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Expediting and simplifying the support of audiovisual works, supporting Digital Governance and other provisions.

THE PRESIDENT OF THE HELLENIC REPUBLIC

We hereby issue this Law enacted by the Parliament:

CHAPTER A EXPEDITING AND SIMPLIFYING THE SUPPORT OF AUDIOVISUAL WORKS IN GREECE

Article 1 Independent audiovisual work and Investment Plan

1. Par. 2 of article 20 of Law No. 4487/2017 (A 116) is replaced as follows:

“2. Independent audiovisual work: the episode or episode section or episode season of a television series, the episode or episode section or episode season of a television mini series, the television film or theatrical film or section thereof, regardless of duration, the digital game. The content of the above may be fictional, creative documentation (documentaries), animation, as well as cultural or educational digital games. The above, independent audiovisual works are produced for user experience in linear or non-linear form, with interactive or non-interactive applications and can be distributed to multiple platforms, such as free terrestrial television broadcasting, subscription television broadcasting, web television, services on demand, cinema screening rooms, television and cinema work distribution and screening websites, social media, in total or as part of applications and software for personal computers, tablets, video game consoles and mobile telephones.”.

2. Par. 4 of article 20 of Law No. 4487/2017 is replaced as follows:

“4. Investment plan: The production, also including post-production, of independent audiovisual works included: a) in financial activities 59.11 and 59.12 and concern all or individual stages of the production procedure, i.e. the stages of production and technical editing/post-production of audiovisual works, regardless of the way

they are distributed and of the media used for their broadcasting and screening to the end recipient-viewer, b) in financial activity 62.01.21 and concern all the software development procedure, from the initial design to the creation of the final prototype for publishing and commercial use.”.

Article 2 Conditions for inclusion in investing scheme

Article 23 of Law No. 4487/2017 is replaced as follows:

“Article 23
General conditions for inclusion in the investing scheme

1. As regards inclusion in the aid scheme for investment plans concerning the production, including post-production, of independent audiovisual works, the following are specifically provided:

a) for theatre or television films, the total of eligible expenses implemented within the Greek Territory shall amount to at least Euro one hundred thousand (100,000) for said expenses, regardless of the size of the operator,

b) for theatre or television films, with the content of creative documentation (documentaries), the total of eligible expenses implemented within the Greek Territory shall amount to at least Euro sixty thousand (60,000) for said expenses, regardless of the size of the operator,

c) for theatre or television short films, the total of eligible expenses implemented within the Greek Territory shall amount to at least Euro sixty thousand (60,000) for said expenses, regardless of the size of the operator,

d) for episodes or episode season of a television or mini television series, regardless of number of episodes and duration:

da) of fictional content, the total of eligible expenses implemented within the Greek Territory shall amount to at least Euro twenty five thousand (25,000) per episode produced, regardless of the size of the operator,

db) of creative documentation content (documentary) or animation content the total of eligible expenses implemented within the Greek Territory shall amount to at least Euro twenty thousand (20,000) per episode produced, regardless of the size of the operator,

e) for episodes or episode season of a television or mini television series of a minimum number of seventy (70) episodes, regardless of content, the total of eligible expenses implemented in the Greek Territory shall amount to at least Euro fifteen thousand (15,000) per episode produced, regardless of the size of the operator,

f) for episode sections of a television or mini television series, regardless of number of episodes and duration:

fa) of fictional content, the total of eligible expenses implemented within the Greek Territory shall amount to at least Euro one hundred thousand (100,000) for all sections comprising the investment plan for inclusion, regardless of the size of the operator,

fb) of creative documentation content (documentary) or animation content the total of eligible expenses implemented within the Greek Territory shall amount to at least Euro sixty thousand (60,000) for all sections comprising the investment plan for inclusion, regardless of the size of the operator,

g) for digital games, the total of eligible expenses implemented within the Greek Territory shall amount to at least Euro thirty thousand (30,000), regardless of the size of the operator.

2. Independent audiovisual works that are included in the aid scheme, as per the above distinctions, are works that can be distributed to multiple platforms, such as free terrestrial television broadcasting, subscription television broadcasting, web television, services on demand, cinema screening rooms, television and cinema work distribution and screening websites, social media, in total or as part of applications and software for personal computers, tablets, video game consoles and mobile telephones.

Article 3

Beneficiaries of included investment plans

Article 25 of Law No. 4487/2017 renders effective the following amendments:

1. Par. 2 is replaced as follows:

“2. Businesses that are established or have a branch within the Greek Territory, regardless of whether they are producers or executive producers of audiovisual works, shall have one of the following forms at the time of start of the investment plan works and on the date the aid is granted: a) sole proprietorship, b) legal person or legal entity with commercial operation, c) co-operative, d) business operating in the form of a joint venture, on the condition that it has been registered in the General Commercial Registry (GEMI), it states the commercial activity it carries out in its Statutes and it has activity code number 59.11 or 59.12 or 62.01.21. For cases (a),

(b) and (c), companies who are under establishment or under merger, are required to have completed the publicity formalities prior to the start of the investment plan works.”

2. Par. 4 is replaced as follows:

“4. For domestic or foreign businesses producing audiovisual works, which, for the purposes hereof are contracted with a business established or with a branch in the Greek Territory and operating as executive producer of audiovisual works or part thereof, the application for inclusion shall be submitted by the company that is established or with a branch in the Greek Territory and operating as producer or executive producer of audiovisual works, while aid shall be provided to the business that the contracting parties expressly specify as beneficiary thereof, in the application for inclusion.”

3. Point (c) of par. 5 is replaced as follows:

“(c) businesses implementing investment plans carried out by initiative and on behalf of the state and the wider public sector and the television network of the Hellenic Parliament, under a project implementation, assignment or service contract, with the exception of the Hellenic Broadcasting Corporation - ERT. S.A.”

Article 4

Eligible costs

Point (b) of par. 2 of article 26 of Law No. 4487/2017 is replaced as follows:

“(b) the fee for screenplay and music, as well as the fee of the director, the screenwriter, the two leading actors and the producer for all its capacities in the production of the audiovisual work, shall be calculated up to the percentage of 35% of the total eligible cost and shall not exceed said percentage.”

Article 5

Aid rates

Article 27 of Law No. 4487/2017 renders effective the following amendments:

1. Par. 2 is replaced as follows: “2. The amount of the subsidy shall be calculated, after the certified completion of the investment plan, as the fixed percentage of 40% on the value of the total eligible expenses of the production. The amount of the subsidy shall be paid in a lump sum to the beneficiary.”

2. Par. 4 is replaced as follows:

“4. The aid hereof may also be combined with another state aid, with the restriction that the total state aids granted shall not cumulatively exceed 50% of the total production cost of the audiovisual work. This limit is extended to 60% of the total production cost of the audiovisual work in case of a cross-border production and to 80% of the total production cost of the audiovisual work for the production of a difficult audiovisual work. The above cases of combined state aids, the percentage of the aid granted is the result of deducting the amount

of state aids that have already been provided to the production from the above limits of the total production cost of the audiovisual work.”.

Article 6

Simplifying the procedure of applying for inclusion

Article 28 of Law No. 4487/2017 is replaced as follows:

“Article 28

Procedure of applying for inclusion

1. The National Centre of Audiovisual Media and Communication (EKOME) shall be the body accepting and processing the applications for the inclusion of investment plans for the production of audiovisual works. The procedures set out under this aid scheme shall be carried out exclusively via the State Aid Information System (PSKE) of the Ministry of Development and Investment. The business has the right to apply for inclusion in the scheme hereof for up to ten (10) days before the start date of the investment plan. The application for inclusion and the necessary supporting documents shall be submitted throughout the year, exclusively via the State Aid Information System, at EKOME and applicants shall be electronically notified of the receipt and recording thereof. All applications for inclusion, along with the documentation thereof, shall be electronically kept at EKOME.

2. Each application shall contain at least the following elements: (a) the name and size of the business, (b) a description of the work, also including the start and end dates, (c) the place or places of work execution, (d) the list of work expenses, (e) the amount of the public funding required for the work and (f) a statement of the cultural criteria the investment plan is subject to.

3. The application for inclusion shall be accompanied by the following supporting documents:

- (a) indicative work planning for the audiovisual work, pointing out the filming days required in Greece,
- (b) a detailed budget, specifying the expenses made in the Greek Territory,
- (c) a funding plan, indicating any other state aids and the percentage of said aids,
- (d) the screenplay or a synopsis thereof,
- (e) written statement - reference of the investment operator to the main artistic contributors, as well as the crew who will be employed during the works in Greece,
- (f) administrative fee slip.”.

Article 7

Expediting the assessment procedure for investment plans

1. Article 29 of Law No. 4487/2017 is replaced as follows:

“Article 29

Assessment process

1. The completeness of the submitted application and the relevant supporting documents shall be reviewed by EKOME, based on the standardised completeness control system, within a period of ten (10) business days after the application submission. During the same period, the lawfulness of supporting documents is also reviewed by EKOME. Following a relevant review, if it is found that supporting documents or information is missing, a detailed list of the missing supporting documents or information is sent to the applicant's e-mail stated in their application, highlighting the obligation to submit said documents or information to EKOME within an exclusive period of five (5) business days. In case the missing supporting documents or information are not submitted within the period of the above paragraph, the application shall be rejected due to incomplete file and applicants shall be notified at their above e-mail address, while the administration fee shall be forfeited in favour of the State.

2. Once the lawfulness and completeness of the application are established, the application shall be assessed as to its content, on the basis of time priority, by assessment committees established by decision of the President and Chief Executive Officer of EKOME, upon recommendation of the relevant competent body. The above committees consist of three members, who are employees either of EKOME or of the Ministry of Digital Governance or the Ministry of Culture and Sports or supervised bodies of the Ministry of Culture and Sports or the Ministry of Development and Investments or the Ministry of Tourism or the General Secretariat for Media and Communication, or by experienced individuals of the audiovisual production industry. In any case, one (1) member shall be an EKOME employee and another one (1) shall be experienced in audiovisual work production. If the investment plan for which the application is submitted refers to a theatre film production, participation of one (1) employee of the Greek Film Centre is required in the above three-member assessment committees and said person shall be proposed by the management of the Greek Film Centre. The term of the assessment committees is set out as annual, while the composition, terms and operation regulations thereof shall be specified by decision of the Minister of Digital Governance. Assessment committee members shall be remunerated, in accordance with the provisions in force. The following conditions, which are further specified in the relevant tender decision, shall be met for each investment plan, under penalty of exclusion: (a) full correspondence of the application for inclusion with the investment plan under approval and (b) documentation of the solvency of the investment plan operator, by submission of the relevant certificates, mainly tax and social insurance good standing certificates. If clarifications are required

regarding the content of the file, a period of five (5) business days is granted to the operator, in order to provide said clarifications to the relevant assessment committee. The assessment procedure for the content of the investment plan shall be completed within ten (10) business days after the completion of the review of par. 1.

3. Investment plans that meet the legal conditions, shall be included in the aid scheme hereof, by decision of the competent body of the Ministry of Digital Governance, in accordance with article 109 of Law No. 4622/2019 (A 133), upon recommendation of the assessment committees of par. 2.

4. Investment plans that do not meet the legal conditions, shall be rejected by a reasoned decision of the President and Chief Executive Officer of EKOME, upon recommendation of the assessment committees of par. 2, while the relevant administration fees shall be forfeited in favour of the State. The rejection decision shall be posted on PSKE and notified to the investment plan operation by e-mail.

5. Applicants may electronically submit an objection to the rejection decision of par. 4 via PSKE and within a period of five (5) business days after notification of the relevant act. The objection shall be addressed to the competent body of the Ministry of Digital Governance according to article 109 of Law No. 4622/2019 and shall be reviewed by an objection committee, established for a term of one (1) year by decision of the Minister of Digital Governance and consisting of three (3) employees of EKOME or of the Ministry of Digital Governance. If the objection is submitted against a decision that rejects the investment plan for a theatre film production, participation of one (1) employee of the Greek Film Centre is required in the above three-member assessment committees and said person shall be proposed by the management of the Greek Film Centre. The terms and operation regulations of the objection committee shall be specified in the relevant establishment decision. The objection committee shall decide within a period of ten (10) business days after the date the objection was submitted and shall make a recommendation to the competent body of the Ministry of Digital Governance, which shall issue the relevant decision. The decision rejecting the objection shall be posted on PSKE and notified to the investment plan operation by e-mail.

6. In case the applicant wishes to withdraw the application for inclusion of its investment plan, up to the issue of the decision of par. 4 and 5, it shall submit a relevant request to EKOME and the investment plan shall be therefore rejected on these grounds, by decision of the President and Chief Executive Officer of EKOME, while the management fee shall be forfeited in favour of the State.”

2. Applications for inclusion of article 28 of Law No. 4487/2017, for which no decision for inclusion has been

issued up to the 14th of July 2020, shall be assessed in accordance with the provisions of Law No. 4487/2017, as in force before the publication hereof.

Article 8

Expediting the control procedure for submitted investment plans

1. Article 30 of Law No. 4487/2017 is replaced as follows:

“Article 30

Control and completion certificates of submitted investment plans

1. Investment plans included in this aid scheme shall be inspected by a controlling body, established by decision of the President and Chief Executive Officer of EKOME and consisting of three (3) EKOME employees, one (1) of whom shall be experienced in audiovisual work production. In case the investment plan concerns the production of a theatrical film, the controlling body shall consist of two (2) EKOME employees and one (1) employee of the Greek Film Centre, who shall be proposed by the management of the Greek Film Centre. Members of the controlling body shall be remunerated, in accordance with the provisions in force. In order to facilitate and expedite the work of the controlling body, the President and Chief Executive Officer of EKOME may appoint rapporteurs - external associates, who are not members of the controlling body and submit non-binding proposals to the body, to facilitate its work.

2.a. The investment plan operator, within a reasonable period of time which shall not exceed six (6) months after the completion of the investment, shall submit via the PSKE an application for control, accompanied by the supporting documents set out in point (c), so that it may be certified that, in accordance with article 31, the investment plan has been completed on the date the application for control was submitted and therefore activate the aid payment procedure. The completion period for investment plans shall not exceed three (3) years after the publication date of the decision for inclusion.

b. The investment plan operator is required, under penalty of revocation of the decision for inclusion or of non-certification of completion of the investment plan, to implement at least sixty percent (60%) of the investment plan that has been included in the aid scheme hereof, subject to the condition that the total eligible expenses implemented in the Greek Territory and corresponding to the above implementation percentage exceed the lower limits of eligible expenses, as specified in article 23.

c. The application for control of the investment plan completion shall be accompanied by the following supporting documents: (cA) the evidence of compliance with the cultural criteria, (cB) the final list of production employees, (cC) the final schedule of filming days and the filming sites in the Greek Territory, (cD) the relevant

invoices with evidence of payment, (cE) solemn declaration of the investment beneficiary, stating that the submitted items are true, (cF) auditor's final report, the cost of which shall be borne by the beneficiary, (cG) audiovisual content certifying the implementation of the physical scope, as approved in the inclusion stage, (cH) submission of solemn declarations certifying that the conditions on cumulation, as approved in the inclusion stage, have not changed.

3. The controlling body shall inspect the documentation submitted, prepare a relevant report and take the following actions: (a) if it finds no serious omissions in the investment or the investment is complete, it shall propose, in writing to the President and Chief Executive Officer of EKOME to issue a decision for the completion of the investment plan, (b) if it finds serious omissions in the investment, it shall propose, in writing to the competent body of the Ministry of Digital Governance in accordance with article 109 of Law No. 4622/2019, the revocation of the decision for inclusion. The above control procedure shall be completed within twenty (20) business days after the submission of the application for control. In case of omissions, the above period shall be extended for twenty (20) more business days after the submission of supplementary items.

4. The completion of the investment plan shall be certified by issue of the certification decision by the President and Chief Executive Officer of EKOME, upon a written recommendation of the controlling body.

5. The operator of the investment plan may apply to EKOME, at any point in the period between the start of works and the completion of the investment plan, for the issue of a provisional certificate of correspondence between the implemented expenses and the provisions of the decision for inclusion. The application of the previous indent shall be accompanied, under penalty of rejection, the supporting documents of sub-points (cA), (cD) and (cE) of point (c) of par. 2, as well as the relevant report by the auditor of the investment plan operator. The controlling body of par. 1 shall inspect the application and supporting documents within five (5) business days and shall make the recommend to the President and Chief Executive Officer of EKOME to issue or not issue the provisional certificate, as appropriate. The provisional certificate shall be issued exclusively and solely on the basis of the application and supporting documents of the second indent hereof and subject to the certification of completion of the investment plan in accordance with par. 1. If the operator of the investment plan uses the option provided to it herein, it shall not be allowed to apply for an amendment to the decision for inclusion. If the decision for inclusion is revoked, the effect of the provisional certificate is automatically terminated.”.

2. The certificate of completion of article 30 of Law No. 4487/2017 and the amendment to the decision for inclusion of article 32 of Law No. 4487/2017 for

investment plans that were included in the aid scheme up to the 14th of July 2020, shall be made in accordance with the provisions of Law No. 4487/2017, as in force before the publication hereof. Article 30 of Law No. 4487/2017, as in force following the publication hereof, shall apply to the certification procedure for the completion of the investment plans.

Article 9

Revocation of the decision for inclusion

Article 31 of Law No. 4487/2017 is replaced as follows:

“Article 31

Revocation of the decision for inclusion

1. The decision for inclusion shall be revoked, if the audiovisual work does not meet the cultural criteria of tables A, B, C, D and E, as appropriate, as well as the terms and conditions for inclusion in this scheme.

2. The operator of the investment scheme may apply the withdrawal thereof in any implementation stage of the investment. In this case, the competent body of the Ministry of Digital Governance shall revoke the decision for inclusion, upon written recommendation of the President and Chief Executive Officer of EKOME.

3. If the decision for inclusion is revoked, the administration fee of article 28 hereof shall be forfeited in favour of the State.”.

Article 10

Regulations on the publication of decisions for audiovisual production aids

Article 37 of Law No. 4487/2017 renders effective the following amendments:

1. Par. 2 is replaced as follows:

“2. The summaries of the decisions for inclusion, the amendments and the revocation decisions thereof, as well as the summaries of the completion decisions shall be posted on the website DIAVGEIA, without the obligation for publication in the Government Gazette.”.

2. The first indent of par. 4 is replaced as follows:

“4. Any information in relation to the application of the scheme hereof shall be posted on the website of EKOME and the Ministry of Digital Governance.”.

Article 11

Authorising provision

Article 38 of Law No. 4487/2017 is replaced as follows:

“Article 38

Authorising provision

A joint decision of the Minister of Development and Investment and the Minister of Digital Government

announces the aid scheme of this law and further specifies the matters pertaining to the application thereof, such as the eligible expenses, the method of their calculation, the necessary supporting documents accompanying the application for inclusion and the application for control of the investment plan completion, the application submission procedure, the amount of the administration fees provided for herein, the relevant applicable start and end dates of the investment plans, the composition and operation regulations of the committees and the controlling body provided herein, the matters pertaining to the amendment of a decision for inclusion, as well as any other matter related to the application hereof.”.

Article 12

Incentives for the aid to audiovisual productions

Article 71E of Law No. 4172/2013 (A 167) renders effective the following amendments:

1. Par. 1 is replaced as follows:

“1. A rate of thirty percent (30%) of the eligible expenses -provided they are implemented in Greece - of each audiovisual work shall be deducted from the taxable income of a natural or legal person or legal entity that (i) is a tax subject in Greece, under the provisions of article 3 and invests in audiovisual work productions, within the meaning of article 20 of Law No. 4487/2017 or (ii) is a business operating in accordance with the provisions of par. 1 of article 25 of Law No. 4487/2017.”.

2. Par. 4 is replaced as follows:

“4. (a) Par. 1, as to the section thereof referring to the taxation of businesses operating in accordance with the provisions of par. 1 of article 25 of Law No. 4487/2017, shall apply in compliance with Regulation (EU) 651/2014, in specific Chapter I - Common Provisions and article 54 thereof, in conjunction with the provisions of Chapter D of Law No. 4487/2017.

(b) Aids granted to the businesses of par. 1, shall be accrued to the investment incentive of Chapter D of Law No. 4487/2017, as well as any other state aids granted to said businesses, in accordance with EU laws on state aids.”.

3. Par. 7 is replaced as follows:

“7. A joint decision of the Minister of Finance and the Minister of Digital Governance and the Director of the Independent Public Revenue Authority shall specify the eligible expenses, the categories of audiovisual works, the procedure and the time of control for compliance with the terms and conditions set out by the provisions of the previous paragraphs, as well as the conditions, terms, procedure and any other specific matter pertaining to the application of this article.”.