



ANNEX - COVID-19 EFFECTS ON THE FILM SECTOR

SHORT-TERM EFFECTS

Production and postproduction

Due to the recent Government measures, the production of films both domestically and abroad is discontinued. As a result, film productions that have already been financed have come to an abrupt halt, financing linked to expenditure requirements are uncertain and shooting periods have been postponed. In addition, this means a loss of income for cast, crew and film companies, because work is being postponed until further notice whereas there is no alternative work available. An initial inventory by the Fund shows that the coming period will involve dozens of feature films, animated feature films, high-end TV series, minority co-productions and feature documentaries. In addition, there are projects aimed at innovation and talent development that are experiencing problems.

New film productions and side effects

The development of new projects has become uncertain, and thus also the future work of film professionals - mostly independent entrepreneurs and freelancers has. This directly affects the continuity of the work of actors, cameramen, art directors, screenwriters, producers, directors and other film professionals. At the same time, activities in the cultural sector as a whole are affected. TV series and theatre performances are cancelled and additional activities, such as teaching and coaching, are discontinued.

Releases and film festivals

Film productions, typically funded both privately and with public funds, are in trouble because their Prints and Advertising budgets are not sufficient. With cinemas closed, relaunching means new investments and choosing a later launch under increased competition. In addition, several film festivals have been hit hard because they cannot proceed as planned. As a result, they lose income and do not meet the subsidy requirements.

LONG TERM EFFECTS

In an environment in which the creation of film is carried out within a complex framework of public and private financing, COVID-19 is expected to cause many long-term effects.

The measures taken by the Government are of the utmost importance to entrepreneurs and freelancers in the film / AV sector as much as they are to the wider cultural sector. It is commendable that the Dutch Government is taking these steps and that the Ministry of Education, Culture and Science is thus supporting the sector. However, it is a question whether entrepreneurs in our sector will sufficiently connect to these measures. For example, it is of the utmost importance that commercial banks take their responsibility with the opportunities that the Government offers. Finding bridging loan and favorable loans has been already a long standing difficulty in our sector.

Co-financing

The Netherlands Film Fund is an important financier of films and activities, but the mix of public-private financing makes it highly uncertain whether productions will still encounter problems at a later stage. It is therefore important that foreign financiers, but also Dutch film distributors and broadcasters pay their promised contributions (on time).



Cinemas and movie theatres

Due to the closure of all cinemas and movie theatres in the Netherlands, the release of films is postponed. In an already crowded market there is a chance that Dutch titles will no longer get a chance to be released again. The missed income by distributors and exhibitors will have a negative effect on investments in future Dutch cultural audio-visual products.

International film festivals

International film festivals are the place where film producers build and maintain their international network and secure the development of future productions in (co-production) markets. This entire ecosystem has come to a halt in the coming months when festivals are cancelled.