CoSTAR
THE UK R&D NETWORK FOR CREATIVE TECHNOLOGY

ForesightLAB

Arts and Humanities Research Council

Case Study: France

About this case study

This case study has been drawn from the report *AI Policy and its Impacts on the Screen Sector Across the Globe,* by the CoSTAR Foresight Lab and prepared by Olsberg·SPI.

The full report examines how artificial intelligence is reshaping the screen sector internationally, drawing on policy analysis, desk research and in-depth consultations across four jurisdictions: Australia, California, Canada and France. It explores the implications of AI adoption for governance, regulation, rights, labour, skills, sustainability and innovation.

This document presents one case study from that research in isolation, highlighting a specific jurisdictional approach and its relevance to ongoing UK policy discussion.

For full context, comparative analysis and UK-focused insights, please refer to the **complete report.**

Context: France's Screen Sector 🎥

France is home to one of the longest-running and most successful screen sectors globally. Home to a blend of legacy studios, innovative animation and digital content creators, and strong public infrastructure, the French screen sector has been influential across Europe as well as internationally.

Between 2014 and 2023, France cemented itself as the largest market for European films, contributing 24% of all cinema admissions, as well as the film-production sector that produces the most titles within Europe.[1] In that same period, French films represented 20% of all European films in circulation, underlining the strength and global cultural influence of the sector. In 2023, the Centre National du Cinéma (CNC) estimated that French audiovisual tax credits contributed to bringing £2.6 billion (€3 billion) in production expenditure on audiovisual, cinematographic works and video games to France.[2] In that year, the French sector was estimated to have employed 164,924 workers.[3]

Characterised by strong public policy support, a vibrant creative ecosystem, and internationally recognised talent, the value of the French screen sector stretches far beyond its borders. From the Lumière brothers to new wave cinema, to the Annecy International Animation Film Festival and the Festival de Cannes, France has been a long-time leader of the sector.

Key players in the sector include Gaumont, a notable production and distribution company founded in 1895; Pathé, a major film production and distribution company and owner of a number of cinema chains; and StudioCanal, another major production and distribution company. France is also home to renowned animation studios like Illumination Studios Paris, which is the company behind global hits such as *Despicable Me* (2010) and *Minions* (2015), and Xilam Animation, which has exported French animated series worldwide. On the digital front, video game developer and tech company Ubisoft represents a growing convergence between interactive media and screen storytelling.

Maintaining a highly regulated media environment with quotas for European and French-language content on broadcasting and streaming platforms, France has been at the forefront of advocating for the application of such cultural exceptions at the European level.

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1   *Made in Europe: Theatrical distribution of European films across the globe.* European Audiovisual Observatory, 21st November 2024. Accessible at: https://rm.coe.int/made-in-europe-theatrical-distribution-of-european-films-across-the-gl/1680b27e6e

2   *Évaluation de l'impact des crédits d'impôt relevant du CNC de 2017 à 2023 (Evaluation of the impact of CNC tax credits from 2017 to 2023).* CNC France, EY, 2025. Accessible at: https://www.cnc.fr/documents/36995/156431/Evaluation+de+l%27impact+des+cr%C3%A9dits+d%27imp%C3%B4ts+relevant+du+CNC+de+2017+%C3%A0+2023.pdf/7194f920-92cc-1140-0bc3-874f25937f80?t=1752079757424

3   *Rapport d'évaluation des crédits d'impôt 2023 (2023 Tax Credit Evaluation Report). CNC, September 2024.* https://www.cnc.fr/documents/36995/2290343/Rapport+d%27%C3%A9valuation+des+CI+2023-.pdf/dd228062-a3e6-1577-ec58-bd896da0a123?t=1730905588970

Current Policy Concerning AI and the Creative Industries 📄

France does not currently have its own national AI legislation, nor does it have any specific regulations targeting AI use in the Creative Industries. Regulation of AI is instead chiefly led by the EU AI Act, which applies across all EU Member States.

The EU AI Act[4] is the first comprehensive, supranational piece of legislation regulating AI systems, as it also applies to those external providers that have users within the EU. Entering into force in August 2024, it provides a tiered risk-based regulatory framework and aims to ensure trustworthy, human-centric AI while supporting innovation.

The EU AI Act covers all AI systems, with exceptions for systems used solely for military, national security, research and non-professional purposes. The Act introduces four risk tiers to regulate these systems: unacceptable, high, limited and minimal risk. Unacceptable risk, such as manipulative AI or social scoring systems are prohibited, while high-risk AI systems are subject to transparency requirements, such as the establishment of a risk management system, data governance or the keeping of technical documentation records. In addition to the EU AI Act, France has also presented its own National Strategy for Artificial Intelligence.[5] Launched in 2017 under the France 2030 plan, the strategy aims to position France as a global AI leader. As part of the France 2030 plan, the government also launched *La Grande fabrique de l'image (*The Great Image Factory*)* project[6], focusing on the screen sector; the project will see £307m (€350m) of government funding spent on constructing more soundstages and virtual facilities. The project is designed double the surface area of film sets and nearly quadruple the surface area of backlots by 2030.

Beyond the EU AI Act, further European and national frameworks are in place to guide AI development and use. At the European level, the Council of Europe's Convention on AI[7] sets foundational principles for ethical AI, including transparency and risk management, while global frameworks from the OECD[8] and UNESCO[9] promote non-binding standards of fairness and accountability. The Generative AI Committee, launched in September 2023, is the key sector forum uniting cross-sector stakeholders to guide national AI policy.

Although the EU AI Act governs AI and its cross-sector applications more broadly, France is expected to pursue additional national sector-specific regulations, particularly around copyright. In France, AI-generated content raises unresolved intellectual property concerns due to the legal requirement of human authorship. Current regulatory efforts in the field of AI and intellectual property include

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4   *EU AI Act*. European Commission, 2024. Accessible at: https://digital-strategy.ec.europa.eu/en/policies/regulatory-framework-ai

5   *Stratégie nationale pour l'intelligence artificielle (National Strategy for Articial Intelligence*. Government of France, 8th November 2021. Accessible at: https://minefi.hosting.augure.com/Augure_Minefi/r/ContenuEnLigne/Download?id=334FD34F-7844-497E-9551-79EDFF3B2EEF&filename=1645%20-%20DP%20-%20Strat%C3%A9gie%20Nationale%20pour%20l%27IA%202%C3%A8me%20phase.pdf

6   *La Grande fabrique de l'image (The Great Image Factory), France 2030. Government*. Government of France, 19th May 2023. Accessible at: https://www.info.gouv.fr/upload/media/organization/0001/01/sites_default_files_contenu_piece-jointe_2023_05_19.05.2023_-_dossier_de_presse_-_annonce_des_laureats_de_lappel_a_projets_-_grande_fabrique_de_limage.pdf

7   *The Framework Convention on Artificial Intelligence*. Council of Europe, 5th September 2024. Accessible at: https://www.coe.int/en/web/artificial-intelligence/the-framework-convention-on-artificial-intelligence

8   *OECD Framework for the Classification of AI systems*. OECD, 22nd February 2022. Accessible at: https://www.oecd.org/en/publications/oecd-framework-for-the-classification-of-ai-systems_cb6d9eca-en.html

9   *Recommendation on the Ethics of Artificial Intelligence*. UNESCO, 16th May 2023. Accessible at: https://www.unesco.org/en/articles/recommendation-ethics-artificial-intelligence

legislative proposals, such as Law no. 675,[10] aimed at labelling AI-generated images on social media, reflecting the country's inclination toward stronger IP protections and author rights. While the proposal does not mention screen sector-specific regulation, the suggested legal approaches towards AI-generated images may signal the direction of possible upcoming, screen sector-specific laws. Law no. 675 requires users to add a statement indicating the AI origin of their images; it is possible that such requirements may be adopted for AI-generated moving images as the technology and the regulations both evolve.

At the national level, the *National Strategy for Artificial Intelligence* sets out sets out France's domestic ambitions for AI development.[11] The strategy is divided into three phases: building AI research capacity (2018–2022), integrating AI into the economy (2021–2025), and accelerating innovation through significant public investment, including £2.2 billion (€2.5 billion) dedicated in 2025. Key initiatives of the strategy include calls for trusted AI demonstrators, territorial AI solutions, embedded AI technologies, digital commons for generative AI, SME-targeted support (IA Booster France 2030), and the development of AI-related academic institutions, via the creation of an AI cluster. Additional incentives include tax credits for R&D and innovation.

In terms of oversight from authorities, France's data protection agency, the Commission nationale de l'informatique et des libertés (CNIL), has taken an active role in AI oversight by creating the Artificial Intelligence Service[12] and publishing an AI Action Plan,[13] along with practical guidance materials to align AI development with data protection standards. Academic and industry contributions, such as studies by HEC Paris[14] and EY France[15], also continue to shape the discourse on AI's impact in the creative sector.

In a 2024 study,[16] the European Audiovisual Observatory (EAO) also highlights several challenges and impacts of AI on the audiovisual sector, including those companies face in complying with EU transparency requirements, in addition to limits on deepfakes and misinformation. In the study, the EAO noted that the technology may displace certain production jobs while creating roles in moderation and compliance, and legal uncertainties remain around IP and AI-generated content. Divides within the industry are also deepening, benefiting large-scale or tech-driven players more than small or artisanal creators.

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10   *Proposition de loi, n° 675 (Bill No. 675)*. Assemblée Nationale, 3rd December 2024. Accessible at: https://www.assemblee-nationale.fr/dyn/17/textes/l17b0675_proposition-loi

11   *Stratégie nationale pour l'intelligence artificielle (National Strategy for Articial Intelligence*. Government of France, 8th November 2021. Accessible at: https://minefi.hosting.augure.com/Augure_Minefi/r/ContenuEnLigne/Download?id=334FD34F-7844-497E-9551-79EDFF3B2EEF&filename=1645%20-%20DP%20-%20Strat%C3%A9gie%20Nationale%20pour%20l%27IA%202%C3%A8me%20phase.pdf

12   CNIL Artificial intelligence hub. CNIL, 2025. Accessible at: https://www.cnil.fr/en/topics/artificial-intelligence-ai

13   *CNIL AI Action Plan*. CNIL, 16th May 2023. Accessible at: https://www.cnil.fr/en/artificial-intelligence-action-plan-cnil

14   *AI Is Reshaping the Creative Economy*. HEC Paris, January 29th 2025. Accessible at: https://www.hec.edu/en/dare/innovation-entrepreneurship/ai-reshaping-creative-economy

15   *How GenAI provides opportunities for human creativity and the new economy*. EY Parthenon, 24th June 2024. Accessible at: https://www.ey.com/en_nl/services/ai/how-genai-provides-opportunities-for-human-creativity-and-the-new-economy

16   *AI in the Audiovisual Sector: Navigating the Current Legal Landscape*. European Audiovisual Observatory, 22nd October 2024. Accessible at: https://www.obs.coe.int/en/web/observatoire/-/new-report-the-challenges-of-ai-for-the-audiovisual-sector-and-the-role-european-legislation-is-playing

In June 2025, French President Emmanuel Macron announced a partnership between leading French AI-firm Mistral and American tech giant NVIDIA, to develop next-generation cloud services in France.[17] The development would help transition Mistral from a model developer to a vertically integrated AI cloud provider. This announcement fits in line not only with the France 2030 plan[18] to make the country a powerful player within the European AI landscape, but also the global trend of larger, tech-driven players gaining more momentum at the expense of small companies and individual creators. The coming years are likely to be crucial in both terms of legislative as well as technological developments. French legislators have a monumental task on their hands in making sure that their rich cultural heritage and traditions of IP protection are upheld, all while supporting the government's aims to make France the next European tech superpower.

Additional Insights from Consultations 🧑‍🤝‍🧑

Consultees emphasised the need for a comprehensive approach in regulating AI in the screen sector, as there are currently no domestic frameworks to regulate the use of IP and data in the French screen sector. Some consultees noted that while EU-wide regulation of AI was adopted faster than domestic rules, French legislators viewed it as important to be at the forefront of new legislation when it comes to IP and creators' rights.

Consultees also expressed concern about the widespread use of US-based AI tools and LLMs, underlining the need for domestic solutions, in addition to sufficient protection for authors and their works. Concerns about data theft were mounting gradually as models became more widespread, and, in line with this, consultees agreed on the need to develop a new framework for fair compensation both on the domestic and on the international stage.

Screen sector stakeholders and public sector consultees alike agreed on the urgent need to strengthen the legal framework protecting copyright in a way that ensures other industries can engage with protected works, thus helping to drive innovation across sectors.

In parallel with regulatory efforts, consultees also noted that France was making significant infrastructure investments, which enable AI-led innovation within screen production. Noted investments include the redevelopment of the Bry-sur-Marne studios into the East Paris Creative Hub (Le Pôle Image et Son de l'Est Parisien)[19], and the recently announced AI Campus near Paris.[20] Announced in May 2025, the AI Campus is a joint venture between Bpifrance (the French national investment bank), MGX, Mistral AI, and NVIDIA to establish Europe's largest AI Campus, with a planned capacity of 1.4 GW. Backed by high-level UAE-French cooperation agreements, the initiative aims to build sovereign, sustainable, and globally competitive AI infrastructure in Europe. The campus will support the full AI lifecycle – model training, inference, and deployment – and feature exascale computing, sovereign cloud integration, and low-carbon data centres. It promises to drive AI adoption across sectors including screen, healthcare, energy, and manufacturing, while reinforcing Europe's digital and climate sovereignty. The project is supported by a strong ecosystem of public and private partners such as Bouygues, EDF, RTE, Sipartech, and École Polytechnique, which will contribute research and talent development.

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17   *MGX, Bpifrance, Mistral AI, and NVIDIA Launch Joint Venture to Build Europe's Largest AI Campus in France.* École Polytechnique, 2025. Accessible at: https://www.polytechnique.edu/en/press-room/press-releases/mgx-bpifrance-mistral-ai-and-nvidia-launch-joint-venture-build-europes-largest-ai-campus-france

18   *France 2030.* Government of France. Accessible at: https://www.info.gouv.fr/grand-dossier/france-2030-en

19   *Presentation of the Pôle Image et Son de l'Est Parisien.* INA, 2025. Accessible at: https://presse.ina.fr/presentation-du-pole-image-et-son-de-lest-parisien/

20   *MGX, Bpifrance, Mistral AI, and NVIDIA Launch Joint Venture to Build Europe's Largest AI Campus in France.* Institut Polytechnique de Paris, 19th May 2025. Accessible at: https://www.polytechnique.edu/en/press-room/press-releases/mgx-bpifrance-mistral-ai-and-nvidia-launch-joint-venture-build-europes-largest-ai-campus-france

Key Takeaways

France's screen sector is a longstanding global leader, underpinned by a rich mix of legacy studios, innovative animation houses, digital content creators, and strong public infrastructure. The sector is supported by a tightly regulated media environment, including quotas for European and French-language content on broadcast and streaming platforms, which reflect France's longstanding advocacy for cultural and industry policy exceptions at the European level. Consultees emphasised that these foundations continue to create a vibrant ecosystem but also noted increasing challenges from the convergence of digital, interactive, and AI-driven content.

France currently relies on EU-wide regulation for AI, principally the EU AI Act, while domestic legislation is emerging. The EU AI Act, in force since August 2024, provides a tiered, risk-based framework for trustworthy AI, covering transparency, data governance and technical documentation for high-risk systems. Complementing this, France's National Strategy for Artificial Intelligence aims to build research capacity, integrate AI into the economy, and accelerate innovation through significant public investment, including initiatives for SME support, academic development, and digital commons for generative AI. However, consultees highlighted that gaps remain, particularly in the screen sector specific policies around intellectual property and copyright for AI-generated content, with current legal frameworks requiring human authorship and raising questions about fair compensation for creators.

Industry stakeholders and public sector consultees agree on the urgent need for a comprehensive domestic framework to regulate AI use in the screen sector. Concerns include reliance on US-based AI tools, data theft, and uneven benefits favouring large, tech-driven players over smaller creative studios. At the same time, France is investing heavily in AI infrastructure, such as the East Paris Creative Hub and the new AI Campus near Paris, designed to support the full AI lifecycle and strengthen Europe's digital sovereignty. Consultees noted that these initiatives, alongside stronger IP protections and strategic policy development, could enable sustainable AI adoption in the screen sector while safeguarding creators' rights and driving innovation across industries.