



Budget Submission 2025

on behalf of the Western AV Forum

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

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



WESTERN AV FORUM MEMBERS

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***The Western Audio Visual Forum (WAVF)** is a collective of key stakeholders for Film, Television, Games, and Animation in the West of Ireland chaired by **Ardán**. Through this forum, we hear firsthand from those working on the ground in the regions and gain considerable insight into the challenges they face. Our work with these initiatives - alongside others we operate - provide us with a top to bottom understanding of the industry in the region and inform the recommendations that follow.*

Further information

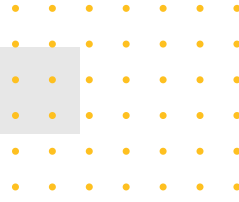
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SUMMARY

Regional Film & Television production in Ireland is in Crisis.

The AV sector has been a major success in creating consistent employment for thousands and generating millions in direct spend in regional areas. At its height, in 2021, it was contributing considerably to the regions ensuring there was a sustainable decentralised creative industry across the Island of Ireland. With the lapsing of the Section 481 Regional Uplift in 2023, and in the absence of any strategy to replace it, this good work is not only regressing but actively declining below pre-uplift levels.

A holistic, consistent, and sustainable strategy for development of the Regional AV sector is vital to maintain the substantial benefits the sector provides across the nation, and in particular outside the traditional hub of Dublin & Wicklow. This strategy must contain the following: **an automatic funding support** in the form of a return to a full regional uplift; **a dedicated regional fund** from Screen Ireland that would act as an interim measure until the uplift is affected; and **a commitment to develop regional talent and capacity** by actively building upon clusters.

REGIONAL UPLIFT

A functioning, consistent, and long-term Section 481 Regional Development Uplift will help address the lack of regular production in the regions of Ireland and help maintain a key crew base through consistent work outside Dublin/Wicklow. Given time, this in turn will help reduce costs of shooting in the regions and make them more attractive to incoming productions.

REGIONAL FUNDING

Until such time as there is a dedicated Regional Uplift, a dedicated regional fund in Ireland is vital to ensure the regions remain competitive and the diversity and geographic spread of film production across the nation.

CLUSTER DEVELOPMENT

By anchoring regional production with regionally based producers as part of implementing a comprehensive strategy, we can ensure the sustainability and growth of the regional audiovisual sector, which supports Ireland's goal of balanced regional development and delivering consistent employment across a variety of sectors.

These proposed initiatives are crucial for the sustainable growth and diversification of Ireland's regional audiovisual industry. The government's support in reinstating the Section 481 Regional Uplift, establishing a dedicated Regional Fund, and developing Regional Clusters will not only enhance regional production capacity but also secure Ireland's position as a competitive and culturally rich hub for film and television production.

OVERVIEW

Regional Film & Television production in Ireland is in Crisis.

The AV sector has been a major success in creating consistent employment for thousands of people and generating millions in direct spend in regional areas. **At the height of the Section 481 Regional Uplift - at 5% in 2021 - it accounted for €124m of regional spend** at an exchequer cost of only €7,509,532, or 4% of the total S481 tax credit for that year. It directly led to the employment of 1,941 Crew, 369 Cast, and 2,417 Extras. In addition to these figures, it was contributing considerably to ensuring there was a sustainable decentralised creative industry across the Island of Ireland and supporting 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" (Dublin & Wicklow).

Even in 2023, the final year of the Uplift, at a greatly reduced level of 2% (34% total) projects were delivering immense benefits regionally. One example, ***Obituary***, for RTÉ/HULU, from Galway-based production company Magamedia, shot for 56 days between January and March, primarily around Ballyshannon and Bundoran in County Donegal. It employed 140 crew, 11 trainees, 54 cast, and 133 Extras, and generated 3,900 accommodation nights. 50% of its finances came from overseas bringing significant foreign investment into the region, and, as a returning series, there is a tremendous opportunity to leave a lasting production footprint in this region as the second season will shoot in September of this year.

In 2024, however, **with the uplift having lapsed last year, Ireland's regional film and television production sector is in freefall and facing a critical juncture.** There is an urgent need for a comprehensive Regional Audiovisual Industry Development Strategy to not only ensure the survival of the industry in the regions but to actively encourage the delivery of multiple projects on the scale of *Obituary* each year across all of the regions. **The Western AV Forum is once again calling for a dedicated Regional AV strategy** focused on developing sustainable regional activity and capacity in the regions, **a call agreed upon by all industry stakeholders.**

This strategy should include:

- 1. A new Long-term Section 481 Regional Film Development Uplift**
- 2. A dedicated €10 million annual Regional Fund operated through Screen Ireland**
- 3. Development of Regional Clusters aimed at enhancing regional producers and capacity**

OVERVIEW Continued

1. A new Long-term Section 481 Regional Film Development Uplift [Long-term]

The Western AV Forum strongly supports calls for a return to a full Section 481 Regional Film Development Uplift (Regional Uplift). Such calls have been evident since before the initial uplift began to taper and have recently become increasingly vocal, as demonstrated overwhelmingly at the **Department of Tourism, Culture, Arts, Gaeltacht, Sport, and Media's Section 481 Stakeholders' Forum** held in Dublin on February 8th and at the **Joint Oireachtas Committee on Tourism, Culture, Arts, Sport and Media debate on Support for Development of Regional Film and Television Production** on May 22nd. The uplift is crucial in several ways, but a key element is its nature as an automatic (or "Agnostic") incentive. Rather than being selective or discretionary, the automatic nature of the incentive - whereby it is awarded upon select criteria being met - carries significant importance in the context of incentives across Europe, and on a regional level. The previous Uplift, at its height, was notably successful in incentivising production regionally. It was short-term and tapered, however, (from 5% to 2% before returning to 0% in 2024), and no strategy has been put in place to address the root cause issues in its absence. Those same issues the Uplift sought to address not only persist, but are actively worsening. **A new and long-term Regional Uplift of at least 8%** (in line with the additional costs that result from shooting in underdeveloped AV Regions) **is a priority.**

2. A dedicated €10 million annual Regional Fund operated through Screen Ireland [Immediate]

We are acutely aware of the significant processes and time requirements associated with the task of establishing a new Long-term Regional Uplift, which would include defining the key criteria, whether that be through state aid maps, cultural test, or otherwise. Nevertheless, urgent action is needed now to avoid the complete loss of any progress made through Regional Uplift and stemming the ongoing loss of the talent and capacity through the drift cycle that has established in the absence of that Regional Uplift. We therefore call for **a dedicated €10 million annual Regional Fund operated through Screen Ireland** to incentivise production in the regions, and develop the capacity of producers and crew therein, **until such time as there is a full Regional Uplift in place.** Positively biased discretionary funding provided through Screen Ireland should support regional production and address the development of creative IP (intellectual properties) by regional producers. This will help to create a reservoir of Creative IP across feature film, television and animation drawn from and held within regional producers providing them with the opportunity to exploit that IP creating long-tail revenue potential to grow their companies. This approach will not only allow for capacity building but also for further exploration of diverse Irish stories, told by regional voices. The funding could take the form of: **Production Funding**, where the producer is regional or where the production is regional and the producer is unable to avail of an agnostic S481 based regional incentive; **Development Funding** for single projects for regional producers and writers; and **Slate Funding** for the development of multiple projects where the producer is regionally based. This could also function as an extension of the existing Nationwide fund but include projects not in receipt of Screen Ireland production funding as well as projects below €1m budget.

OVERVIEW Continued

3. Development Regional Clusters aimed at enhancing regional producers and capacity [Long Term]

In conjunction with the above, the long-term promotion and development of regional Smart Specialisation & Creative Enterprise Clusters should be encouraged, by focusing on areas of existing competence, closely aligns with government policies. As such, semi-mature AV Clusters such as those in and around **Galway**, as well as rapidly evolving hubs in **Donegal, Sligo, Limerick, Cork (and West Cork), and Wexford** strongly suggest that early intervention, through strategic investment, will create sustainable, **regionally based “Centres of Excellence” for the sector**. Direct investment in and provision for the development of sustainable regional capacity, particularly in the form of production companies, crew, and facilities (including regional studios) as 'Anchor Tenants' will help to drive and sustain further production.

Context: What is at Stake? *National Success, Regional Challenges*

The Irish Screen Sector is critical to Ireland. As a crucial driver of employment in the creative industries and as one of the key mechanisms by which our culture, our character, and our art impacts people around the globe, its successes have been rightly celebrated by industry and government leaders. **International recognition over the last decade for the likes of *An Cailín Ciúin*, *Cartoon Saloon’s Wolfwalkers*, *Oscar glory for Element Pictures’ Poor Things*, actor *Cillian Murphy*, short film *An Irish Goodbye*, and more**, has drawn global attention to our national industry and the world-class work we produce. The sector has doubled in size and is estimated to be worth over €692 million, comprising approximately 12,000 jobs by way of direct, indirect and induced employment across the economy. **2021 broke production spend records across film, television drama, documentary and animation with a spend of €500 million in the Irish economy** on jobs, local goods and services. 2022 saw a production spend of €361,487 million recorded, driven by both Irish and international productions – which while down on the previous years’ record still represented an increase of €4 million from Pre-COVID in 2019. 2023 saw around €322m spent collectively by the Irish film, TV drama, animation and documentary industry in the local economy which continued the drop from the highs of 2021, though mitigating factors include disruption due to industry strikes and various geopolitical conflicts.

The reduction of projects filming in Ireland is a concern and one which absolutely must be addressed to ensure our viability as a filmmaking nation. This contraction in production activity is having a disproportionate impact on filmmaking outside of Dublin and Wicklow and **any intervention MUST foreground regional production.**

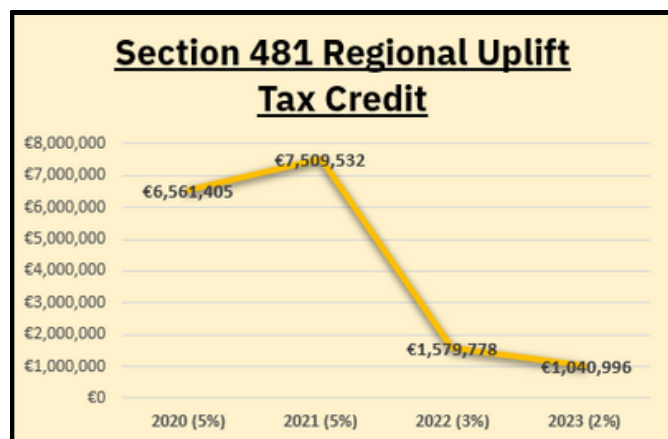
OVERVIEW Continued

Regional Production

It is important to note that the record-breaking figure of €500 million from 2021 was from 112 projects while 2023's figure of €322 million was from 116 projects, with the former being heavily skewed by 2 projects in the +€10 million range. This demonstrates that the number of projects shooting does not necessarily give a complete picture of the associated spend. **This is particularly important with regards to Regional Production which is seeing a contraction of projects and, critically, of spend.** While some of this is in line with the reduction at national level, the regions are significantly impacted by several factors including the additional expense of shooting in the regions due to a lack of local crew, with an average of +8% cost suggested. This had been somewhat mitigated by the Regional Uplift at 5% and also through the WRAP Fund which operates in counties Clare, Galway, Mayo, Sligo, Leitrim, Roscommon, and Donegal. With the absence of the Regional Uplift, and with WRAP operating on a commercial basis with strict recoupment and MEIP requirements, regional production levels have fallen dramatically and are now in crisis.

The **Regional Film Development Uplift through Section 481 2019-2023 (Regional Uplift) had a demonstrably positive impact on the regionalisation of production** within the country after 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 regional uplift was worth €7.5m to the companies availing thereof and combined with the upward trajectory of projects availing of the uplift 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 regional production in the country. **The figures for 2022 were 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, due to a 2% drop from 2021 to 2022.



OVERVIEW Continued

In its final year of 2023, sixteen (16) projects availed of the Uplift, amounting to 13.79% of the 116 which availed of S481 in total. With eligible expenditure of €53.5 million the value of the Uplift to companies availing of it had dropped to just over €1m, a reduction of 86% from its second year of operation when it had begun to achieve its desired objectives. This was also reflected in the eligible expenditure, reduced by 57%, and overall production spend, reduced by 71%, reflecting smaller projects availing of the incentive.

It is important to state that, **in addition to economic concerns, there is a cultural imperative that necessitates investment in regional production companies** as this investment empowers regional voices and explores contemporary rural culture.

*“Homegrown portrayals of small-town Irish life ring much truer than many of the productions that simply use rural Ireland as a vehicle for somewhat clichéd representations of rural Ireland and village life. We need more screen representation conceived by rural voices.” – Paddy Hayes, Magamedia, Producer of **Obituary***

Regional Production in Crisis

The figures outlined above are alarming. This is particularly clear when you consider that **Galway**, often pointed to as a mature hub outside of Dublin/Wicklow, **saw a drop from 71% of Regional Uplift projects in 2022 to 38% in 2023**. The good work done by the Uplift in increasing the geographic spread of the sector has not only been undone, but is being actively reversed in the face of other issues which combine to present something of a sectoral comorbidity in the regions. **Rising accommodation costs continue to impact** production budgets and affordability for crew members particularly as **shooting outside Dublin and Wicklow carries specific costs relating to travel and accommodation**. There is also a **shortage of Companies of Scale in the regions** as most production and spending are concentrated around a handful of companies who are based in the Dublin/Wicklow area. Finally, **Ireland is facing increased competition from other countries and territories who have more attractive incentives** similar to Section 481 such as the recent 40% incentive in the UK.

Screen Ireland, to its credit, has implemented the **Nationwide Additional Production Fund** which can help projects overcome the increased cost of shooting regionally and their work alongside **Ardán** with the **National Talent Academy Film & Television** has shown great potential in **developing diverse, regional talent** over this period. The former is an interim and limited measure and the **NTA consistently sees regional talent invariably have to go to Dublin and Wicklow for shadowing opportunities**. This points to another significant problem alongside cost and one which has a hugely detrimental feedback effect of both causing and being a result of the increased costs. We are successfully developing regional and diverse talent through initiatives like the NTA and through strong third-level commitment to the sector, but this talent is being absorbed into the existing hub of Dublin / Wicklow. These issues have impacted and will continue to affect regional production and represent an existential threat to

efforts to the development of the sector in the regions. **The re-concentration of production activity around Dublin / Wicklow has created a self-sustaining feedback loop** that sees the regions consistently lose talent and skills to the Dublin/Wicklow hub due to a dearth of activity regionally. This leads to high costs of bringing crew to shoot in the regions, feeding the narrative that the regions are too expensive, leading to a dearth of activity and crew drift.

Through our Work with the Western AV Forum we have referred to this as the **Regional Drift Cycle** which we define as follows:

- **Regional Crew do not have enough work to sustain themselves in the regions so must move to areas with consistent production employment.**
- **This results in increased cost of bringing in crew for regional shoots adding to the cost of regional projects**
- **The narrative that the regions cost more to shoot in leads to less productions to sustain crew bases.**



We believe this is the major issue facing the regions and one that, to date, has only been addressed on a symptomatic level with initiatives such as Section 481 Regional Uplift and Screen Ireland’s Nationwide fund seeking to address the symptom of the cost of travel, accommodation, and per-diems associated with crew traveling from Dublin rather than addressing the underlying cause. The Re-concentration of the industry in its established hub (Dublin/Wicklow) is not sustainable for a growing sector and is in direct opposition to Government’s stated mission of ‘balanced regional development’ in the Programme for Government: Our Shared Future (2020, p.60) to revitalise the economy in the regions. 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 holistic, consistent, and sustainable strategy must instead deal with the root cause of this regional drift cycle by anchoring regional production with regionally based producers. This strategy must contain the following: An Automatic Funding support in the form of a return to a full regional uplift; a dedicated regional fund from screen Ireland that would act as an interim measure until the uplift is affected; and a commitment to develop regional talent and capacity by actively building upon clusters.

Recommendations

1. Section 481 Regional Film Development Uplift

Agnostic / Automatic funding supports: Reinstatement of the Regional Uplift at a level of 8% additional for a minimum of 10-Years

A key element of the previous Section 481 Regional Uplift that made it so successful was that it was an automatic (or “Agnostic”) incentive. Unlike selective or discretionary incentives, this automatic nature, awarded upon meeting specific criteria, is crucial in the European and regional context. The benefits of such an automatic process include:

Certainty and Predictability for Producers:

Automatic incentives offer a stable financial framework for film and TV producers, enabling precise cost forecasting and informed financial decisions. In contrast, selective incentives introduce variability and risk, as producers must wait for approval and face potential denial.

Competitive Advantage:

Ireland becomes a more attractive destination for global film production with automatic incentives. In the highly competitive international market, where countries like the UK offer significant incentives (e.g., 40%), a guaranteed incentive is critical. Producers prefer locations with assured financial benefits, drawing more international productions to Ireland. This is particularly important for regional incentives; automatic uplifts are more appealing than discretionary ones, which require subjective approval and waiting periods. Currently, regions outside Dublin/Wicklow face a competitive disadvantage due to higher costs, making the incentive less effective.

Streamlined Administrative Processes & Consistency of Support:

Automatic incentives minimize administrative burdens for both applicants and authorities, avoiding prolonged and complicated applications. This efficiency results in cost savings and quicker production starts, enhancing the location's appeal. Consistent support across all qualifying productions creates a stable production environment conducive to long-term planning and investment. In contrast, selective systems cause disparities and uncertainties.

Independence and Objectivity:

Automatic incentives apply universally to all projects, including those without development or production investment or other involvement from Screen Ireland, thus supporting regional shoots without needing subjective approval processes. This approach ensures an unbiased and equitable incentive system, promoting a wider range of productions across various locations.

Recommendations Continued

1.1. Reinstatement of the Section 481 Regional Uplift at 8% additional for a Minimum of 10 Years:

The WAVF advocates for a consistent Regional Uplift for S481 of 8% for at least 10 years. The uplift was making significant progress in increasing capacity and developing the sector regionally. However, the original uplift based on the EU-approved State Aid map was problematic, with areas like Cork omitted. The 2022 map reconstitution excluded more areas, making it unworkable for regional uplift purposes. The criteria for the reinstated Regional Uplift must be agreed between Industry, the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media and the Department of Finance prior to approval at European level. This is essential for enhanced investment outside Dublin and Wicklow, should be **easily accessible and flexible**, without restrictive limits like the previous 45 km residency requirement for trainees, and implemented for at least 10 years for structural changes and regional development.

1.2. 40% Nationwide Incentive for Independent Production up to €20m in Budget:

The WAVF supports a 40% Nationwide Incentive for Independent Productions up to €20 million to counter the UK's recent comparable announcement. This automatic incentive is crucial for maintaining international competitiveness and sustaining crew and training levels. However, this must form part of a holistic strategy and not an alternative to a reinstated Regional Uplift. Positive discriminative funding towards the regions is essential for effective regional sector development.

1.3. The Gaeltacht Uplift:

The WAVF supports the Section 481 Gaeltacht Uplift policy proposal, which suggests increasing funding by 5-7% for production companies in Gaeltacht areas. The Uplift aims to develop infrastructure, boost production spending, and create jobs in Gaeltacht regions, supporting the Irish language and minority communities. Again, this proposal should form part of a holistic regional strategy, included as a complementary addition to the Regional Uplift rather than being considered as a standalone solution.

A functioning, consistent, and long-term Regional Uplift will help address the lack of regular production in the regions and help maintain a key crew base through consistent work outside Dublin/Wicklow. This in turn will help reduce costs of shooting in the regions and make them more attractive to incoming productions.

Recommendations Continued

2. A Dedicated €10 million Regional Fund

Until such time as a Regional Uplift can be affected, and conscious of the time and difficulty involved in doing so, an interim, dedicated regional fund is required to bridge the gap and ensure that the benefits of the initial Uplift are not lost, and indeed to arrest a regression to below pre-Uplift levels. A dedicated fund will help incentivise shooting in the regions in the short-medium term in much the same way as the Uplift will, and is crucial in bridging the ever-widening gap until such time as this is in effect. There is already the Screen Ireland Nationwide Additional Production Fund in existence, and while it is of enormous benefit it is once again merely addressing the symptoms of a wider problem. It is also restricted in the sense that it requires projects to be in receipt of Screen Ireland production funding to access so is not available to the full spectrum of projects shooting in the regions under S481. It is also finite until the €3.5 million budget is exhausted.

RATIONALE

Ireland has no dedicated Regional Film Fund, unlike most other European and Global filmmaking nations. In fact, the only regional fund in the classical sense operating on the island of Ireland is Northern Ireland Screen which, under the aegis of the UK and its new 40% incentive, is much more attractive than the rest of the island to producers from abroad.

Similarly, the **WRAP fund**, which operates in the counties of Clare, Donegal, Galway, Leitrim, Mayo, Roscommon, and Sligo, is limited in its applicable scope. While it has demonstrated the need for and viability of a Regional Fund in its support of 18 projects to date (resulting in a regional spend in excess of €40 million) it is increasingly difficult to access. Unlike 99% of other European Regional funds WRAP, due to the source of its funding - the WDC (Western Development Commission) via the WIF (Western Investment Fund) - it operates as a commercial fund with significant recoupment requirements and MEIP conditions far in excess of other regional funds which operate on a cultural and regional development basis. WRAP is a member of CineRegio, a network of 54 regional film funds across Europe, and is only one of 2 that operates on commercial terms as opposed to the traditional and more attractive state-supported model.

By way of Comparison, **Denmark**, a country similar in size and population to Ireland, has several regional funds including **FilmFyn** which supports film production in the Funen region, while the **West Danish Film Fund** focuses on West Jutland. Both funds have received increased support under the Danish Film Agreement for 2019-2023, with each fund getting approximately DKK 23.7 million annually (approx. €3.2 million). In addition to these, Denmark has several other regional film funds and initiatives designed to support film production outside of Copenhagen. These include Copenhagen Film Fund; Øst for Paradis (a smaller initiative focused on supporting film projects in the Aarhus area) and the Bornholm Film Fund (a new initiative aimed at boosting film production on the island of Bornholm.)

These regional funds and initiatives contribute to the diversity and geographic spread of film production in Denmark, helping to decentralize the industry and promote local economies. **Denmark's regional funding has similar aims to those stated by Minister Donohue in the initial Uplift announcement**, that is: to balance the industry's development across Denmark, contributing to economic growth and talent cultivation in these areas.

Regional Funding for Ireland

Regionally focussed, positively biased discretionary funding, through Screen Ireland, should address the development of creative IP by regional producers as well as support production. A key goal of this funding should be to create a reservoir of Creative IP drawn from and held within regional producers. This approach is vital as it not only facilitates capacity building, allowing regional companies to scale with opportunity to exploit IP creating long-tail revenue potential, but it also allows further exploration of diverse Irish stories, told by regional voices.

In the absence of a dedicated Regional Uplift, a dedicated Regional Fund in Ireland is vital to ensure the regions remain competitive and for the diversity and geographic spread of film production in Ireland.

3. Development of Regional Clusters aimed at enhancing regional producers and capacity

Regional Clusters represent a major opportunity for creating a culture of audiovisual entrepreneurship outside of Dublin/Wicklow. Given the pressing need to sustain and enhance Ireland's regional audiovisual industry, it is imperative to strategically develop Regional Clusters by leveraging existing competencies. This initiative aligns with the Programme for Government's commitment to balanced regional development and the Regional Action for Jobs Strategies, as well as the National Smart Specialisation Strategy for Innovation 2022-2027.

The concept of Smart Specialisation, as promoted by the European Commission, emphasises regional innovation by capitalizing on unique strengths. Thus, any **Regional Audiovisual Industry Development Strategy** must focus on identifying and cultivating these unique regional capabilities. Establishing creative hubs in specific regions can foster regional specialization in the filmmaking sector, thereby supporting the Programme for Government's mission of balanced regional development by nurturing and promoting the regional filmmaking sector as a key area of expertise and innovation. There are numerous successful examples of this worldwide, and while many of them have been organic, more recently several countries have engineered **AV Clusters** through public policy with the growth of Cardiff, being a prime example.

Cardiff, after Greater London and Manchester, **has the third largest film and TV cluster in the UK**. The Region is home to noteworthy UK broadcasters such as BBC, major studios such as Wolf Studios, and established independent production companies such as Vox Pictures, Avanti and post-production house Gorilla. The sector was firmly established in the 1980s to produce content for regional broadcasters BBC Cymru Wales and S4C. The quality of content and talent in the region led to substantial growth with UK-wide and international productions such as Sky's *Discovery of Witches*, Lucasfilm's *Willow* series, the Netflix global hit series *Sex Education*, and BBC's *Doctor Who* now produced within the region.

An analysis looking at the region's economic growth through audio visual activities found over **1,300 active businesses in the Cardiff City Region media sector, generating an estimated total annual turnover of £545m**, supporting 4,950 full-time employees alongside an estimated 2,800 freelancers. One in eight new TV, film production and post-production jobs in the UK is created in the Cardiff City Region. It is anticipated the Cardiff City Region will continue to see considerable growth with the recent establishment of its new BBC Wales headquarters in Cardiff, commitment by Channel 4 and BBC network to expand commissioning within the region, and the Sony Pictures Television acquisition deal with *Bad Wolf*.

Clusters such as Cardiff are shaped by several key factors including a mix of agglomeration economies, geographical advantages, TV production precedents, strategic public policies, and the influence of major media players. These factors interact uniquely in each location, creating robust, self-sustaining clusters that are challenging to replicate elsewhere.

Agglomeration Economies:

These clusters thrive in areas where proximity to industry peers facilitates access to talent and resources, reducing unemployment risks. Rural development history and path-dependency make these clusters resistant to change. Ireland has robust support economies

Environmental Factors:

Environmental advantages, like Hollywood's sunny weather and Vancouver's diverse landscapes, support year-round filming. While growing clusters with uniform climates like the UK or Korea, locations such as Glasgow benefit from diverse local filming options. This would also be the case across much of Ireland with its mix of cities such as Cork and Limerick, and the rural attractiveness of the Wild Atlantic Way and the Midlands.

TV Production Synergies:

High TV production concentrations often precede film industry growth due to resource efficiency and evolving content demands. Examples include Glasgow, Cologne, and Chongqing. TG4's work in Galway would be a prime example of something similar here.

Public Policy Impact:

Strategic public policies can bolster cluster formation, although they cannot substitute fundamental factors like agglomeration economies. Successful examples include Korea, China, and Germany.

In addition, over the last 20 – 30 years, policy-makers in several countries internationally developed an interest in developing film (creative) clusters in areas without strong media or film histories. This has been the case in Halle an der Saale (Germany), in the state of Connecticut (USA).

Recommendations Continued

Regional Clusters in Ireland: An Opportunity for Global Success

Prominent Audiovisual hubs with potential for clustering in Ireland include Cork, Galway, Kilkenny, Donegal, Limerick, Westmeath, Sligo, Wexford, and Kerry. Prioritizing these regions and strategically investing in production companies, crew and talent development, third-level institutions, and infrastructure will promote innovation, scalability, and talent growth across the Irish audiovisual industry's value chain.

Building regional clusters will help develop sustainability across the value chain, addressing interdependencies between primary and secondary players. As highlighted in the **“Towards a Sustainable and Diverse Audiovisual Sector in the Regions: Section 481 and the Regional Uplift”** report, this integrated approach is crucial.

In addition to developing creative capabilities, it is essential to enhance the business acumen of regional producers, enabling them to establish themselves internationally. Stronger engagement with enterprise development and skills agencies such as Enterprise Ireland and Local Enterprise Offices can facilitate this, utilizing existing structures and funding tailored to the Screen Industries.

Programmes aimed at regional company leaders should focus on developing company vision, leadership skills, strategic financial planning, creative IP exploitation, and co-production strategies. Funding should address the commercial needs of regional production companies, supporting roles in business and legal affairs, IP exploitation, development and production, and finance.

An example of such a programme would be a Network of “Producers on the Periphery”, which would see Irish regional Producers partner with complementary producers from other regions to develop co-production strategies. Suggested regions would be Newfoundland & Labrador in Canada, Iceland, North Norway, and the Northwest of Ireland which would allow for a range of flexible co-productions leveraging EU and non-EU sources supporting an internationalisation of regional voices and contemporary rural culture.

By actively leveraging existing competencies to develop Clusters, anchoring regional production with Regionally Based Producers, and implementing a comprehensive strategy that includes Automatic Funding support and dedicated Regional Funds, we can effectively break the regional drift cycle. This will ensure the sustainability and growth of the regional audiovisual sector, supporting Ireland’s goal of balanced regional development.

Conclusion

The crisis facing Ireland's regional film and television production sector demands immediate and decisive action. The Western AV Forum underscores the necessity of implementing a comprehensive Regional Audiovisual Industry Development Strategy to meet the government's aim of expanding audiovisual activities beyond the Dublin and Wicklow areas. To achieve this, the Western AV Forum proposes three critical initiatives:

- **Reinstating the Section 481 Regional Film Development Uplift**
- **Establishing a dedicated €10 million Regional Fund through Screen Ireland**
- **Developing Regional Clusters to bolster regional producers and capacity.**

1. Reinstating the Section 481 Regional Film Development Uplift

Reinstating a robust Section 481 Regional Film Development Uplift is essential. The prior uplift effectively stimulated regional production by offering automatic, non-discretionary incentives. The Forum recommends introducing a new, sustained uplift of at least 8% for a minimum of 10 years, designed to provide long-term stability and confidence to producers.

2. Establishing a dedicated €10 million Regional Fund through Screen Ireland

In the interim, a €10 million Regional Fund is critical to sustaining regional production capabilities. Managed by Screen Ireland, this fund would prioritize discretionary funding to foster creative IP development, regional production, and capacity building. By supporting regional producers and writers, this initiative aims to generate a pipeline of creative content that reflects diverse Irish narratives and enhances regional production capabilities.

3. Developing Regional Clusters to bolster regional producers and capacity

Developing Regional Clusters is another pivotal strategy. Leveraging existing regional strengths and competencies, such clusters can become hubs of innovation and excellence. Strategic investment in regions like Galway, Donegal, Sligo, Limerick, Cork, and Wexford will establish these areas as centres of audiovisual production, anchoring local talent, and promoting sustainable growth.

The urgency of these measures cannot be overstated. The Irish Screen Sector is not only economically significant but also vital to the nation's cultural identity. Recent successes have highlighted the sector's potential, but without strategic intervention, regional production faces a severe decline. Rising accommodation costs and the centralization of production in Dublin/Wicklow threaten to erode regional talent and infrastructure. By implementing a holistic, long-term strategy, Ireland can ensure balanced regional development, nurturing its audiovisual sector and preserving its cultural heritage.

These proposed initiatives are crucial for the sustainable growth and diversification of Ireland's regional audiovisual industry. The government's support in reinstating the Section 481 Regional Uplift, establishing a dedicated Regional Fund, and developing Regional Clusters will not only enhance regional production capacity but also secure Ireland's position as a competitive and culturally rich hub for film and television production.



BUDGET 2025 SUBMISSION

on behalf of the
WESTERN AV FORUM
JUNE 2024

NÍ NEART GO CUR LE CHÉILE!



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