

## [DE] A New-look Film Support Fund

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On 21 July 2005 a joint government and film industry working party presented proposals for a new film support fund.

The fund's declared aims are to make the German film industry more effective and competitive and to make up the shortfall in German film production financing. These aims will be realised through establishment of a venture capital fund.

New film-financing arrangements were needed, partly because it is planned to do away with the Media Fund which previously supported certain projects.

The new support system will work by granting loans to be repaid under specific conditions.

The amount of a loan may not exceed 20 % of total production expenditure in Germany.

In return for its input, the fund will be entitled to a share of the film's earnings. Initially this will take the form of repayment of the loan with interest, but profit-sharing arrangements are also planned. After initial pump-priming by the Federal Government, the fund will be financed as cash flows back from the films it supports (in the form of repayments, interest and, in some cases, profit-sharing). Profitable films will thus help to support other productions.

Both German films and co-productions with German involvement will be eligible for assistance from the fund, subject to certain conditions. These include approval of the project by the film support agency and a requirement that spending on the film within Germany totals at least five times the amount of the loan.

The Government has already given the concept its approval and has made an allocation for it in the 2006 budget.

### ***Konzept eines „Filmförderfonds“, 21. Juli 2005***

[http://www.bundesregierung.de/Anlage867186/pdf\\_datei.pdf](http://www.bundesregierung.de/Anlage867186/pdf_datei.pdf)

