

[DE] Film Support Act Adopted

IRIS 2004-1:1/19

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On 13 November 2003, the *Bundestag* (lower house of parliament) passed the amended *Filmförderungsgesetz* (Film Support Act *FFG*) in time for it to enter into force, as planned, on 1 January 2004 (for more details on the Bill, see IRIS 2003-5:14).

However, first it was necessary to eliminate certain differences that had emerged immediately prior to the second and third readings in the *Bundestag* between private and public-service broadcasters concerning the future composition of the Awards Committee of the *Filmförderungsanstalt* (Film Support Institute - *FFA*). According to the final recommendation of the *Bundestagssausschuss für Kultur und Medien* (Parliamentary Committee for Culture and Media) of 10 November 2003, both public service broadcasters *ARD* and *ZDF* would have occupied two seats each on the Awards Committee, while only one place was allocated to private broadcasters. Because of this allocation of seats, the *Verband Privater Rundfunk und Telekommunikation* (Private Broadcasting and Telecommunications Union - *VPRT*) announced the withdrawal of its original promise to double its voluntary payments to the *FFA* to EUR 22.4 million from 2004. In the end, the public service broadcasters relinquished one of their seats on the Awards Committee shortly before the *Bundestag* voted on the *FFG*. According to Minister for Culture Weiss, the rise in funding levels and improvements to the film support system make the new Act a more effective instrument for the support of the German film industry. In addition, the new *FFG* would ensure that all groups involved in the industry, such as authors, directors, producers, distributors and cinema operators, were supported.

Meanwhile, however, the *Hauptverband Deutscher Filmtheater* (Union of German Cinemas - *HDF*) heavily criticised the amended Act and announced that it would ask the Constitutional Court or another court to examine its provisions. It accused the legislature of failing to dispel the legal and content-related reservations expressed by the cinemas about the new *FFG* in the parliamentary procedure. The *HDF's* criticism was essentially directed at the rise in the statutory video and cinema tax which, in contrast to the voluntary payments made by private broadcasters, is a legal requirement. The Minister for Culture rejected the *HDF's* complaints as unfounded. She said that the tax, only half of which was paid by cinema operators (the other half being paid by the distributors), was offset by a similar level of direct support as well as other general assistance given to the film industry. Besides, the increase of approximately EUR 3.6 million translated into a

rise of only around EUR 400 per cinema per year. The new *FFG* contained some important advantages for cinema owners. For example, support for sales of German films and film production would be significantly increased, with indirect benefits for cinemas.

Beschlussempfehlung und Bericht des Ausschusses für Kultur und Medien zum Gesetzesentwurf der Bundesregierung, BT-Drucksache 15/1958 vom 10. November 2003.

Final recommendation and report of the Committee for Culture and Media on the Federal Government Bill, publication no. 15/1958 of 10 November 2003.

Fourth Law amending the Film Support Act of 22 December 2003, BGBl Nr. 2003/64 vom 24. Dezember 2003, OJl No 2003/64 of 24 December 2003

