

June 2023

BUDGET 2024 SUBMISSION

on behalf of the
WESTERN AV FORUM

Ardán - Fostering talent in
Film, TV, Games and
Animation since 1989.

The Western AV Forum
(WAVF) - The collective of
key stakeholders for Film,
Television, Games, and
Animation in the West of
Ireland.



Four Letters of Love, Donegal

WESTERN AV FORUM MEMBERS

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Further information

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OVERVIEW

There is an urgent need for a **Regional Audiovisual Development Strategy (RADS)** to deliver on the government's stated aim of "increasing the geographic spread of the audio-visual sector in Ireland, and of supporting the overall cultural objective of having an established and sustainable audio-visual industry in areas outside the current main production hubs" (i.e Dublin & Wicklow).

We strongly support the calls for a return to a **full Section 481 regional uplift (Regional Uplift)**, however, we are acutely aware of the significant processes and time requirements associated with that task, including addressing the difficulties posed by the current state aid maps. Action is needed now to avoid regression of progress made through **Regional Uplift** and losing the talent, capacity, and infrastructure that has been developed in the regions under the uplift. Until there is a return to a full **Regional Uplift** of at least 5% for a minimum of 10 years, a **Regional Audiovisual Development Fund** will be necessary.

To meet the government's goals for the industry, this fund must be considered as but one element of an overarching and holistic Regional Audiovisual Development Strategy which provides for the development of sustainable regional capacity, infrastructure, and funding. To that end, we, the Western Audiovisual Forum (WAVF), recommend the following:

1. Establishment of a Regional Audiovisual Development Fund

Until such time as there is a complete Regional Audiovisual Development Strategy in place, including a Section 481 regional uplift of at least 5% for a minimum of 10 years, there must be a dedicated Regional Audiovisual Development Fund operated through Screen Ireland, at a level of at least €10m annually. This must be established alongside a **regional department in Screen Ireland** (and appropriate staffing) to promote the long-term development of producers, production capacity, and production activity in the regions by providing the resources, surety, and investment necessary for the growth of the regional industry.

2. Prioritisation of Smart Regional Audiovisual Clustering

The long-term promotion and development of regional Smart Specialisation & Creative Enterprise Clusters, including areas of existing competence, aligning with other government policies, and positively discriminating towards regional producers, regional crew, and regional infrastructure.

3. Investment in Regional Audiovisual Capacity

Direct investment in and provision for the development of sustainable regional capacity in the form of production companies, crew, and facilities including Regional Studios as 'Anchor Tenants' to drive further production.

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REGIONAL AV DEVELOPMENT FUND

Establish a Regional AV Development Fund through Screen Ireland, at a level of at least €10m annually, until the return of the Section 481 Regional Film Development Uplift, and promote the long-term sustainable growth of production in the regions by providing the resources, surety, and investment required.

The Regional Film Development Uplift through Section 481 (Regional Uplift) has had a demonstrably positive impact on the regionalisation of production within the country since its operational introduction in July 2019. Despite the impact of COVID-19, **Nineteen (19) projects**, 20% of the total Section 481 supported projects, availed of the Regional Uplift in **2020** with an eligible expenditure of **~€160m** and requiring crew of **2,116**. A further **twenty-four (24) projects** availed of the Regional Uplift in **2021**, **21.5%** of the total Section 481 supported projects, with eligible expenditure of **~€124m** and requiring crew of **1941**. At this initial level of 5% (on top of the base 32% resulting in a total uplift in the regions of 37%) the uplift was worth **~€8m** to the companies availing thereof, and combined with the upward trajectory of projects availing of the uplift (19 projects to 24) strongly suggests that the Regional Uplift worked and had begun to achieve its policy objectives.

However, the importance of support for regionalisation across the sector has become abundantly clear upon the reduction of the Regional Uplift (from 5% to 3% in 2022, and to 2 % in 2023 before expiring) which has had a clearly negative impact on the regionalisation of production in the country. The figures for 2022 are less than those for the Covid-19-impacted 2020 figures. **Seventeen (17)** projects availed of the Regional Uplift in 2022, with eligible expenditure of **~€56M** and requiring crew of only **987**. This represents a year-on year **decrease of 30%** in terms of projects, **54%** in Expenditure, and **49%** in Crew, as a result of a 2% drop from 2021 to 2022. Similarly, there have been only a handful of projects who have availed of the Regional Uplift in 2023 (2%), with figures at the time of writing pointing to only three (3) having availed to date.

Of the 24 projects, 50% were based in the IE013 West Region, with the remaining projects spread across the Border, Mid-West, South-East and Kerry regions.

8

Feature Film
Projects

5

Television Drama
Projects

11

Animation
Projects

Total number of Crew: 1,941
for the **24** Regional Uplift projects in 2021 (Average = 80.8)

Total number of Main Cast: 161
for the 24 Regional Uplift projects in 2021 (Average = 6.7)

Total number of Support Cast: 208
for the 24 Regional Uplift projects in 2021 (Average = 8.6)

Total number of Extras: 2,417
for the 24 Regional Uplift projects in 2021 (Average = 100.7)

Length of Production Days: 8,669 days *
for the 24 Regional Uplift projects in 2021 (Average = 361 days)

* Note: 2 of the animation productions were over 1,000 days. If animations are excluded there is a total of 2,752 days and the average excluding animations was 211 days.

In 2021 there were 24 projects that availed of the Regional Uplift

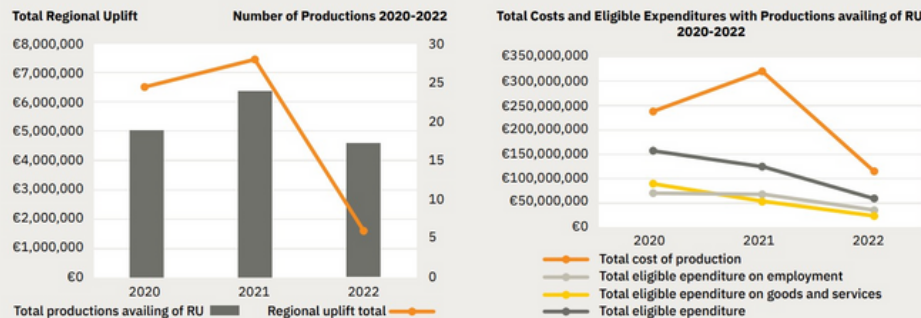
Source: [Towards a Sustainable and Diverse Audiovisual Sector in the Regions: Section 481 and the Regional Uplift](#)

- Dr Maria O'Brien,
September 2022

REGIONAL AV DEVELOPMENT FUND (CONT.)

This decrease in support for regionalisation is already showing signs of **undoing much of the good work that was achieved by the regional uplift** and is actively contributing to the reduction of the increased capacity, crew, skills, and talent in the regions that the regional uplift had delivered. A new strategy is required to ensure the sustainable regionalisation of the industry and the Western Audiovisual Forum strongly advocates for a dedicated **Regional Audiovisual Development Fund** to the value of **at least €10m**.

Table 1: Regional Uplift production trends 2020-2022



The decline of Regional Uplift Productions

Source: [Towards a Sustainable and Diverse Audiovisual Sector in the Regions: Section 481 and the Regional Uplift](#)

- Dr Maria O'Brien,
September 202

An 'agnostic' Regional Uplift tax credit of at least 5% over a minimum of 10 years should be part of an overall Strategic approach. In light of the inherent difficulties presented by the new State Aid Map (which would see the exclusion of multiple vital new regions, in addition to the already-excluded Cork) and the need for significant consultation nationally and with the EU, we recommend that a Regional Audiovisual Development Fund of at least €10m be operated on a discretionary basis by **Screen Ireland/Fís Éireann**. We further recommend that the resources necessary to manage and administer the fund be provided to Screen Ireland and that the team responsible for the fund be based in Screen Ireland's Head Office in Galway.

This new Regional Audiovisual Development Fund must **address the inherent unconscious bias** that exists within the established metro-centric industry. It **MUST** focus on establishing a sustainable regional AV industry, one that provides a counter-balance to the natural gravity of the metro-centric critical mass of production in the Dublin / Wicklow area through the promotion of sustainable industry, company development, crew, and production in the regions. It **CANNOT** simply address additional costs to bring production into the regions.

This fund is aligned with the mission of 'balanced regional development' in the **Programme for Government: Our Shared Future** (2020, p.60) to revitalise the economy in the regions and indeed the original remit of the uplift programme. When the Regional Uplift was announced at Budget 2019, then-Minister for Finance & Public Expenditure and Reform, Paschal Donohoe TD said:

"This incentive will support the development of new, local pools of talent in areas outside the current main production hubs. This will help to increase the geographic spread of the audio-visual sector in Ireland and support the overall cultural objective of having an established and sustainable audio visual industry in Ireland."

A dedicated **Regional AV development Fund**, as part of a broader Regional AV Development Strategy is crucial to achieving these objectives.

SMART REGIONAL CLUSTERING

The long-term promotion and development of regional Smart Specialisation & Creative Enterprise Clusters, including areas of existing competence, aligning with other government policies, and positively discriminating towards regional producers, regional crew, and regional infrastructure.

The metrocentric nature of the industry in Ireland has driven a narrative that regional uplift is designed to merely offset the increased cost of filming in the region. We must **replace this reductive narrative** with a **clear strategy** of developing regional industry and a sustainable infrastructure and crew base.

Local producers are losing crew to Dublin / Wicklow and beyond because the volume of work in the regions does not yet support permanent careers, while incoming productions cite additional costs (due primarily to the need to bring experienced crew from Dublin / Wicklow) as the prime impediment to filming in the regions. As a result, the benefits of the initial uplift are being lost with the industry once again reverting to the traditional Dublin / Wicklow hub. This regression can be reversed, however, by reframing the goal from treating the symptom (crew travel costs from Dublin) to addressing the root cause (lack of sustained regional infrastructure and crew base).

The issue with this narrative is clear from the mixed messaging around what the Regional uplift is meant to achieve. Screen Ireland's website itself currently states that "This production loan offsets the additional costs associated with producing in regional areas of Ireland (defined as outside the Dublin / Wicklow area)" which is not by itself a long-term method of achieving the "development of new, local pools of talent in areas outside the current main production hubs". Similarly, in isolation, it will not "help to increase the geographic spread of the audiovisual sector in Ireland" nor will it support the objective of "having an established and sustainable audiovisual industry in Ireland".

What is needed is a **strategic, long-term, and sustainable Strategy** that focuses on actively creating AV Clusters within the Regions. This would represent an efficient implementation of proven policy measures to support regional development in line with the government's own Programme for Government and Regional Action for Jobs Strategies and indeed [the National Smart Specialisation Strategy for Innovation 2022-2027](#).



SMART REGIONAL CLUSTERING (CONT.)

Smart Specialisation is an innovation policy concept developed by the European Commission which aims to boost regional innovation, contributing to growth and prosperity by helping and enabling regions to focus on their strengths.

In light of this, any **Regional Audiovisual Development Strategy** must emphasise the identification and development of unique regional strengths and capabilities. By establishing creative hubs in specific regions, we can promote regional specialisation in the filmmaking sector and once again align with the mission of ‘balanced regional development’ in the [*Programme for Government: Our Shared Future \(2020, p.60\)*](#) by nurturing and promoting the regional filmmaking sector as a key area of expertise and innovation. Existing Audiovisual hubs that demonstrate potential in AV Specialisation include:

- **Cork**
- **Letterkenny**
- **Sligo**
- **Galway**
- **Limerick**
- **Tralee**
- **Kilkenny**
- **Mullingar**

Prioritising these regions and strategically investing in the development of, and interconnectivity between, production **Companies** (via Company Development, Mentoring, Capacity), **Crew & Talent** (Skills development, Training, Local Employment), **Third level institutions** (Information and Skill sharing, Technological and Digital evolution), and **infrastructure** (Studio space, post-production houses, unit base facilities and logistics, and access) will **actively promote innovation, scalability, and talent development** across the Irish audiovisual industry’s value chain.

"By building regional clusters of development, the regional uplift can help develop sustainability along the horizontal and vertical axes of the cycles of the value chain includes consideration of interdependencies between primary and secondary players." - [*Towards a Sustainable and Diverse Audiovisual Sector in the Regions: Section 481 and the Regional Uplift*](#)

This approach seeks to bolster the emergence of indigenous, regional audiovisual clusters in areas beyond the existing focal points of production in Ireland. In doing so it will reduce the costs of shooting in the regions, and allow for the development of high-level, permanent crew, innovative new local IP, and sustained regional employment in the Sector. Similarly, attracting potential inward production and international business will encourage the growth of secondary and tertiary revenues generated by businesses in the regions, increasing exchequer returns and boosting local economies.



INVESTMENT IN REGIONAL CAPACITY

Direct investment in and provision for the development of sustainable regional capacity in the form of production companies, crew, and facilities including Regional Studios as 'Anchor Tenants' to drive further production.

While there are many positive developments in terms of growing the talent base in the regions, there are significant deficits in strategy that undercut the value of these developments.

The **National Talent Academies Network** (NTA) is a prime example of this. The Network includes the National Talent Academy for Film and Television led by Ardán, the National Talent Academy for Animation led by Animation Ireland, and three regional Crew Academies - Crew Academy West managed by the Atlantic Academy (Danú Media, Galway), Crew Academy South managed by Film in Limerick, and Crew Academy East managed by Clermont Enterprise Hub (Wicklow).

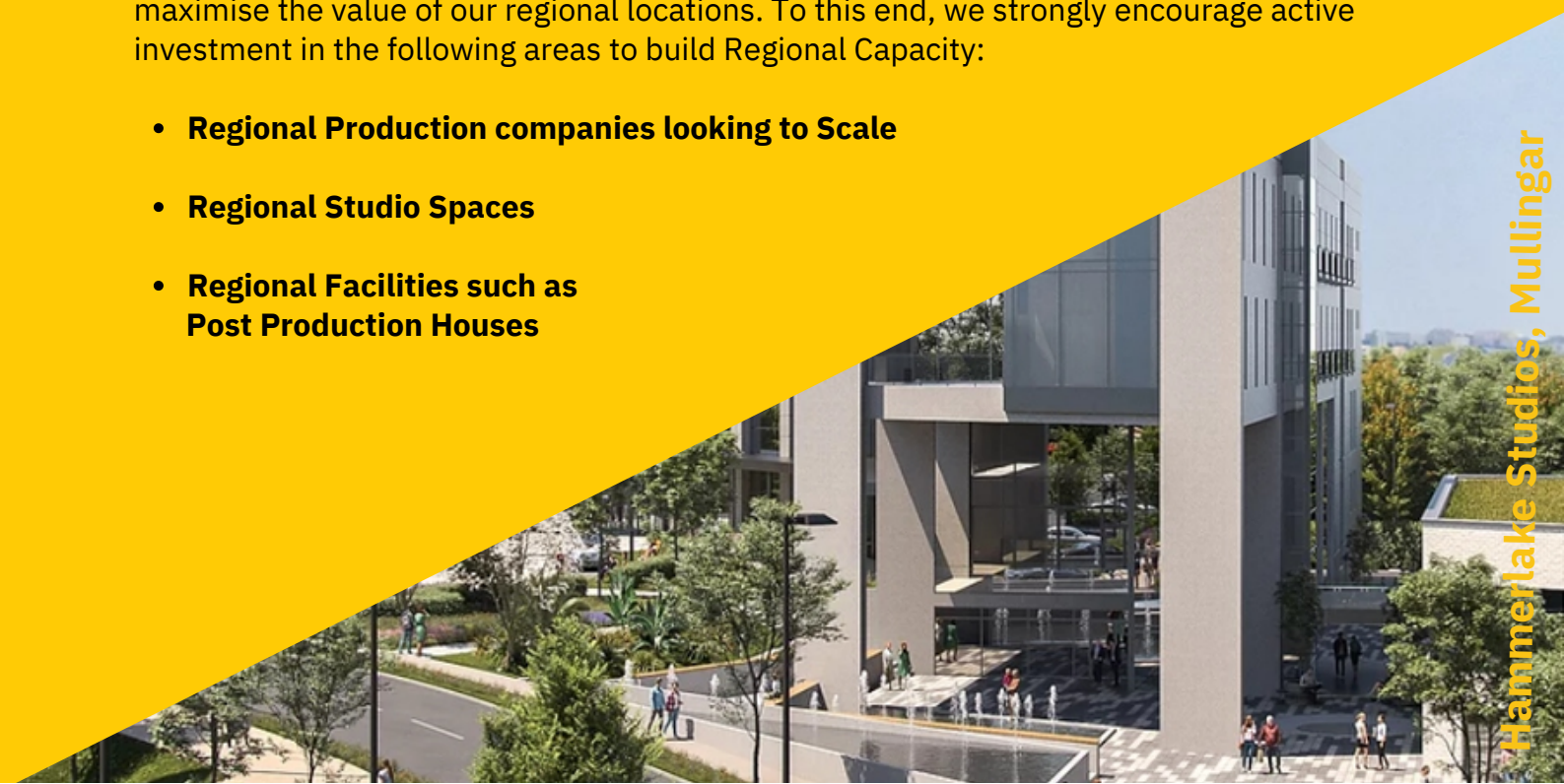
The network has been established to develop a highly-skilled, diverse talent and crew base throughout the country, offering a wide range of activities for the Irish screen industry, including courses, programmes, and career opportunities. While it has been very successful already in developing diverse talent and crew bases across the regions, the metro-centric nature of the industry in Ireland means that the opportunities for these talents that have been developed regionally lie predominately in the Dublin / Wicklow area.

In order to ensure this sustainable development of regional screen industries, it is crucial for the Irish government to invest in regional infrastructure and capacity.

The regions have locations that are vital to productions and these remain a primary driver of production location within the country. Talent is being consistently developed by initiatives such as the NTA alongside well-established regional third-level institutions and courses.

What is lacking is the production capacity i.e. Indigenous Companies of the required scale to anchor consistent work in the regions and infrastructure, studios of scale in order to maximise the value of our regional locations. To this end, we strongly encourage active investment in the following areas to build Regional Capacity:

- **Regional Production companies looking to Scale**
- **Regional Studio Spaces**
- **Regional Facilities such as Post Production Houses**



INVESTMENT IN REGIONAL CAPACITY (CONT.)

Such investment aligns with the government's Audiovisual Strategy and Smart Specialization Plans, which prioritize the growth of the creative sector across the country, and would have the following outcomes.

Fostering Balanced Regional Development: Investing in regional infrastructure for the screen industries will contribute to achieving the government's vision of balanced regional development. By decentralising the industry and creating opportunities in various regions, we can unlock economic growth, create jobs, and revitalise local communities, as well as alleviate pressure on the overcrowded Dublin / Wicklow hub.

Leveraging Ireland's Unique Regional Assets: Ireland's diverse landscapes, rich heritage, and unique cultural identities offer endless possibilities for creative storytelling. By investing in regional infrastructure, we enable filmmakers and TV producers to capture the distinct essence of different regions, highlighting their beauty and history on screen.

The internationalisation of regional companies: The scheme is critical in indigenous companies growing to a sustainable scale and supporting companies seeking to grow and sell their content and who wish to work and collaborate internationally.

Talent Development and Retention: By establishing film and television production facilities, training programs, and creative hubs, and especially growing indigenous production companies of scale in various regions, we can nurture a new generation of filmmakers, technicians, and artists. This ensures that individuals living outside the main industry hub of Dublin / Wicklow have access to resources and mentorship, reducing the brain drain effect and encouraging talented individuals to stay and contribute to their local communities.

Industry Collaboration and Networking: Film studios serve as hubs for industry collaboration and networking. They bring together filmmakers, production companies, and related service providers, fostering a supportive ecosystem for knowledge exchange and collaboration. This collaborative environment encourages partnerships, co-productions, and shared resources, strengthening the regional film industry as a whole.

Maximising Return on Investment: Investing in regional infrastructure is a strategic move that maximizes the return on investment for the Irish government. By diversifying the locations and resources available to filmmakers and TV producers, we attract a broader range of projects, including international productions. This leads to increased economic activity, job creation, and tax revenues across multiple regions, reducing dependence on a few concentrated areas. Furthermore, regional screen industries contribute to Ireland's reputation as a global center for creativity, innovation, and production excellence.



CONCLUSION

In order to support the government's overall cultural objective of having an established and sustainable audiovisual industry across all the regions of Ireland, we must not only support the development of new, local pools of talent in areas outside the current main production hubs but ensure that the opportunities for these talents to remain in these areas by investing in not only productions but capacity and infrastructure. This will help to increase the geographic spread of the audiovisual sector in Ireland and to decentralise the industry from its current areas of concentration in Dublin / Wicklow. It will reduce the costs of shooting in the regions, and overall it will make Ireland and its regions, as a whole, a more viable filmmaking destination. To achieve this we need a holistic Regional AV Development Strategy which comprises a Section 481 Regional Uplift tax credit, a dedicated Regional Audiovisual Development Fund, a dedicated focus on developing AV Clusters in the Regions, and investment in Regional AV Capacity and Infrastructure.

Therefore, the Key Asks of the Western Audiovisual Forum are:

1. Establishment of a Regional Audiovisual Development Fund

Until such time as there is a complete Regional Audiovisual Development Strategy in place, including a Regional Uplift of at least 5% for a minimum of 10 years, there must be a dedicated Regional Audiovisual Development Fund operated through Screen Ireland, at a level of at least €10m annually. This must be established alongside a regional department in Screen Ireland (and appropriate staff) dedicated to promote the long-term development of production in the regions by providing the resources, surety, and investment required for a period of at least 10 years.

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NÍ NEART GO CUR LE CHÉILE!

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