



**Screen
Producers**
Ireland

PRE-BUDGET SUBMISSION 2025



Lily & Lolly: The Forgotten Yeats Sisters | Red Shoe Productions



Tarrac | Macalla Teoranta

About Screen Producers Ireland

Screen Producers Ireland (SPI) is the national representative organisation of independent film, television, animation and digital production companies. With more than 190 company members, SPI is recognised as the voice of independent audio-visual (AV) production in Ireland.

SPI members are creative entrepreneurs who produce globally celebrated film, animation and TV, creating high-value all-island and regionally spread employment, fostering Ireland's media education eco-system along with promoting Ireland's artistic culture and heritage. SPI comprises a range of production companies, from emerging producers to producers of large-scale high-end film and TV drama, working with Irish creative talent in both the Irish and English language.





Introduction

The creative industries are a critical engine of European economic growth and a key employment sector for Ireland accounting for 8.9% of national employment. The Irish screen content production sector is central to the creative industries in Ireland. It is also central to Ireland's cultural life and its narrative, both for audiences in Ireland and internationally. It is the engine for the growth of the creative industries in Ireland, which currently contribute an estimated 3.73% to Ireland's Gross Value Added, below the EU average of 5.54% of GVA. The opportunity to catch up, through the growth of the screen content production sector should not be missed. [Figures from the Digital Creative Industries Roadmap 2024-26 published by the Minister for Culture and Media in January 2024].

Screen Producer Ireland's Budget 2025 recommendations seek to enable the screen content production sector to expand and grow in terms of creative and cultural output. Independent production companies are a vital part of this ecosystem. They engage with creative talent, develop projects for production and produce them for audiovisual media service providers. They develop intellectual property in scripted and unscripted content, creating long term value for the Irish economy and cultural landscape.

Introduction

As evidenced last year, Irish screen content produced by Irish producers and Irish stories matter and are being heard. There is an appetite for indigenous Irish content that serves audiences in Ireland and throughout the world. These stories are created alongside the incoming productions that support cast and crew working on TV Drama, Feature Films and animation. Screen Producers Ireland has a vision for the sector that sees:

- Increased indigenous productions being developed and produced by Irish based producers,
- Increased investment in skills and talent through incoming productions, and
- More indigenously created stories/content and indigenously owned IP produced.

Over the last four years the Government has shown consistent support for the sector. To continue to achieve success and to grow in line with EU norms, we need consistent ongoing support.

Our Budget 2025 recommendations are:

Recommendation 1: Legislate for direct exchequer funding to RTÉ without delay to secure the long-term funding of the organisation.

Recommendation 2: Increase TG4 funding by €10.6M. Our support for this increase is contingent on seeing the percentage increase reflected in percentage funding levels to independent producers.

Recommendation 3: Regional Development

- Development of a regional filming strategy, that covers both infrastructure and funding, over a 10-year period to enable the screen industry to be embedded regionally.
- Increase the Screen Ireland Nationwide Additional Production fund to €10M.
- Recommend that Government Departments, working together, develop a reimagined way to implement the Section 481 regional uplift scheme outside the Dublin/Wicklow area using a new regional aid map.

Recommendation 4: Fiscal Incentives for Production

- Legislate for the planned unscripted fiscal incentive in Finance Bill 2024 with the intent of the incentive to begin as soon as possible, allowing for state aid rules, in 2025.
- For the Government to respond to the risks associated with UK Independent Film Tax Credit (IFTTC) incentive of 40% for independent Feature Films and to match it with Section 481 funding of 40% for feature films, TV Dramas, Documentary and animation with global budgets of up to €20M.

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- Support the Section 481 Gaeltacht Uplift proposal but we feel it requires further EU state aid rules consideration on its implementation by Departments of Finance and Culture.

Recommendation 5: Expedite the process for the introduction of the AVMSD content production levy so that it can start as soon as possible. AVMS Directive (2019) levies and investment obligations have now been or are being introduced in many EU countries and the Irish indigenous production sector is losing out on this opportunity, which will be at no cost to the Irish taxpayer.

Recommendation 6: Increase Screen Ireland (SI) capital fund by €5M specifically for increased investment in indigenous Irish productions across production and development. This increase in capital funding should also be met with increased current funding for staff and overheads to reflect the increased demands on the agency.

Recommendation 7: Fund specific rounds of the Coimisiún na Meán Sound and Vision Fund on climate change and emerging voices content.



Recommendations in detail

Recommendation 1: Legislate for direct exchequer funding to RTÉ without delay to secure the long-term funding of the organisation.

In May 2024 SPI published 'Independent Producers and a changing RTÉ', a report outlining our vision for the future of RTÉ. SPI believes that a hybrid-production model, under which RTÉ would outsource to the independent production sector by 2030 all its audiovisual screen content with the exception of news and current affairs, is a win for all stakeholders.

There are four main reasons why we feel this recommendation is positive for all stakeholders:

1. Viewers would enjoy unique Irish programming that they want to watch.
2. Commissioning independent production companies would ensure creativity and original programming produced at a competitive cost.
3. This model would enable RTÉ to continue to discharge its public service broadcaster responsibilities and to provide diverse, entertaining and informative content for the broadest possible Irish and international audiences.
4. A model involving the outsourcing of content production to independent producers would have the indirect benefit of allowing RTÉ management to:

- Reorganise RTÉ News and Current Affairs to enable the latter to prevail and prosper in a competitive future.
- Undertake the root and branch review of all divisions within the organisation, examining all opportunities to generate income, with the ambition to become a smaller, leaner, more efficient national broadcaster enjoying complete public confidence.
- Revised terms of trade between the broadcaster and the independent production sector are also critical to the success of the hybrid publisher / broadcaster model.

SPI also strongly supports the recommendation made by the Future of Media Commission that direct Exchequer funding be provided for RTÉ. RTÉ requires multi-annual, direct exchequer funding to ensure it can build a stable and sustainable future. What we're proposing is similar to what works so well for other public service media broadcasters, such as TG4. This report makes it clear that the sector is ready to take on that exciting challenge and produce programming that Irish audiences want to watch on TV and on the RTÉ player.

RTÉ cannot move forward with its plans for increased commissioning in the independent production sector until it has a clear plan from Government on its funding over the medium to long term. This needs to be announced without delay and legislated for without delay.

Recommendation 2: Increase TG4 funding by €10.6M. Our support for this increase is contingent on seeing the percentage increase reflected in percentage funding levels to independent producers.

In recent years, TG4's budget has increased substantially due to continued Government support and investment. The outcomes of this investment can be seen on screens worldwide, most recently evidenced by 'Kneecap' which won the Audience Award at the prestigious Sundance Film Festival in 2024 and 'An Cailín Ciúin' Oscar success in 2023.

However, TG4's investment in the Irish Language Independent production sector must continue to rise as government investment grows. SPI advocates for a minimum of 78% investment of the TG4 budget in the Irish Language independent production sector for 2025, which is in line with the TG4 statement of strategy 2024-2027.

A thriving Irish language independent production sector is not just a luxury but a necessity.

It plays a pivotal role in providing culturally significant content to both domestic and international audiences. The Irish language public service media, operating under the publisher-broadcaster model through TG4, owes much of its success to the collaborative relationships it has with independent producers. These producers are instrumental in delivering the highest quality, most cost-effective, and a diverse range of audiovisual screen content.

TG4's public funding remains its key source of income, and it is vital that current funding is set at levels that can enable TG4 to develop the service, grow its audience across all platforms, and respond to the challenges it faces in the digital environment. The latest figures show that, in 2022, TG4 spent €31.1m on creative services in Ireland (ROI + NI), of which €26.3m was spent with regional creative companies. This is broken down to €24.5m on companies in the Republic of Ireland and €1.8m in Northern Ireland. This highlights the importance of TG4's role in funding regional production companies and the need for its budget to be set at a level that can sustain them. Screen Producers Ireland is a strong supporter of our Irish Language producers and the continuing expansion of the audience for Irish language content. The critical and commercial success of 'An Cailín Ciúin' and the recent success of 'Kneecap' are strong indicators of the potential for Irish language in Ireland and internationally.

These films show that the Irish language can resonate with audiences regardless of language barriers. As TG4's funding increases to new levels, an equivalent investment must be made in the Irish Language Production sector. TG4 is the main source of spend in the independent Irish Language production sector, it is the only consistent source of Irish Language programming for Irish Language audiences, in effect, its status as a key investor in original Irish content for specific audiences cannot be overstated.

Recommendation 3: Regional Development

There is cross-party political support for increased regional film making.

Balanced regional development for the audiovisual sector is a significant issue facing independent producers in Ireland. Productions outside of the Dublin or Wicklow region are at a competitive disadvantage because of the lack of development of permanent crew and infrastructure in the regions and the consequent cost of between 8% and 12% more to produce in the regions as a result.

SPI has three key recommendations in order to improve the imbalance:

I. Development of a regional filming strategy, that covers both infrastructure and funding, over a 10-year period to enable the screen industry to be embedded regionally.

There needs to be a consistent, coherent national strategy agreed upon by the audiovisual sector stakeholders and government departments on how we can all best increase and embed regional filmmaking in creative clusters across the country. The strategy should span 10 years and it needs to cover the entire production cycle. The plan should focus on:

- Increasing crew capacity

- building up filming infrastructure
- Ensuring the funding required to achieve these ambitions is in place.

The plan should be a multi-faceted and stage programme, which provides space for the industry growth during the 10-year period. It is vital that this strategy is underpinned with a clear and consistent financial plan.

II. Increase the Screen Ireland Nationwide Additional Production fund to €10M.

Following the winding down of the Section 481 Regional Uplift Scheme in 2023, Screen Ireland started a regional investment fund as a temporary measure for 2023 and has continued for 2024. The fund has a value of €3.5M and provides loans of up to €300k for Irish companies and up to €800k for international projects that operate in regions outside of the areas of Dublin and Wicklow.

The rationale behind this fund was to support projects produced outside of Dublin/Wicklow.

As a result, production costs in the regions can be 8% to 12% more expensive because of various additional costs such as cast and crew accommodation, per diems, travel time, mileage, and other ⁹ significant logistical costs, due to movement of equipment from

Recommendation 3: Regional Development

Due to the difficulties associated with reinstating a new Section 481 regional uplift scheme for the whole of Ireland outside Dublin/Wicklow, SPI is calling for Screen Ireland to receive an additional €6.5M in funding to increase the size of this fund to €10M.

This will support projects that will be filmed regionally, it will promote the growth of the sector regionally and it will safeguard the previous investment into regional infrastructure and crew development which is in danger of being lost to metrocentricity without continued investment.

This fund is key until a Section 481 style regional uplift solution is found.

III Recommend that Government Departments, working together, develop a reimagined way to implement the Section 481 regional uplift scheme outside the Dublin/Wicklow area using a new regional aid map.

The issue of uneven regional development was most recently addressed by the Section 481 regional uplift scheme. This scheme was introduced in 2019, as part of the Finance Act 2018.

The purpose of the scheme was to support the development of new, local pools of creative talent and technical skills in areas outside the main production hubs and to support the regional growth of the

The 2022 Section 481 Cost-Benefit Analysis showed that the uplift stimulated sector growth. It noted the low take-up in 2019 due to needing European Commission State aid approval before July 17, 2019. Despite COVID-19, 2020 saw 19 projects, with 8 in the West, 5 in the Midwest, and 4 in the Southeast. By 2021, there were 24 projects: 12 in the West, 5 in the Midwest, and 3 each in the Southeast and Kerry.

The analysis also found increased sector capacity through talent and crew development. In 2020, there were 245 skills development participants, and in 2021, there were 224, enhancing skills in areas like photography and production for about 500 individuals over two years when the credit was 5%.

SPI has conducted extensive research and stakeholder engagement to understand if there is an avenue in which the Section 481 Regional Uplift scheme could be re-established. Unfortunately, due to the reconstitution of the EU-approved State Aid map for Ireland in 2022, where large parts of Ireland outside Dublin/Wicklow were excluded, there is no clear pathway.

A united voice is required from both political and industry stakeholders to advocate for the re-implementation of a scheme similar to the Section 481 regional uplift scheme both at Government and EU level.

Recommendation 4: Fiscal Incentives for Production

I Legislate for the planned unscripted fiscal incentive in Finance Bill 2024 with the intent of the incentive to begin as soon as possible, allowing for state aid rules, in 2025.

In the Minister for Finance’s Budget 2024 speech, he said ‘My officials will shortly begin engagement with the European Commission with a view to developing an incentive for the unscripted production sector, in line with State aid rules’.

Since this, SPI is very thankful for the consistent engagement of the Departments of Finance, Media and Culture, and Screen Ireland in the policy development of the proposed fiscal incentive. We acknowledge the Minister’s intention to include the legislation governing the unscripted fiscal incentive in the Finance Bill 2024.

A combination of non-English language markets and normal market forces creates space for industry development in other EU states. In Ireland, we compete with EU states and other English-speaking jurisdictions when developing content. This has led to a market failure and an underdeveloped non-scripted industry, which affects Irish culture through the lack of Irish stories on Irish screens.

Despite this, Ireland has many independent production companies and personnel who are ready to seize the opportunity and grow the sector to a new level.

The potential of the unscripted fiscal incentive is not just a concept, it's a tangible reality. This proposed incentive is not just important, it's vital for Irish producers to seize the moment in a rapidly developing market. The global demand for unscripted programming is skyrocketing, leading to a surge in sector investments. It's crucial for Ireland to be perceived as a viable investment destination for this sector. This incentive will develop the industry in terms of cultural output and IP retention into the future.

However, to fully maximise the fiscal incentive's potential for domestic and incoming productions, other policy steps must be taken to create the right framework for this success.

Unscripted Production – Growth Enablers

Through detailed consultation with unscripted producers and other industry stakeholders, SPI has identified three other key areas that will be vital in activating the full potential of the unscripted sector. These areas will allow the unscripted production sector to increase investment in domestic and international productions in Ireland and develop the overall sector.

They should be completed alongside the implementation of the new proposed fiscal incentive and will provide the necessary underlying structures for the industry to expand after the incentive is implemented. 11

Recommendation 4: Fiscal Incentives for Production

Allocate to a specific state body, such as Screen Ireland, the responsibility for the promotion, policy development and support of the unscripted sector.

Allocate responsibility and the required funding for the unscripted sector to a specific state body 'home', such as Screen Ireland, for its promotion, policy development, and support. SPI believes that the growth of the unscripted sector is its positioning within a state body that would have a responsibility to develop and grow the sector.

The creation of a pilot development fund, through an appropriate state body, to support unscripted companies develop new formats.

A development fund should be created to support unscripted companies develop new formats through an appropriate state body, like Screen Ireland.

Development funding for independent production companies is comparable to R&D investment in other industries.

Without the ability to take risks and try new concepts and ideas, companies cannot scale up, cannot create new and exciting content for audiences and are caught investing in keeping their businesses operating as opposed to growing.

The development of a specific skills programme through Screen Ireland, that would respond to the requirements of the unscripted sector.

The provision of specific skill development strands through Screen Ireland that understand the requirements of the unscripted sector and are actioned through consultation with the sector.

The unscripted production sector has some of the same skill development requirements as the scripted however there are some skill gaps there are currently being identified that need further investigation. Some identified by our producers include Training in production management, training in technical skills, live multi-camera training for directors, and editing training investment fund to provide shadow roles.

II For the Government immediately to respond to the potential risks associated with the UK Independent Film Tax Credit (IFTTC) incentive of 40% for independent Feature Films and to match it with Section 481 funding of 40% for feature films, TV Dramas, Documentary and animation with global budgets of up to €20M.

In March 2024, the UK Government announced a new tax incentive for the independent production sector in the UK, which provides a Film Tax Credit of 40% for films with budgets up to £15M which meet specific criteria, such as the need to meet at least one of the following conditions:

Recommendation 4: Fiscal Incentives for Production

have a UK writer; a UK director; or; be certified as an official UK co-production. Qualifying productions will also have to show intent for theatrical release. SPI is advocating for the Government to consider the impact this incentive will have on the Irish Audiovisual sector, which currently supports 12,000 jobs and accounts for more than €700M in annual production activity.

SPI believes the most efficient way to address this is through a targeted increase in the section 481 film and tax credit. This increase should be aligned with the UK level of 40% and should be available to feature films, TV Dramas, Documentary and animation with global budgets of up to €20M.

SPI recognises that this recommendation is a significant request. However, we believe that an examination of the costs of this investment versus the potential losses of not addressing this issue will support our recommendation.

Based on figures provided to SPI by tax professionals working in the industry, SPI estimates that the total cost of implementing this improved incentive would be €20M tax forgone per annum.

This increased investment will also have the added effect of increasing the level of capital available to indigenous Irish projects which very rarely operate with budgets in excess of €20M.

III Support the Section 481 Gaeltacht Uplift proposal but we feel it requires further EU state aid rules consideration on its implementation by Departments of Finance and Culture.

The Section 481 Gaeltacht Uplift is a policy proposal from TG4 and Údarás na Gaeltachta and is supported in principle by SPI.

The scheme proposes a 5-7% increase to the 32% available in Section 481 funding to all production companies that are located within a Gaeltacht area. This refers to all areas recognised in Irish legislation and public policy goals as Gaeltacht areas.

Clarity is needed as to whether the uplift could apply to productions outside the Gaeltacht areas even if the production company itself is in the Gaeltacht area.

SPI recognise the potential of an uplift to increase the development of new infrastructure such as production and post-production facilities and increase the level of production spend and of crew working on productions in Gaeltacht areas.

This scheme focuses on the unique linguistic case, in addition to an economic and cultural argument, for supporting a Section 481 Uplift specifically for the Gaeltacht.

Recommendation 5: Expedite the process for the introduction of the AVMSD content production levy so that it can start as soon as possible. AVMS Directive (2019) levies and investment obligations have now been or are being introduced in many EU countries and the Irish indigenous production sector is losing out on this opportunity, which will be at no cost to the Irish taxpayer.

The AVMSD Content Levy, legislated for in the Online Media Safety and Regulation Act (2022), the introduction needs to be more rapid. Already, levies, (as well as investment obligations of up to 20% of turnover of AVMS providers) have been or are being introduced in other EU Member States and Ireland is falling significantly behind in terms of fully implementing the Directive. A levy will be at no additional cost to the Irish taxpayer and will instead result in those companies which are taking subscriptions from and targeting advertising at Irish audiences being required to put a small amount of that revenue back into content specifically for Irish audiences.

The Coimisiún na Meán has completed its viability report on the levy. It is vital that we take steps to make this levy operational as soon as possible. We currently estimate that it will not be operational until 2027, every year the levy is not introduced, the Irish sector losses out on investments of €25M or more. SPI advocates for an expedited process to introduce the levy production fund immediately.

Recommendation 6: Increase Screen Ireland (SI) capital fund by €5M specifically for increased investment in indigenous Irish productions across production and development. This increase in capital funding should also be met with increased current funding for staff and overheads to reflect the increased demands on the agency.

Screen Ireland funding is crucial to the indigenous sector supporting Irish creative talent telling Irish stories on screens.

It is vital that increased funding to SI is matched across its capital and current budgets so that the agency can grow its staff relative to the size of its capital budget. Without an increase in current expenditure, it may be unable to effectively manage the increased budget load. SPI advocates for an increased current budget of €750,000.

This will better enable Screen Ireland to continue its support in the creation of indigenous independent content and support the development of the Irish AV sector to meet the AV Action Plan targets.

Recommendation 7: Fund specific rounds of the Coimisiún na Meán Sound and Vision Fund on climate change and emerging voices content.

Using Section 156 of the Broadcast Act 2009, the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media should continue to invest additional money, as she has successfully done previously into the Sound and Vision Scheme to support original Irish content that would not otherwise be able to attract commercial investment.

SPI acknowledges that the Sound & Vision Round 51 delivered in 2024 which specifically focused on programming about gender equality, diversity, and inclusion of new Irish communities and voices.

The Coimisiún na Meán Sound and Vision Fund is an essential element of the funding mix for producers who are making content that is, as set out by the Scheme of the Fund:

- (i) Difficult to make,
- (ii) Low Budget and
- (iii) Counteract the limited geographic extension of certain languages and cultures.

In June 2024, Minister Martin set out her vision for the cultural sector to become a leader on climate action in Ireland. This included the development of programmes that engage audiences in climate action as well as guidance on how to embed energy and waste reduction considerations into all aspects of cultural programming and operations.