum (*provide a description with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005*).

**I. In light of the provisions of Article 7 paragraph 4 (d) the percentage of the amount of tax to be returned to the film distribution agencies is fixed to 50%, whilst there is:**

- (a) A Minimum variable as to the number of the Greek production film distributed: **At least 3;**
- (b) A Minimum variable as to the period of show of such films: **At least 5 weeks;**
- (c) A Maximum variable as to the number of tickets that will be taken into account for calculation of the tax return percentage of 50%: **Up to 100.000 tickets per film.**

**II. In light of the provisions of article 5 of Greek law 1597/1986 a film will be qualified as Greek, if:**

**A. In respect of a fiction short - cut or feature length film, the following conditions are met *accumulatively*:**

- (e) The film dialogues in original version are in Greek language by a percentage of at least 51%, and
- (f) The film is awarded with a total score of at least 51 points, in accordance with the criteria and the point system set forth in paragraph 2 of Article 5 of Greek Law 1597/1986.

**B. In respect of a documentary short - cut or feature length film, the following conditions are met *accumulatively*:**

- (a) the language of all film's commentary, texts and narratives in original versions, must be in the Greek language in a percentage of at least 51, and
- (b) the film is awarded with a total score of at least 51 points, in accordance with the criteria and the point system set forth in paragraphs 2 & 4 of Article 5 of Greek Law 1597/1986.

If the film does not include comments and/or texts and/or narratives, then for the film's qualification as Greek only the criteria and point system set forth in paragraphs 2& 4 of Greek Law 1597/1986 will be taken into consideration.

**C. In respect of an animated short - cut or feature length film, the following conditions are met *accumulatively*:**

- (e) the language of all film's commentary, texts and narratives in original versions, must be in the Greek language in a percentage of at least 51%, and
- (f) the film is awarded with a total score of at least 51 points, in accordance with the criteria and the point system set forth in paragraphs 2 & 6 of Article 5 of Greek Law 1597/1986.

**B.8 Describe how territorialisation requirements that apply to this scheme are interpreted and implemented in the context of the co-production agreements listed under answer A.3 (*provide a description with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005*):**

- **The Bilateral Agreement on film co – productions between Greece and Canada:**

Article I par. 4 of above agreement expressly states that the national benefits related to the cinema and video industry as in force in each country's legislation and regulations are exclusively granted to the Producer of the country that provides them.

- **The Bilateral Agreement on film co – productions between Greece and France:**

Article 1 par. 1 section b) of above agreement expressly states that each country's co-producer is ipso jure and mutually granted the benefits provided for pursuant to the relevant provisions of each country.

- **The European Convention on Cinematographic Co-Production:**

Article 4 of the above Convention states that the European co - producers of a European co – production film will be entitled to receive the same benefits that are granted to the *national films of each member state participating in the co – production*.

Based on the above provisions we understand that the subject tax return scheme is a benefit available to the Enterprises of Distribution Agencies in Greece solely in relation to the amount of tax received in relation to Greek films, i.e films that will be characterized as Greek within the meaning of Article 5 of Greek Law 1597/1986. It should be also noted that up to date there is no reported incident of a film distribution agency applying within the provisions of Article 7, paragraph 4 (d) of Greek Law 1597/1986 in respect of a film not being certified as Greek in accordance with the provisions of Article 5 of Greek law 1597/1986.

**B.9 Quote and summarize judicial and administrative practice (case law and guidelines) and legal commentaries addressing the implementation of**

**territorialisation requirements that you quoted and described under answers B.6 to B.8 (provide a quote and summary with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005):**

Pursuant to the Ministerial Decision 56901/1999 of the Ministry of Culture the procedure to be followed in relation to the tax return pursuant to the provisions of Article 7, paragraph 4(d) of Greek Law 1597/1986 and the documentation necessary for supporting and /or accompanying such an application from a film distribution agency includes, inter alia:

1. Application made by the Legal Representative of the relevant enterprise of the film distribution agency (hereinafter the “Distribution Enterprise”);
2. Consolidated statements of the Distribution Enterprise stating the total number of tickets sold per movie period and per movie theater, as well as the total amount of the special tax received per ticket /per movie theater/per film.
3. Photocopy of the invoice issued by the Distribution Enterprise per each Greek film distributed and delivered.
4. Photocopies of the invoices for the provision of services regarding the distribution of Greek movie films referring also on the tickets the total receives.
5. Tickets Disposition Board (“Bordero”) issued by by each Movie Theater.

The Ministry of Culture, Directorate of Cinema and Audiovisual Media, Sub-Directorate of Promotion of Movie Films, Supervisions and Support of the Movie Theatres is the competent Greek authority for examining the accuracy of above documents submitted and for return of the relevant tax amounts to the applicant Distribution Enterprise.

#### **Implicit or *de facto* territorial conditions**

**B.10 Does the scheme provide any scope for territorial conditions to be applied implicitly or *de facto*? - For example, do the selection criteria imply that proposals are more likely to be selected for funding if they would create employment in the region/Member State, use local professionals, or generally promote interest in the region/Member State (please cover the situation prevailing as of 31 December 2005 and, only in case of significant changes, the situation that prevailed before this date during the period from 2001 to 2005)?**

For the above tax return scheme to apply the film must be a Greek film within the meaning of Article 5 of Greek law 1597/1986, which practically means that the criteria set forth therein must have been satisfied, imposing thus an implied obligation to use local (Greek citizens) professionals in the production of the film.

**B.11 Please describe the implicit or *de facto* territorialisation requirements that are practised by this funding scheme (as of 31 December 2005 and, only in case of significant changes, before this date during the period from 2001 to 2005):**

Although pursuant to the provisions of the Ministerial Decision No. 42962/1988 of the Minister of Culture as same has been amended by the provisions of the Ministerial Decision No. 93912/2005 of the Minister of Culture does not explicitly require that the Greek Nationality Certificate accompanies the application of the film distribution agency for receiving back the amount of tax under the provisions of the tax return scheme of paragraph 4 (d), of Article 7 of Greek Law 1597/1986, the administrative authority of the Ministry of Culture in charge will always make an internal inquiry with the competent department of the Ministry of Culture for the purpose of ascertaining whether such certificate has been granted or not. Up to date there is no reported incident of a film distribution agency applying within the provisions of Article 7, paragraph 4 (d) of Greek Law 1597/1986 in respect of a film not being certified as Greek in accordance with the provisions of Article 5 of Greek law 1597/1986.

## **CULTURAL CLAUSES**

- B.12 Quote the legal provisions of your jurisdiction (in the national language and in an English working translation) expressing cultural policy goals (e.g. promotion of cultural identity and cultural diversity) that could legitimate the explicit or implicit territorialisation requirements mentioned under answers B.6, B.7 and B.11 and that are currently in force:**

Pursuant to the provisions of Article 7, paragraph 1 of Greek Law 1597/1986, as amended and currently in force, the tax return schemes set forth in said Article are devoted to the development of the cinematography art, the support of Greek cinematography and the study and implementation of culture policy in the context of cinema.

## **SELECTIVE SCHEMES**

- B.13 If this scheme distributes aid selectively,<sup>28</sup> please list the qualitative criteria that were applied as of 31 December 2005 and, only in case of significant changes, before this date during the period from 2001 to 2005:**

The subject tax return scheme is expected to operate on an automatic basis, provided that the conditions of Article 5 (Greek Film) and Article 7 paragraph 4 (d) are met.

## **CONTACT DETAILS**

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<sup>28</sup> Selective funding schemes grant State aid based on an evaluation of each project and following qualitative criteria. In contrast, automatic schemes grant State aid if certain quantitative criteria such as box office results of previous works are met.

B.14 Name, function and contact information (postal address, phone and email) of the liaison person at the funding scheme:

**MINISTRY OF CULTURE**  
**DIRECTORATE OF CINEMA**  
**AND AUDIOVISUAL MEDIA**

Director: Mrs. Dimitra Argirou

**SUB-DIRECTORATE OF PROMOTION OF MOVIE FILMS, SUPERVISION AND**  
**SUPPORT OF THE MOVIE THEATRES**

Liaison persons: Mrs. Militsopoulou Vassiliki & Mrs.Pishintzi Constantina

5 Metsovou street

P.O Box 106 82

Athens, Greece

Tel: +30 210 8253611, +30 210 8251021,

+30 210 8250767, +30 210 8250729

E-Mail: [protocol@dkc.culture.gr](mailto:protocol@dkc.culture.gr)

<http://www.culture.gr>

Name of the lawyer and law firm in charge of the data collection:

**LAW FIRM:**

ROUSSOS & HATZIDIMITRIOU LAW OFFICES

5-7 Filellinon street

P.C. 185 36

Piraeus, Greece

Tel: +30 210 4294200

Fax: +30 210 4294625

E-Mail: [office@roussoshatzidimitriou.com](mailto:office@roussoshatzidimitriou.com)

**LAWYERS IN CHARGE:**

Mr. Costas Roussos

Mrs. Ioanna Dimopoulou

Ms. Antonia Koukouritaki

**Date of the data collection and processing:**

- Data Collection: September 21<sup>st</sup> 2006 until October 9<sup>th</sup> 2006
- Data processing: October 9<sup>th</sup>, 2006

**QUESTIONNAIRE ON STATE AID TO CINEMA AND TERRITORIALISATION  
REQUIREMENTS  
( Version 9 October 2006)**

**PART B**

**FUND SPECIFIC QUESTIONS**

*Please only cover funding schemes, including tax incentive schemes, that were operated at the national, regional (excluding EU schemes, e.g. the Media programme)<sup>29</sup> or local level in your country during the reference period from 1 January 2001 to 31 December 2005, and that disposed of an annual budget of State aid dedicated to pre-production, production, post-production, marketing, distribution and promotion of independent cinematographic and audiovisual works of at least € 1 million per year.<sup>30</sup>*

*Please use for each funding scheme a separate form.*

**IDENTIFICATION OF THE FUNDING SCHEME**

**B.1 Country/region:**

**Greece/Athens**

**B.2 Name of the funding scheme:**

**PROGRAM “HORIZONS” (“ORIZONTES”):** It concerns pre-production, production, co- production, post-production, marketing, distribution and promotion

**B.3 Name and address of the funding scheme’s administration and supervisory authority:**

**Administration Authority:**

**GREEK FILM CENTER**

(hereinafter referred to as “G.F.C.”; in Greek it is referred to as “E.K.K.”)

10 Panepistimiou Avenue

P.O. Box 106 71

Athens, Greece

<sup>29</sup> Regional schemes mean both, schemes operated within your country and schemes to which your country is a party among other countries, e.g. the Nordic Film- and TV Fund (see [http://korda.obs.coe.int/web/display\\_fonds.php?fonds\\_id=28](http://korda.obs.coe.int/web/display_fonds.php?fonds_id=28) ).

<sup>30</sup> “Independent” means that the cinematographic and audiovisual works are produced and distributed by entities that are legally independent from broadcasters.

**Supervisory Authority:**  
**Ministry of Culture,**  
**Directorate of Cinema and Audiovisual Media**  
5 Metsovou street,  
P.O. Box 10682,  
Athens, Greece

**B.4 List the titles of the laws and regulations that govern this funding scheme as of 31 December 2005 (in the original language and in an English working translation), and indicate**

**- the dates when these laws and regulations entered into force,**

**- whether these laws and regulations were amended during the period from 2001 to 2005 (if so and if the amendments were significant, indicate their dates of entry in force),**

**and provide a copy of these laws and regulations in the version as of 31 December 2005 (in the national language only).**

**25. Greek Law number 1597 dated 13/21.05.1986, Articles 16 - 29 on the protection and development of Cinematography, the strengthening of the Greek Cinematography and other provisions.**

- Entered into force when published in the Official Government Gazette A' Issue No. 68/1986
- As modified and currently in force
- Significant changes: Articles 16 – 26 of Greek Law 1597 /1986 were amended by the provisions of Presidential Decree 113/ 1998 concerning the Statute of the Greek Film Centre.

**26. Greek Presidential Decree 113/ 1998 concerning the Statute of the Greek Film Centre.**

- Entered into force when published in the Official Government Gazette A' Issue No. 100/11.05.1998

**27. Internal Regulations governing the Funding Schemes of G.F.C. (hereinafter called the “G.F.C.’s Internal Regulations)**

- Entered into force as from 01/01/2004 as currently in force.
- Amended the prior Regulation of G.F.C.’s Funding Programs dated September 1999, which remained in force until 31.12.2003
- Significant changes as between the G.F.C.’s Internal Regulations in force since 01/01/2004 (the “Current Regulation”) and the G.F.C.’s Internal Regulations in force until 31/12/2003 (the “Former Regulation”) in relation to the funding scheme “Horizons”:
  - Par. 7 (3) of the Former Regulation provided expressly for the possibility of covering the production budget by application of the 1,5% funding scheme supported by the State and Private Hellenic Broadcaster Enterprises. The Current Regulation does not refer to such possibility (see par. F.3. of Current Regulation).

- Par. 7 (4) of the Former Regulation expressly referred to the Eurimages program by stating that “if a movie film is to be produced as an international co-production or the production layout will be submitted to Eurimages, then the film’s producer must declare so to G.F.C. A movie film approved to be produced exclusively with Greek funds shall not be subject to an amendment of its initial budget in order to be submitted afterwards to Eurimages. When a movie film will be submitted to Eurimages program, the capitalisation of the participants’ remuneration shall be calculated on the basis of the Greek participation’s budget.”
- Par. 7 (6) of the Former Regulation stated that on annual basis, G.F.C. had the capacity to “finance a maximum number of two (2) films of the same producer within the framework of the relevant funding scheme”. This limitation was taken out from the Current Regulation.
- Par. 19 of the Former Regulation was providing for the “participation incentives to co – production”. The structure of said incentives included, inter alia, :
  - the possibility of G.F.C. granting State aid to Greek producers participating in a Balkan co – production.. The Current Regulation does not contain such a possibility.
  - the possibility of G.F.C. granting State aid to Greek producers participating in a international co – production, provided that such international co – production had been financed by the program Eurimages. The Current Regulation does not impose such requirement with respect to the international co – productions receiving State aid from G.F.C.
  - The maximum number of films to be granted State aid under the provisions of above paragraph was limited to five (5). No such limitation exists in Current Regulation.
  - for G.F.C. to grant State aid within the provisions of above para. 19 of the Former Regulation, the producer should had submitted to G.F.C. a synopsis (of at least of 20 pages) of the script in Greek language. No such obligation exists in Current Regulation.

**28. Greek Law number 2328/03.08.1995, Article 10 on provisions concerning the profession of the independent producers of audiovisual works.**

- Entered into force when published in the Official Government Gazette A’ Issue No. 159/1995
- Amended by Article 7 par. 6 of Greek Law number 3021/2002 (Official Government Gazette A’ Issue No.143/2002) providing for the registration of the independent producer of audiovisual works with the relevant professional Chamber as a condition for the practice of such profession.
- Amended by Article 22 par. 4 of Greek Law number 3166/2003 (Official Government Gazette A’ Issue No.178/02.07.2003) referring to the incompatibility of the profession of the independent producer of audiovisual works with the status of someone working for the wider public sector and the owner/shareholder/board member/employee of an advertising enterprise.
- Supplemented by Ministerial Decision 6389/2005 of the Ministry of Culture (Official Government Gazette B’ Issue No.434/05.04.2005) concerning the



establishment of a three member Committee competent for the issuance of the certificate necessary for the registration of the independent producers with the relevant professional Chamber.

## **TERRITORIAL CONDITIONS<sup>31</sup>**

### **Explicit territorial conditions**

**B.5 Does the scheme impose any explicit obligation on independent film and audiovisual project proposals that they must spend a minimum proportion of the production budget in the Member State/Region to qualify for State aid or to receive the maximum amount of State aid available (*consider the situation as of 31 December 2005 and, only in case of significant changes, the situation before this date during the period from 2001 to 2005*)?**

Yes.

**B.6 Quote (in the national language and in an English working translation) the provisions requiring territorialisation that are contained in the rules (legislation and internal regulations) listed under Answer B.4 (*provide quotes of the current version of the rules as of 31 December 2005 and, only in case of significant changes, of former versions of territorialisation clauses that were in force before this date during the period from 2001 to 2005*):**

#### **32. Par. 2 (1): “Annual Production Capacity”**

“The number of feature length films which will be annually approved under this funding scheme depends on the annual budget of G.F.C., but in no case the number of the films to be annually approved may be less than six (6).”

#### **33. Par. 4: “Budget Limitations”:**

- Par. 4 (1) of G.F.C.’s Funding Regulation: “If the film is produced exclusively with Greek Funds, the maximum acceptable budget amounts to 1.000.000€ This amount includes the producer’s, director’s and scriptwriter’s remuneration which may be capitalised.”
- Par. 4 (2):.: “There is no maximum budget for movie films’ plans concerning international co-production.”

#### **34. Par. 5: “Maximum Limits of Financing by G.F.C.”:**

- Par. 5 (1): “If the film will be financed with Greek funds (capital) exclusively, the maximum limit of financing by G.F.C. is fixed at €325.000 per feature length film.
- Par. 5 (2): “In case of international co-productions, the maximum limit of financing by G.F.C. may exceed the amount of €325.000.”

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<sup>31</sup> Any requirement/incentive that some of the development, production or post-production activities must take place in the country or region offering the State aid, either for the audiovisual work to be eligible for State aid or affecting the amount of State aid available to the audiovisual work.

### **35. Par. 6.: “Participation Requirements in the Funding Scheme”**

- Par. 6 (1): “For a film production’s proposal to be eligible for assessment under the provisions of the present funding scheme (“ORIZONTES”), where such film will be produced exclusively by Greek funds, the producer when applying to G.F.C. must have covered at least 30% of the film’s production budget.”
- Par. 6 (2): “For a film production’s proposal to be eligible for assessment under the provisions of the present funding scheme (“ORIZONTES”), where such film will be the result of an international co – production, the producer when applying to G.F.C. must have covered at least 30% of the film’s production budget corresponding to the Greek participation cost.”

### **36. Par. 16: “Participation incentives relating to Co – Productions”:**

“G.F.C. provides for state subsidy to Greek producers, participating in international film co-productions, but not as principal producers, in accordance with the following terms:

- The beneficiaries shall be Greek producers, participating in the international co-production, in which Greece is not the principal country of the film production, but part of the film shooting shall take place in Greece with the participation of Greek artistic or technical crew or the use of Greek studios. The state subsidy to be granted by G.F.C. amounts to 35.000 € in order for the producers to cover part of their participation cost in the film production.
- The mere participation (of the Greek producer) shall not trigger the automatic granting of above subsidy. For such subsidy to be granted and for a decision by the Board of Directors of G.F.C. to be made in this respect, it is necessary for G.F.C. to assess and evaluate the file submitted to G.F.C. by the Greek Producer.”

**B.7 Describe how these territorialisation requirements are implemented, including the minimum proportion required and the maximum (provide a description with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005).**

#### **A. Minimum & Maximum Limits in respect of films to be produced with Greek Funds exclusively:**

##### **(d) Production Budget :**

- Minimum : No limit
- Maximum: €1.000.000

##### **(e) Financing by G.F.C.:**

- Minimum : No limit
- Maximum: €325.000 per film

##### **(f) Percentage of Coverage:**

- Minimum : The Greek producer, when applying to G.F.C., must have covered at least 30% of the film’s production budget.

- Maximum: No limit.

**B. Minimum & Maximum Limits in respect of international co – production films.**

**(a) Production Budget:**

- Minimum : No limit
- Maximum: No limit.

**(b) Financing by G.F.C.:**

- Minimum: No limit
- Maximum: The initial limit of €325.000 may be exceeded, subject to the decision of the Board of Directors of G.F.C.

**NOTE:** In this context, it should be also noted that under the provisions of Par. 16: **“Participation incentives relating to Co – Productions”**, G..F.C. provides for state subsidy to Greek producers, **participating in international film co-productions, but not as principal producers**, in accordance with the following terms:

- The beneficiaries shall be Greek producers, participating in the international co-production, in which Greece is not the principal country of the film production, but part of the film shooting shall take place in Greece with the participation of Greek artistic or technical crew or the use of Greek studios. The state subsidy to be granted by G.F.C. amounts to 35.000 € in order for the producers to cover part of their participation cost in the film production.
- The mere participation (of the Greek producer) shall not trigger the automatic granting of above subsidy. For such subsidy to be granted and for a decision by the Board of Directors of G.F.C. to be made in this respect, it is necessary for G.F.C. to assess and evaluate the file submitted to G.F.C. by the Greek Producer.”

**(c) Percentage of Coverage:**

- Minimum: The producer, when applying to G.F.C., must have covered at least 30% of the film’s production budget corresponding to the Greek participation cost.
- Maximum: No limit.

**B.8 Describe how territorialisation requirements that apply to this scheme are interpreted and implemented in the context of the co-production agreements listed under answer A.3 (provide a description with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005):**

- **The Bilateral Agreement on film co – productions between Greece and Canada:**

Article I par. 4 of above agreement expressly states that the national benefits related to the cinema and video industry as in force in each country’s legislation and regulations are exclusively granted to the Producer of the country that provides them.

- **The Bilateral Agreement on film co – productions between Greece and France:**

Article 1 par. 1 section b) of above agreement expressly states that each country's co-producer are granted ipso jure and mutually the benefits provided for pursuant to the relevant provisions of each country, and imposes certain criteria in order for the bilateral co-production to be approved by the competent authorities of both countries. These criteria are set forth in Article 1 par. 2-6 of the above bilateral Agreement and are as follows:

- ✓ The bilateral co-production must be undertaken by Producers, who are deemed to possess adequate technical and financial organisation, and sufficient professional qualifications and previous experience recognised by the respective Greek and French national authorities.
- ✓ The minimum participation may not be less than 30% (or 20% in exceptional cases) and the maximum participation may not exceed 70%.
- ✓ In any case, the technical and artistic cooperation must include a provision for at least one technician, one actor for first role and one actor for second role of the nationality of the country with the minimum proportion of participation.
- ✓ The co-production films must be produced by directors, technical and artistic crew being either French or Greek nationals or permanent residents.
- ✓ The shootings in studios, the sound recordings and laboratory works must be carried out within the territory of France or Greece.
- ✓ The shootings in studios must be preferably carried out within the territory of the country the nationality of which has the Co-producer with the maximum participation.
- ✓ Initially, the film negatives must be produced in laboratories of the country with the maximum participation. The copies designated for exploitation in the country with the minimum participation shall be printed in a laboratory of that country.

- **The European Convention on Cinematographic Co-Production:**

Article 4 of the above Convention states that the European co - producers of a European co – production film will be entitled to receive the same benefits that are granted to the *national films of each member state participating in the co – production.*

- B.9 **Quote and summarize judicial and administrative practice (case law and guidelines) and legal commentaries addressing the implementation of territorialisation requirements that you quoted and described under answers B.6 to B.8 (provide a quote and summary with respect to the current version of the territorialisation requirements as of 31 December 2005 and, only in case of significant changes, with respect to former versions of territorialisation requirements that were in force before this date during the period from 2001 to 2005):**

No judicial or administrative practice or legal commentaries were found relating to the implementation of territorialisation requirements as quoted and described under answers B.6. to B.8.

### **Implicit or *de facto* territorial conditions**

- B.10 Does the scheme provide any scope for territorial conditions to be applied implicitly or *de facto*? - For example, do the selection criteria imply that proposals are more likely to be selected for funding if they would create employment in the region/Member State, use local professionals, or generally promote interest in the region/Member State (*please cover the situation prevailing as of 31 December 2005 and, only in case of significant changes, the situation that prevailed before this date during the period from 2001 to 2005*)?**

Yes.

- B.11 Please describe the implicit or *de facto* territorialisation requirements that are practised by this funding scheme (*as of 31 December 2005 and, only in case of significant changes, before this date during the period from 2001 to 2005*):**

1. The Producer must be either:

(a) a Greek legal entity that has been formed and operates in accordance with Greek Laws, has its statutory seat in Greece and has obtained a Tax Identification Number in Greece, or

(b) a Foreign legal entity that has established a branch in Greece in accordance with Greek Laws and has also obtained a Tax Identification Number in Greece.

The above requirements are imposed on a *de facto* basis on any producer applying to G..F.C., under G.F.C.'s Internal Regulation currently in force.

2. Par. 1 (3) of G.F.C.'s Internal Regulation currently in force provides that: "The aim of ORIZONTES is the development of the Greek Cinematography through the production of movie films with significant artistic, technical and financial prescriptions". It follows that, the policy of G.F.C. in the context of subject funding scheme will be underlined by the need to support and develop the Greek Cinematography.

### **CULTURAL CLAUSES**

- B.12 Quote the legal provisions of your jurisdiction (in the national language and in an English working translation) expressing cultural policy goals (e.g. promotion of cultural identity and cultural diversity) that could legitimate the explicit or implicit territorialisation requirements mentioned under answers B.6, B.7 and B.11 and that are currently in force:**

1. Greek Law number 1597 dated 13/21.05.1986 regarding the protection and development of Cinema and enforcement of Greek Cinematography

- **Article 1 par. 2** “The State must take all the necessary measures for the moral and material enforcement of the production, distribution and promotion of the Greek movie films and for the improvement of the cinema culture of the people.

## 2. Presidential Decree 113/ 1998 concerning the Statute of the Greek Film Centre

- **Article 2 par. 1** The purposes of G.F.C. are:
  - a) The protection and development of the cinematography in Greece, and
  - b) The promotion and distribution of the Greek film production within the national and international borders.

### **SELECTIVE SCHEMES**

B.13 If this scheme distributes aid selectively,<sup>32</sup> please list the qualitative criteria that were applied as of 31 December 2005 and, only in case of significant changes, before this date during the period from 2001 to 2005:

The present Funding Scheme is a **Selective** one, which aims to the development of the Greek Cinematography via the production of movie films with significant artistic, technical and financial perspectives.

### 3. **Par. 5 (3) of G.F.C.’s Internal Regulation: Financing Limits**

- With respect to films to be produced with Greek Funds exclusively, the maximum financing limit by G.F.C. is €325.000 per film, provided that the exact amount to be granted within the said limit will be finally determined by the Board of Directors of G.F.C. after taking into account the potential of the film’s plans, the possibility of completion of such plan, the support by the Greek (national) and international market, the production needs, the budget, etc.
- With respect to international co – production films, the maximum financing limit by G.F.C. may exceed €325.000 per film, provided that the exact amount to be granted will be finally determined by the Board of Directors of G.F.C. after taking into account the potential of the film’s plans, the possibility of completion of such plan, the support by the Greek (national) and international market, the production needs, the budget, etc.

### 4. **Par. 9 of G.F.C.’s Internal Regulation: Eligibility Criteria**

- **Par. 9 (1).**: “The basic eligibility criteria for the assessment of each production layout proposal is the aesthetic and dramatic sufficiency of the *screenplay*.”

<sup>32</sup> Selective funding schemes grant State aid based on an evaluation of each project and following qualitative criteria. In contrast, automatic schemes grant State aid if certain quantitative criteria such as box office results of previous works are met.

- Par. 9 (2).: “Other criteria to be taken into account are the following:
  - The director’s prior work;
  - The producer’s prior work;
  - The director’s and/or producer’s and /or scriptwriter’s participation in festivals and any awards for films awarded to them in the past;
  - The reputation of the director’s and/or producer’s and /or scriptwriter’s prior works;
  - The degree of connection between the proposed production layout and the national or international market (distribution, television, video etc.)”

### **CONTACT DETAILS**

B.14 Name, function and contact information (postal address, phone and email) of the liaison person at the funding scheme:

#### **Mr. Yannis Iliopoulos**

Head of Production Department  
 10 Panepistimiou Avenue  
 P.C. 106 71,  
 Athens, Greece  
 Tel: +30 210 3678501  
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 E-Mail: [info@gfc.gr](mailto:info@gfc.gr) / [see@gfc.gr](mailto:see@gfc.gr)  
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Date of the data collection and processing:

Data Collection: September 21<sup>st</sup> 2006 until October 9<sup>th</sup> 2006

Data processing: October 9<sup>th</sup>, 2006

<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Answer on Reply</b>
<b>Date:</b>	<b>05 October 2006</b>

(...)

This means that you should indicate how much must at least and at most be spent locally pursuant to the applicable territorialisation clauses. E.g. funding scheme X requires that at least 150% of the monies granted by the scheme (e.g. the City of Zurich's requirements), and at most 80 % of the total production budget must be spent locally. In other words, for the reader, your reply under this question should explain all the territorial conditions related to the spending of the subsidy.

(...)

<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Reply</b>
<b>Date:</b>	<b>03/04 October 2006</b>

(...)

We are in the process of completing Part B of the questionnaire and in this respect we would appreciate receiving your clarification in relation to Question No. B.7: In particular please clarify meaning of "including the minimum proportion required and the maximum".

(...)

(...)

In addition to our below mentioned query, can you please also advise whether we should also consider the European Convention on Cinematographic Co - Production (that is in force in Greece since 2002) ?

(...)



<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Answer on Reply</b>
<b>Date:</b>	<b>30 September 2006</b>

(...)

Thank you for your message. Under "funding schemes" we understand in first line the programmes, including tax shelter programmes. In many cases the programmes and the funding organisation are the same. E.g. in Switzerland the city of Geneva grants 1 million EURO per year for the production of independent films whereas this funding organisation has an overall budget for culture of Euro 150 million per year (for museums, concerts etc.) – in this case, only the programme for film production run by the city is relevant. On the federal level, the film agency of the central government grants around 25 million Euro to independent film making under various programmes (production, distribution, training) - only the programmes dealing with the promotion of independent film production and distribution are relevant for our purposes (in this case, the monies for training should not be addressed - furthermore, the training programme is run by an independent contractor). In other words, please cover the relevant programmes and the organisations in charge of running them on the operational level, and mention supervisory bodies of such organisations, if any: For the Greek situation as outlined below, please address the two programmes and indicate each time the organization running them in two separate forms.

(...)

<b>Member State:</b>	<b>GREECE</b>
<b>Re:</b>	<b>Reply</b>
<b>Date:</b>	<b>29 September 2006</b>

(...)

With reference to subject matter and in the context of PART A and PART B of the Legal Questionnaire, as provided to us, please advise by return, whether the definition of the term "Funding Scheme" used therein, intends to include the various funding programs announced by State Agencies - Organisations (e.g. the Greek Film Center supports two funding programs of over 1 million euros) OR the State Agencies - Organisations themselves.

(...)