

## [DE] Bill Amending Film Support System Tabled

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*Caroline Hilger  
Saarbrücken*

On 2 April 2003, the Federal Government Minister for Culture and Media tabled a draft new Filmförderungsgesetz (Film Support Act - FFG). The main aim of the proposed new Act is to adapt the film support system to today's economic climate. Overall, according to the accompanying explanatory memorandum, the current situation of the German film industry is "difficult". This is due to a host of reasons, such as financing problems caused by increasing caution amongst banks, rising production and marketing costs all over the world and a general lack of market growth.

The Entwurf des neuen Filmförderungsgesetzes (Draft Revised Film Support Act - FFG-E) aims to increase the funds available for reference film aid and marketing support (see IRIS Plus 2001-4: 2) and to broaden the remit of the Filmförderungsanstalt (Film Support Institute - FFA). Funding levels are to be raised through a statutory 1% increase in the rate of cinema and video taxes (paras. 66 and 66a FFG-E). With the proviso that the federal government is satisfied that this system is compatible with state aid law (see explanatory memorandum, para. 66 FFG-E), consideration will be given to the European Commission's demand that films produced in other Member States of the European Union should be exempt from these taxes. However, as well as this statutory rise in funding, the TV companies' pledge to increase their voluntary film aid contributions for the next FFG period is also significant. The public service broadcasters have already said they are prepared to double their contributions, which currently amount to EUR 11.2 million. Private broadcasters, meanwhile, will increase their commitment in the form of benefits in kind, e.g. prime-time film trailers or other forms of advertising. A corresponding agreement, to be drawn up in accordance with the newly added para. 67.1.1 FFG-E as a basis for these payments, should be concluded between the TV companies and the FFA before the new Act is adopted.

The Bill also makes provision for the creation of a new advisory body (para. 2a FFG-E). The German Film Council, to be chaired by the Minister for Culture and Media, will draw up fundamental film policy recommendations, evaluate the film support system and recommend general measures for individual organisations, institutions and associations. This is meant to ensure that politicians, sponsors and members of the film industry continually exchange ideas about film policy. All in all, the Minister for Culture and Media hopes that the revised Act will provide a new impetus for structural improvements to the film industry and a decisive

impact on the quality and success of German cinema films. The Act is expected to enter into force on 1 January 2004.

***Referentenentwurf und Begründung vom 21. Mai 2003***

<http://www.bundesregierung.de/Regierung/Beauftragte-fuer-Kultur-und-Me-,9848/Entwurf-FFG-Novelle.htm>

***Pressemitteilung Nr. 146 vom 02. April 2003***

<http://www.bundesregierung.de/Nachrichten-,417.476994/Kulturstaatsministerin-Weiss-D.htm>

