

# How to Promote the Basque Audiovisual Industry: Summary of the White Paper on the Sector in the Basque Country

- *The Basque Country generates one percent of the income from the audiovisual industry in Spain. In an attempt to promote and develop the Basque audiovisual industry, the Basque Government prepared the White Paper on the Audiovisual Sector in the Basque Country in 2003. The paper presented a series of proposals, initiatives and strategies to follow in order to shore up and promote a very fragmented sector that depends heavily on EITB, the Basque public television and radio network. One of the priorities of the White Paper was to define a comprehensive policy in which all the public and private parties involved in the sector could work together.*

## Introduction

The White Paper was presented to the Basque Government on 10 June 2003. The process of preparing the document had begun in September 2002 and ended in late May 2003. The Culture and Industry Department, the heads of the Basque public broadcasting network Euskal Irratia Telebista (EiTB) and a team of consultants from BearingPoint (formerly Andersen Consulting) participated in the preparation of the document.

The White Paper was presented as a **general plan**, i.e., a first step towards developing the Basque audiovisual industry, in which inter-institutional projects and commitments were sought and a series of business, financial and industrial measures, as well as a change in the orientation of the sector, were involved. EiTB was at the forefront of this process, acting as the driving force for the audiovisual industry.

The White Paper was structured in six chapters: the first defined the peculiarities of the audiovisual industry as an economic and culture driving force; the second included an overview of the industry at the international, European and Spanish levels; the third, fourth, fifth and sixth chapters presented a diagnosis of the situation of the audiovisual industry in the Basque Country and proposed a development strategy with various lines of action and a comprehensive system of measures to support the sector. The goal of these measures was to promote "an audiovisual industry with international visibility that would allow the development of the industrial fabric and contribute in a profitable and long-lasting manner to the economic and social development of the country".

One of the main challenges facing the White Paper was to involve in the process all the parties involved in the sector. This included the Government, companies, associations and independent professionals. However, the study, which focused on Basque companies, did not mention other companies in Spain that also participate in the economic fabric of the region.

With regard to the general concerns that have arisen from the Basque audiovisual crisis, the proposals were aimed at reorganising the sector, improving the business model, shoring up resources, promoting the market and fostering the audiovisual culture.

## The Situation of the Basque Audiovisual Industry

The audiovisual industry in general is undergoing an evolution conditioned by various issues, such as the vertical disintegration of the production process (which has favoured the appearance of many specialist companies) and the disappearance of public monopolies. At the same time,

content digitalisation has favoured horizontal integration between formats (from mono-format to multi-format) and the impact of digital technologies and the Internet has reduced entry barriers with regard to developing new, cheaper technologies. In relation to the latter point, we should also bear in mind the effects of the geographic coexistence between local and global communication.

The first chapter also referred to future trends in the sector, which pointed to an increase in the supply of audiovisual products; a change in business models (with more options of choice, cheaper distribution, new pay-per-view platforms, etc.); the promotion of innovation and the creation of differentiated market-friendly products; improvements in the rate of technological convergence; increased competition and cost pressures and changing relationships with audiences.

Focusing on the case of the Basque Country, the White Paper defined Basque culture as a minority culture, with a small market that required active policies and great economic and industrial efforts. In this framework, the broadcast industry is closely linked to the culture sphere and this peculiarity implies that any development strategy not only has to take economic factors into account but must also guarantee the quality of less commercial creative works.

As one of the essential requirements for the optimal development of the audiovisual industry, the document emphasised the normalisation of the Basque language and recognised the essential role of the media in this area. The Basque language is currently not present to any significant extent in the media: only 3% of the newspapers sold are in Basque and the language is only broadcast by 10% of public radio stations and 3% of private commercial ones. With regard to television, the presence of the Basque tongue does not exceed 6%. One of the goals of the White Paper was to achieve the progressive use of the language within the media with a view to obtaining a situation of true bilingualism.

Another shortfall in the sector which has to be resolved is the need for an own communication system with strong local and provincial media in which processes of excessive concentration are limited, digital radio and television is developed efficiently and a good synergy is established between EITB and production companies, programme packagers, innovative enterprises and Euskaltel.

## **An Overview of the Basque Audiovisual Industry**

In order to make a more accurate analysis of the state of the audiovisual industry, the White Paper devoted the second chapter to analysing the situation at the international, European and Spanish levels and went on to focus on an overview of the Basque sector in the third chapter.

### **The Basque Audiovisual Industry in Figures**

According to figures in the study, Biscay, Àlaba and Guipúscoa generate one percent of the total income of the audiovisual industry in Spain, compared to 74% in Madrid and 16% in Barcelona. This negative balance is partly due to the dispersion of the sector, composed of around 400 companies and 3,000 professionals, i.e., 0.36% of the total number of people employed in the Basque Country. Of these companies, only four have more than 50 people on staff (EiTB is the biggest company with 600 employees), while close to 250 companies have only one or two workers or even operate without paid staff. We can thus say that the system is limited and conditioned to EiTB and that there is a shortfall of local companies and not enough self-employed workers to rebalance the weight of the private and public radio and television system with capital in Madrid.

With regard to the activities the companies develop, more than half work in the field of film and video (254) and radio and television (78), while the rest are news agencies or are dedicated to reproducing recording supports (62).

### **Radio**

The Basque Country has the highest percentage of radio listeners amongst the autonomous communities of Spain, with 60% tuning in, some six percent more than the Spanish average. However, the radio audience in the Basque language does not exceed 150,000 people (200,000 if we include bilingual broadcasts), while public and private Spanish stations attract 75% of Basque listeners. The structure of radio companies in the Basque Country comprises seven groups of broadcasters: EiTB, RNE, SER, Vocento, COPE and Onda Cero Groups; other broadcasters linked to the Church, and Radio Nervión-Gorbea. Of the 84 existing broadcasters, five pertain to EiTB, with 400,000 listeners each day. The Basque Country has promoted free broadcasters but does not have a significant network of

local radio stations (compared to Catalonia, for example, with more than 200).

### Television

The television situation in the Basque Country is made up of the regional television network ETB, with its four stations (Etb1, Etb2, Etb Sat and Canal Vasco); the digital platform Euskaltel and a network of local television stations. They all compete with the State television networks and platforms.

The high purchasing power and production policy associated with the sector have made EITB the main client of the broadcast industry in the Basque Country, which purchased products from Basque production companies to the value of more than 19 million euros in 2002. In the same year, over one million euros was earmarked to purchasing rights from local production companies and funding feature-length films, made-for-TV movies and short films produced by them. The amount spent on similar purchases from companies outside the Basque Country came in at over 300 million euros.

Figures from the Local Television Census and the AIMC from October 2002 reported 27 local broadcasters based in the Basque Country, from a total of 387 across Spain. The absence of regulations for local television stations and the lack of a frequency distribution map have put a brake on the development of local television in the region.

### Internet

Another factor to take into account is the Internet. Existing infrastructures provide 95% of the Basque population with Internet access and the forecast for the medium term is that cable services will reach 73%. This situation is a favourable starting point for defining actions in this area, either within the Basque Country Plan For The Information Society or through EITB to develop the production of interactive broadband content. However, the key factor is content generation, and there is currently a limited presence of the Basque language online. The General Users Study (EGU) for the year 2000 found 36,321 websites in the Basque language, compared to 200 million in English, 7.5 million in Spanish and 443,301 in Catalan. Other studies, such as Eustat, show that the Internet is mainly used as a source of information, as in the second half of 2002 the pages most commonly visited by Basques aged 15 and over were

elcorreodigital.com; marca.es; diariovasco.com; euskadi.net and elmundo.es

The White Paper supported innovation and new technologies and emphasised the opportunities the Internet provided to promote the production of programmes aimed at local television stations, as well as the development of new broadband formats and content. In this framework, one month before the White Paper was presented, on 6 May 2003, the Basque Government approved the creation of a public company called EITBnet, charged with promoting the production of multimedia channels and content on digital TV, teletext, the Internet, mobile phones and other multimedia supports.

### Conclusions to the Overview of the Basque Sector

During the preparation of the White Paper, the authors became aware of a lack of information about the sector. One of the first measures that the paper mentioned, therefore, was the need for a quantitative and objective analysis of the Basque audiovisual industry as a starting point for assessing the level of success of the measures and strategies already applied and to adapt future measures to the reality of the sector.

Despite the lack of data, it is possible to conclude that the audiovisual industry in the Basque Country is very fragmented, with little self-funding ability, a high turnover in jobs, limited experience in business management and a heavy dependency on EITB. The practical inexistence of private companies on regional and international markets furthermore ensures that the volume of the Basque audiovisual market does not correspond with the region's weight within the Spanish economy. The sector is also defined by a lack of products and little expansion abroad, making it important to promote a system of marketing, promotion and distribution addressed to domestic, neighbouring and international markets.

### Factors for Developing the Sector

The authors of the White Paper established five basic elements when it came to reflecting on the evolution of the Basque audiovisual industry.

Firstly, **access to new markets** would have to be esta-

blished in both the geographic and linguistic areas, making it possible to diversify sources of income, reduce the dependency on EITB and break out of the endogenous dynamics in which Basque companies work. To carry out this expansion to other markets, it is necessary to have more investment capacity, and in this area the public sector could facilitate the extension of the private sphere's ability to be able to find new forms of collaboration and integration.

The second factor to bear in mind is the **optimisation of investments**, which would make it possible to use potential synergies in staff and infrastructures. In this sense, the digitalisation of content production requires a renewal of technology, know-how and human resources. The solution would be to support shared production infrastructures to generate products and content aimed at non-domestic markets.

Defining a **coordinated strategy for public organisations** within the sector would improve the effectiveness and efficiency of public policies to integrate the activities of the different, capable public agents and the regulation of the audiovisual industry.

The fourth point would be to promote a **global and segmented vision** of the sector to ensure pluralism, the construction of an identity of a modern society, and the formation of an own and inter-communicated network. To do this, it is extremely important to establish a comprehensive policy to support synergy between film, television and radio; to concentrate efforts and agree on the cultural, industrial and financial policies of the public radio and television stations and to extend the policy of promoting films to the rest of the audiovisual sphere. It is also necessary to make the most of the opportunities that the digital cultural provides and to follow changes in the value chain (B2B, P2P, e-films, etc.).

The final factor to consider in the development of the audiovisual industry is **training and recycling**. Within the area of professional training, an essential requirement is more courses in camera operation and sound engineering, with a capacity for recycling workers' in line with technological breakthroughs. With regard to university education, it is necessary to cover the areas of audiovisual management; image research, analysis and narratives; artistic experimentation, etc. It is necessary to recycle the people currently in work and to support specialist schools and scholarship programmes abroad; and to promote the

production of works (short films, first works, etc.), business networking and the exchange of resources.

## Strategies to Develop

The White Paper focused mainly on the industrial side of the audiovisual industry and so the first stage of its Plan of Action prioritised the phases of creation and production, particularly in television, which plays a fundamental role as a vehicle that can promote other areas.

Moreover, the sector must make the most of the growing interest in minority cultures, which means promoting quality films without overlooking general content. Films bring prestige to an audiovisual industry and are decisive in the formation of creators. To that end, the authors of the White Paper established that film works had to receive the necessary support to be able to have four to seven movies shot per year (with at least one being in the Basque language). Public support is vital until such time as the market is big enough to stand on its own.

In this regard, an additional proposal would be to identify all the audiovisual content generated in the Basque Country with a specific and recognised brand.

## The Basque Government's Overall Cultural Policy with Regard to the Audiovisual Industry

One of the first measures the White Paper proposed was the collaboration and business integration that could generate a greater size amongst private companies, which in turn could facilitate internationalisation. Moreover, it suggested the creation of common-use infrastructure or the use of EITB equipment when not being used. Basque companies should also have a role in co-productions with other companies, which could facilitate the distribution and marketing of their products.

Among the areas that this comprehensive cultural policy should define would be measures to link the audiovisual industry to the Basque Culture Plan, particularly in the area of cultural industries and digital culture, as well as the defence of pluralism in the public service through a regulation that would reinforce the quality and adequacy of

the communication system, as shall be exercised in the future by the **Basque Audiovisual Communication Council**.

The White Paper mentioned other initiatives and parameters, such as the need to create an observatory to track the sector and detect trends; to make the most of possibilities determined by the EU's audiovisual policy on cultural diversity; to develop the Basque cultural and communication space; to integrate fiscal, financial, industrial and subsidy organisations and measures; to promote funding measures so that companies can have enough initial capital to later be able to capture investment and aid; to support training and recycling at all levels; to promote creation and quality to obtain products suitable for domestic and foreign distribution, and to maintain a line of support for new filmmakers and other audiovisual creators.

## Internal Analysis

The fourth chapter of the White Paper looked at the internal weaknesses and strengths of the Basque audiovisual industry.

The **weaknesses** were found to include the following: that the sector is very fragmented as it is made up of small enterprises with little self-funding capacity and a high dependency on EITB. Moreover, there is not enough audiovisual infrastructure or equipment to be a reference point for production, nor is there enough use of existing initiatives to promote the industry. The low level of internationalisation, the high turnover of jobs and the general lack of knowledge about technologies in all phases of production are currently impeding the growth of the sector.

One result of this unfavourable situation has affected all the stages of production: with regard to creation, little new talent has emerged, there is limited experience in global content and there is a lack of know-how when it comes to creating multi-format products. Audiovisual distribution is in a weak position because of the practical inexistence of Basque distribution companies, while the broadcasting of EITB content has a limited scope, meaning that advertising income is also very scarce.

On the other hand, the **strengths** of the audiovisual sector in the Basque country are mainly based on the strength and

flexibility of the local industrial fabric beyond the audiovisual market and its experience in promoting other sectors. The White Paper also underlined the following as advantages for the sector: the existence of a public investment plan in infrastructure and equipment; the support for broadband as a way of stimulating demand for new-format interactive content; an efficient education system and acceptable university model linked to culture; and, finally, the programme contractually agreed upon between the Government and EITB, which redefined the role of public television to increase its involvement in the sector.

With regard to creation, the Basque Country has its own cultural identity and values, with leading personalities in the areas of culture, film and art. Cultural events are also organised with an international presence. With regard to production, people trained in the Basque Country are recognised for their ability and experience in producing pilot projects and high-quality general programmes known for their agility and competitive prices, as well as the adaptation of multilingual solutions.

## External Analysis

Before establishing the lines of action set out in the White Paper and studying the internal weaknesses and strengths of the sector, it is important to look at the risks and opportunities relating to external markets.

Basque audiovisual companies have to compete with a growing content supply of a global formula, such as *Gran Hermano* and *Operación Triunfo*; they have to tackle the centralisation of the audiovisual industry in Madrid and bear in mind audience habits and preferences in audiovisual consumption which are changing at an increasingly fast pace. Moreover, digitalisation opens the way to new, low-cost producers that compete against the producers already established in the sector. Distribution is affected by the predominance of big international distributors who impose very strong entry barriers.

If the previous paragraph specified the external risks, I would now like to consider the opportunities that have arisen from the explosion of the information society: an increase in demand for broadband content and personalised audiovisual supply (an increasing number of niche channels

and falling audiences among general channels); the development of digital terrestrial television (DTT) and the presence of Euskaltel, which has generated frequency multiplexing and the surge in the number of channels able to distribute Basque audiovisual content, and the EITB Group's participation in FORTA, an important distribution source for Basque content. Finally, audiovisual production in the Basque Country could satisfy the demand for made-to-measure content from regional and local channels, as well as requests for the same content in different languages to respect the linguistic preferences of each market.

## **Lines of Action**

The authors of the White Paper devoted the fifth chapter to specifying the lines of action that could define the coordination policy between public administrations, companies and people working in the sector. The first result of the start-up of these areas would be a new sector map, with the redefinition of existing organisations and the creation of new ones.

In general terms, the main lines described below involve organising the sector, improving the business model, promoting resources, strengthening the market and promoting the audiovisual culture.

### **Organising the Sector**

- Endow the sector with new organisations.
- Consolidate the audiovisual industry in the Basque Country.
- Bring public initiatives into line.
- Extend knowledge about the Basque audiovisual industry.
- Track the action plan.
- Guarantee communication between industry and the Government.

### **Improving the Business Model**

- Facilitate the search for information.
- Support creation.
- Shore-up legal advice.
- Promote shared know-how.
- Promote projects of R,D&I (Research, Development and Innovation).

### **Promoting Resources**

- Improve human resources.
- Improve working conditions.
- Have production infrastructure shared by sector organisations.

### **Strengthening the Market**

- Create a distinctive brand for the Basque audiovisual industry.
- Develop international promotion.
- Promote co-productions.
- Improve knowledge about creative trends.
- Guarantee a minimum local distribution.
- Facilitate external distribution.

### **Promoting the Audiovisual Culture**

- Link the audiovisual industry to overall cultural development.
- Promote the industry in the Basque language.
- Guarantee film production in line with the cultural needs and potential of the Basque Country.
- Support production in other formats and content for cultural reasons.

## **Sector Map and Organisations within the Audiovisual Market**

For the short term, the White Paper proposed the creation of an Inter-Institutional Committee on the Basque Audiovisual Industry and an Audiovisual Cluster to hammer out a common strategy and coordinate public and private efforts to promote the industry. For the medium term, it proposed the creation of two companies within the heart of the Cluster, which could develop production ability and the sector's capacity for attracting interest, i.e., an Audiovisual Production Society and an Audiovisual Infrastructures and Services Management Society.

### **IKEBATZ-CIVAL**

The inter-institutional committee was established four months after the White Paper was presented. On 23 September 2003 the Basque Government approved the decree to establish a committee called IKEBATZ-CIVAL,



which had the mission of fostering convergence between public and private initiatives and providing the latter with particular tools and projects.

The Committee has the following functions:

- To report on and assess the promotional activities established in the White Paper.
- To propose support programmes, concrete actions and other intervention measures to coordinate the activity of the Basque audiovisual industry.
- To monitor the White Paper's Plan of Action and public aid to the industry.
- To propose measures to promote inter-departmental cooperation.
- To prepare an annual report.
- To promote the development of the Cluster.

The Committee is comprised of representatives from the government departments related to the audiovisual industry (Culture; Industry; Trade and Tourism; Tax and Public Administrations; Education and Universities; Work, Justice and Social Security), the provincial governments and EITB. The sector members are also represented, in the capacity as advisors on the Advisory Council and in the different IKEBATZ-CIVAL workgroups.

### **The Audiovisual Cluster**

Of an essentially private structure, the aim of the Cluster would be to encourage the cooperation and competition needed to promote the sector. As with other clusters promoted by the Basque Government, funding could be private or mixed. The main purpose of the organisation would be to guarantee an effective communication channel between the government and private companies when it came to promoting joint ventures, mergers and the creation of an Euskadi Film Commission that could promote film production in the region. It would also support sector activity by providing legal advice, finding funding sources, conceptualising new projects, arranging further-training programmes, foreign-distribution methods, etc. In relation to distribution and promotion abroad, the Cluster would promote the creation of an Export Consortium to consolidate an identity brand for the Basque audiovisual industry across the world. Finally, it would be charged with coordinating

studies in the Observatory to discover the latest creative and technological trends within the sector.

### **The Audiovisual Production Society**

This organisation would be responsible for consolidating the creation and distribution of audiovisual products aimed at global markets. It could be established from the merger of different Basque production companies, thus making a bigger group that could access foreign markets. The presence of the government within the share portfolio would be either partial or minority and only in the event that there was not enough support from the private sector.

### **The Audiovisual Infrastructures and Services Management Society**

The purpose of this mixed-ownership organisation would be to promote competition and the shared management of services and investments in infrastructure and equipment, as well as to promote discussion forums, innovation and knowledge exchanges. Management of the use of infrastructures could initially be handled through renting arrangements, so that the elements that single organisations would find hard to write off alone could share common resources. If a high level of occupation could be achieved, it would even be possible to offer the services to third parties interested in producing in the Basque country.

### **Companies, Associations and People Working in the Sector**

The participation of these groups is extremely important in defining the strategy for the sector.

### **The Basque Government**

Various departments of the Basque Government have powers in relation to the audiovisual industry and the White Paper set out the activities they could carry out.

#### *The Culture Department*

This department is responsible for the Government's cultural and audiovisual policy and would firstly have to support solvent projects and then look at experimental or riskier initiatives. It could also create and maintain an Audiovisual Companies Register, promote innovation, help the Cluster form the brand image of the Basque audiovisual

industry and assess sector needs and trends through IKEBATZ-CIVAL.

#### *The Industry Department*

This department's objective within the audiovisual industry would be mainly to develop policies to keep the companies already established in the region and attract and promote new ones. The department could define horizontal aid programmes and contribute its managerial experience and know-how in developing technology and industrial parks.

#### *The Education Department*

This department would have to establish a dialogue between companies, EiTb, training centres, technology centres and universities to prepare a correct diagnosis of the training situation and could assess the possibility of promoting a project to create a European training programme.

#### *The Work Department*

The main task of this department with regard to the audiovisual industry would be to promote jobs and sector training and reach an agreement that would guarantee suitable and decent contract conditions within a framework of competition.

#### *The Tax Department*

This department would have to carry out the fiscal coordination that could guarantee sector viability, create new funding instruments and lend its support to R,D&I activities.

### **EiTb**

The public radio and television organisation signed a contract with the Basque Government for the 2002-05 period, which redefined its role as a company that could promote the Basque audiovisual industry. EiTb agreed to more efficiently plan its relationship with the sector and reorientate the contracting of its activities to endow the market with a business volume that it currently lacks, through the co-production of audiovisual works. It would also be important to guarantee a local minimum distribution to reduce the commercial risk of productions, such as, for example, the agreements with FORTA.

The Basque communication group has to be involved in the anticipated acquisition of broadcast rights, the promotion

of distribution (including international distribution) and the strengthening and fostering of the production of documentaries and pilot programmes.

## **A Comprehensive System of Measures for Supporting the Sector**

The first five chapters of the White Paper presented a specific and joint reflection on the government authorities and their role in developing the audiovisual sector. It set out strategic lines of action, priorities and organisations to promote the sector, particularly from an industrial perspective. The authors emphasised the importance of integrating these measures under a single policy to ensure that companies could make the most efficient use of the aid available. This was partly due to shortfalls in production, financial aid and commercial management. To promote the sector it would be necessary to use Spanish and European promotion instruments, as well as sector initiatives.

## **The Seven Spheres of the Public Audiovisual Policy**

### **The Cultural Policy**

It is important for the Culture Department to include all the audiovisual production phases and subsectors and all types of products and genres. It must support cooperation and aid for companies, the renewal of creative talent, the promotion of linguistic normalisation and the qualitative overhaul of the aid system for the creation and production of films and other audiovisual works. The autonomous community currently contributes 6.7% of the funds in the Film Protection Fund that provides aid to the Film and Audiovisual Arts Institute (Ministry for Culture). Basque audiovisual companies are currently not profiting from this contribution, which could rise by some 2.4 million euros.

Some of the most interesting aspects of the cultural policy are the preparation of an act by the Audiovisual Communication Council, the start up of a Communication Observatory and the establishment of an Audiovisual Companies Register, which would include companies, people and other organisations that carry out production



and distribution activities in the region, as well as laboratories, dubbing studios and other technical firms, theatre owners and other operators.

### **The Industrial Policy**

It would fall to the Industry, Trade and Tourism Department to provide the sector with proposals that could shore up Basque audiovisual companies through, for example, the creation of the Audiovisual Production Society and an Audiovisual Infrastructures and Services Management Society. It could also promote microenterprises with business and innovation centres that could provide advice, make premises available and facilitate access to aid programmes and market surveys, etc. With regard to other aid, the policies would have to be aimed at supporting the incorporation into the sector of new technologies and export aid.

### **The Funding Policy**

To draw up a new sector map, the White Paper suggested reorganising current aid systems and establishing a complementary source of special public funding for audiovisual production, such as a Special Capital Risk Fund or a Society for the Promotion of Audiovisual Companies. Basque companies can currently access different aid mechanisms such as Luzaro (which grants share-based financial credits to facilitate investment and the process of intermediation in small and medium-sized enterprises), Gauzatu (which promotes the creation and development of innovative technology-based SMEs and companies that work in the information and communication society), AFI aid (which accounts for 70% of the material investment required for SMEs) and Elkargi and Onarri (pool companies).

In this framework, the funding instruments would have to take into account the specific nature of audiovisual products, i.e., the fact they are expensive, require public treatment and take a long time to write off, etc.

As a result of the White Paper's Plan of Action, in September 2003 the Basque Government presented a funding line for the industry that anticipated providing 15 million euros for the year 2004. 60% of the sum would be distributed in the form of loans repayable at 0% interest over four years to make feature-length films, short films, made-for-TV movies, television series, etc. The remaining 40% was earmarked to a line of discounts available to producers.

For its part, EITB dedicated nearly half its operating budget to the production of television works with Basque companies to strengthen the size of the audiovisual industry in the region.

### **The Fiscal Policy**

The current regional legislation provides general tax advantages and others aimed particularly at the audiovisual sector. The White Paper suggested the possibility of including new lines of audiovisual production within the Basque Country Plan For The Information Society.

### **The Public Television Policy**

As mentioned previously, the contract for 2002-05 signed by the Government and EITB included measures to support the audiovisual industry (finding new formats and projects, supporting quality production, participating in co-productions, the normalisation of the Basque language, etc.), as well as steps to support independent film and made-for-TV movies (collaborating in productions, promoting the participation of Basque organisations in audiovisual production, supporting film shoots in the region, etc.).

EITB's medium-term commitments to the sector include preparing a catalogue of multi-year requirements with investment obligations; signing agreements and collaboration frameworks with industry; participating in projects earmarked for abroad; configuring and developing competitive Basque companies; allowing the use of its infrastructure and equipment, and promoting the industrialisation of the sector with a greater volume of control.

### **The Job Policy**

The Work, Justice and Social Security Department should be in charge of finding agreements to improve the competition conditions of companies and establish further training and work policies adapted to the industry.

### **The Training Policy**

As the final sphere of the public policy, the White Paper looked at training. Measures here should be addressed both at occupational and further education, as well as regulated training in professional training centres and universities. In this area, the White Paper emphasised the importance of scholarships and research within the audiovisual industry.